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02 December 2016

To: All Members of the Alexandra Palace and Park Board

Dear Member,

Alexandra Palace and Park Board - Tuesday, 6th December, 2016

I attach a copy of the following reports for the above-mentioned meeting which were not available at the time of collation of the agenda:

10. EAST WING RESTORATION UPDATE (PAGES 1 - 8)

The report updates the Board on the progress on the East Wing Restoration Project.

19. REPORTS OF FRAC AND APTL BOARD - FOR NOTING (PAGES 9 - 20)

20. ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT (PAGES 21 - 36)

To consider the exempt appendices pertaining to item 10 of the agenda.

Yours sincerely

Felicity Foley, Principal Committee Co-ordinator
Principal Committee Co-Ordinator

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Alexandra Palace

ALEXANDRA PARK AND PALACE **CHARITABLE TRUST BOARD** **6th December 2016**

Report Title: East Wing Restoration Project Report

Report of: Emma Dagnes, Deputy Chief Executive, Alexandra Park and Palace

Report Authorised by: Louise Stewart, Chief Executive Officer, Alexandra Park and Palace Charitable Trust (APPCT)

Contact Officer: Natalie Layton, Executive Assistant, Alexandra Park and Palace
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Purpose:

The report updates the Board on the progress on the East Wing Restoration Project.

Local Government (Access to Information) Act 1985

N/A

1. Recommendations

1.1. To note this report.

2. Executive Summary

- 2.1. The overall RAG (Red Amber Green) status of the Project is still Red, as previously reported to the Board in July. This is principally associated with the delays for the delivery of Stage 4 Design Information which was 15 weeks delayed. In turn, this has had a knock-on effect on the issuing of tender information to the Contractor and the subsequent time allowed for the sub-contractors to submit their costings within the original programmed timeframe.
- 2.2. Costs are still being contained within the overall project budget.
- 2.3. The Programme Board has met monthly and at its meeting on 17th October 2016 was presented with the seventh highlight report for the East Wing Project, which

forms the basis for this report. Some areas have been updated to reflect the latest news.

3. Enabling Works Management Summary

3.1. BBC Studios

With the asbestos removal works to the BBC Studios nearing completion, the structural engineer have been back in to check the condition of some of the timber work, in particular the trusses, connections and bearings. This again will help substantiate design assumptions and provide an element of de-risking.

3.2. Theatre

Following a request from LB Haringey for a new listed building consent application for the removal of the sleeper walls, permission was granted on 11th November 2016. Works in the Theatre have now recommenced.

Hayles and Howe have recently completed cleaning and survey works above the Auditorium's ornate ceiling. A full report with options and recommendations is due shortly. Early indications suggest that a large percentage of the keying (the connection between the lath and plaster) is in poor condition. Hayles and Howe's report will provide further insight and help to firm up design, specification and quantity assumptions related to the fabric repair elements in this area.

3.3. Surveys

A number of surveys and investigations are being pursued in the East Court to allow greater insight into any unknown risks in particular to below ground services. CCTV survey work to drains and the tracing of buried mechanical and electrical services in particular have started.

3.4. Enabling Works Costs

The official start date for the £1,145,983 contract was 25th January 2016 with an estimated completion date of 17th June 2016. The Enabling Works were not on the main critical path to achieve overall project completion by Christmas 2017.

As per the previous report, the contractor has now be awarded an extension of time until the 8th December 2016 to complete the Enabling Works. We are anticipating a final account of £4.2m (within the overall project budget). The reason for this difference is primarily additional asbestos finds and the associated extension of time request (£1.3m). There is also a sum associated with some bring-forward works from the main works (£1.4m). The balance is represented by miscellaneous items such as removal of rubbish, the discovery of a pug floor in Studio A and other investigations.

3.5 East Wing Restoration Project Construction Budget v spend to date

Budget Line	Budget	Spend To Date	Budget remaining
Enabling Works Budget	£1,145,983	£1,145,983	£0
Construction Budget	£17,555,559	£1,417,570	£16,137,989
Construction Contingency	£1,855,779	£1,703,016	£152,763
Total	£20,557,321	£4,266,569	£16,290,752

The pressure on the main works budget is in the majority the decrease in contingency as the enabling works sum and the brought forward works were as expected. A primary focus on the re-evaluation of the main works budget is building back into the budget of up to £1m contingency if feasible.

4. Design Team

The design team have been attending workshops with Wilmott Dixon's subcontractors to review packages, clarify design and construction methods to ensure that the best price and programme is achieved.

Fraser Randall have been appointed as the Project Managers for the Interpretation delivery on the BBC Studios.

5. Partnerships

One of the three project aims approved by the HLF is to '***work in partnership with key stakeholders to enable public access to historical items, archive footage and documents relating to Alexandra Palace***'

Google Arts and Culture Scanning Project

- 5.1. As reported in July, we were awaiting a formal start-date from Google as to when one of only eight scanners in the world would be shipped to Alexandra Palace to start scanning our archive and private collections. The scanner has been onsite for nearly two months and in that time over 3000 scans have been completed.
- 5.2. The first online exhibitions (tied in with the 80th anniversary date of 02 November 2016) were successfully launched at the 'Pioneers' event (an afternoon tea organised by the Palace for ex-BBC employees who worked at APP).
- 5.3. This project started with an initial introduction into YouTube, which developed into a productive relationship with Google Arts and Culture. The site provides an online platform for organisations such as ourselves to present their full collection and archive at the highest possible resolution, allowing people worldwide to engage with heritage and history of a place or institution virtually, as well as providing a significant resource for onsite learning and participation.

