

Natalie Cole
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24 April 2009

To: All Members of the Alexandra Palace and Park Panel

Dear Member,

Alexandra Palace and Park Panel - Wednesday, 29th April, 2009

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:

4. PROPOSED LEASING OF THE 'WORKSHOP' BUILDING IN THE GROVE, ALEXANDRA PARK (PAGES 1 - 8)

Report of the General Manager of Alexandra Palace and Park Charitable Trust.

6. PROPOSED LEASING OF THE 'WORKSHOP' BUILDING IN THE GROVE, ALEXANDRA PARK (PAGES 9 - 14)

Report of the General Manager of Alexandra Palace and Park Charitable Trust (Exempt).

Yours sincerely

Natalie Cole 020 8489 2919
Principal Committee Co-Ordinator

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Agenda item:

Alexandra Park & Palace Panel**On 29th April 2009**Report Title: **Proposed Leasing of the Workshop building in the Grove, Alexandra Park**Report of: **Mark Evison, Park Manager.****1. Purpose**

1.1 To consider the proposed leasing of the Actual Workshop building in the Grove

2. Recommendations

2.1 That the Panel notes the tender results matrix shown in paragraph 8.2.

2.2 That the Panel notes the report of Strutt and Parker shown at Appendix 4 (exempt) and agrees to lease the building to Tenderer 3 as recommended in paragraph 8.3.

2.3 That the Panel delegates to officers and legal advisors the power to conclude negotiations and finalise lease terms.

2.4 That the Panel notes the requirement for the tenant to obtain Planning Permission prior to sealing of the lease.

2.5 That the London Borough of Haringey's Corporate Services (Borough Solicitor/Head of Legal Services) be authorised to seal the finalised lease on behalf of the Board of Trustees.

2.6 That the Board receives a progress report from officers at the next regular meeting of the Board.

Report Authorised by: **Mark Evison, Park Manager:**

Contact Officer:

**Mark Evison, Park Manager, Alexandra Park & Palace Charitable Trust,
Alexandra Palace Way, Wood Green N22 7AY. Tel No. 020 8365 2121.****3. Executive Summary**

3.1 Proposals have been made for the Workshop building for various community and business uses, a tender process was undertaken and the results are shown in paragraph 7.

3.2 The recommended tenants for the building are shown in paragraph 8.3

4. Reasons for any change in policy or for new policy development (if applicable)

- 4.1 The steady flow of inquiries regarding this, the last empty building in the park, prompted the tender process, as resolved by the Board at their meeting on 21st October 2008.

5. Local Government (Access to Information) Act 1985

- 5.1 Reports and minutes of the Board 21st October 2008 and 24th February 2009.
- 5.2 Appendices 3 and 4 are not for publication because they contains exempt information as defined in section 100A of the Local Government Act 1972; namely terms proposed or to be proposed by or to the authority in the course of negotiations for a contract for the acquisition or disposal of property or the supply of goods or services.

6. Description

- 6.1 Following a number of inquiries during 2007-08 the Board agreed to progress the letting of the Workshop building in the Grove at the Board meeting on 21st October 2008.
- 6.2 For information, a plan of the Grove showing the location of the Workshop is attached as Appendix 1.
- 6.3 Expressions of interest were sought by advertisement in two local newspapers and 'Leisure Opportunities' magazine. The eight previous inquirers were also informed of the start of tender process.
- 6.4 Twenty-four expressions of interest were received and these individuals were asked to provide details of their proposed concept by 20th February 2009. Twelve concepts were proposed for the building covering six broad categories:
- community café with arts & crafts activities
 - training centre for outdoor sports instructors
 - children's soft play and refreshments
 - mini-golf
 - community art centre
 - cycle shop and environmental community centre
- 6.5 The mini-golf and cycle shop proposals were withdrawn and at its meeting of 24th February 2009 the Board approved the remaining concepts as suitable for inclusion within the park.
- 6.6 The ten remaining candidates were then required to submit a sealed bid containing the detailed concept, rental figure and the length of lease required (up to a maximum of 21 years) along with the proposed investment they would make into the facility. These bids were due at Noon on Friday 20th March.
- 6.7 Five bids were returned by the deadline and these bids were opened on 6th April 2009.
- 6.8 The Local Authority has not been able to confirm the current planning designation for the building. As the proposal may constitute development, the agreement to lease the building is subject to the tenderer securing planning permission

- 6.9 Although lease negotiations can take place whilst the tenant secures planning approval, completion of the lease would be subject to planning permission being obtained by the tenant.
- 6.10 The chosen tenderer would be able to progress a planning application in tandem with the lease negotiations. The planning application would progress through the normal channels which include the Statutory Advisory Committee and its advice to the Board on the specifics of the plans and any alterations required.
- 6.11 The building would not pass to the tenant if he is unable to obtain Planning Permission.

7. Tender results

- 7.1 The five bids were as follows (in no particular order):

Tenderer	Proposed use
1	Performing arts and sports for children
2	Educational play centre and cafe
3	Play centre & family cafe
4	Café with art & craft activities
5	'