- 5.4. It is worth noting that Google Arts and Culture provide the platform for Cultural Institutions only - all IP, Metadata and Copyrights are held by partaking organisations and collection owners. Other institutions which are represented on the platform include Natural History Museum, British Museum and the Hayward Gallery, to name a few.
- 5.5. The Activity Plan included a modest provision of £50,000 for scanning and digitising the APP collection. This contribution would have only allowed for a limited number of scanned items. The relationship with Google Arts and Culture has enabled APP to digitise a more significant number of items, not only from APP's own archive but also items that we have been granted permission to scan by the BBC, Bruce Castle, Simon Vaughan at APTS, The Shoenberg Family and the Nancy McMillan Collection.

BBC Partnership

- 5.6. As part of the Trust's Round 2 funding application to the Heritage Lottery Fund, a number of letters of support were submitted to demonstrate the range of stakeholder buy-in to the project.
- 5.7. One of those letters was from the BBC's Director General, Tony Hall and stated the following:

I am delighted to support the imaginative proposals for the revitalisation of Alexandra Palace.

They will bring to life the pioneering story of BBC television and the creation there of the first ever regular high definition TV service in the world. We will do all we can to help bring this excellent project to fruition.

- 5.8. Since 2014, the APP team have been building a successful working partnership with the BBC through Robert Seatter, Head of History at the BBC. Robert not only gives his time to our Professional Advisory Group but has been instrumental in providing archive material for both the 80th anniversary celebrations and the Google scanning project. Through Robert the wider APP team have been introduced to other BBC departments who have synergy with the project. These include BBC Research and Development, who kindly attended the 80th celebration events to demonstrate future technologies, BBC School Report (the youth outreach arm of BBC News) and BBC Music. A long-term planning session has already been facilitated with Head of Learning and Participation, Sarah James.
- 5.9. In the build up to the 80th anniversary and the Google scanning project it was identified that a partnership agreement should be put in place formally setting out the principles of the ongoing relationship between the two organisations for the next 10 years. The agreement contextualises the ambitions and contributions to the East Wing Restoration Project and ongoing relationship beyond opening in 2018.
- 5.10. Robert Seatter added:

7. Programme Budget Reporting

- 7.1. Expenditure at the end September 2016 is in line with anticipated updated spending and mainly involves construction, professional design and associated fees and support delivery costs. However as previously outlined in this report we are anticipating a final account of £4.2m for the enabling works - this is still within the overall project budget. To re-cap, the reason for this difference is primarily additional asbestos finds and the associated extension of time request (£1.3m). There is also a sum associated with some bring-forward works from the main works (£1.4m). The balance is represented by miscellaneous items such as removal of rubbish, the discovery of a pug floor in Studio A and other investigations.
- 7.2. The Change Order Request (COR) process is now well-imbedded in the contract and the Change Control Panel or delegated individuals (in respect of urgent change requests). Forty two CORs have been considered to 30 September 2016.
- 7.3. With the additional contractual implications the project contingency has been allocated provisionally as:

42 Change Order Requests totalling £1,703,795 there some £151,984 contingency left in the construction budget. It is anticipated that any other liabilities will need to be taken from the £18.7m construction budget

The approved Contingency is allocated as follows (as of end Sept):

Capital

Works – construction, Repair and Conservation (10%)	£1,855,799
Consultant Fees (10%)	£ 278,969

Revenue

Delivery cost and Evaluation (2.8%)	£ 25,624
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- 7.4. The impact is that only about £151,984 of the £1.855m capital contingency is left. This is not ideal at this stage and before the Main works so Value Engineering is being pursued vigorously. The pressure on the main works budget is mainly due to the decrease in contingency as the enabling works sum and the brought forward works were as expected. A primary focus on the re-evaluation of the main works budget is building back into the budget of up to £1m contingency if feasible.
- 7.5. All of the costs so far are contained in the overall project budget of £26.74m. An update on the tender responses will be given in the exempt section of the meeting.

8. Funding Sources

Confirmation of funding sources:

Heritage Lottery Fund	£18,850,000
Haringey Council	£6,793,775
Fundraising/underwritten sum	£1,094,128
Total Delivery Budget	£26,737,903

9. Alexandra Palace Project Cashflow

The status remains the same as reported in July. Adjustments have been made as to avoid critical points in the project where there are cashflow gaps due to the timing of drawdowns from the HLF and the release of match-funding from Haringey Council. The Council have confirmed that they will support the project during these times so the KPIs are met on invoice payments.

10. Legal Implications

- 10.1. The Council's Assistant Director of Corporate Governance has been consulted in the preparation of this report, and has no comments.

11. Financial Implications

- 11.1. The Council's Chief Financial Officer has been consulted in the preparation of this report, and advises that, although there has been a concerted effort in keeping to budget on the project, there is a risk that the overall project budget will overrun if further unforeseen factors emerge. The Trust should continue to monitor the programme budget closely and rebuilding the project contingency to cushion against overspends.

12. Use of Appendices

Exempt Appendix 1 – BBC Partnership Agreement
Exempt Appendix 2 - Google Partnership Agreement

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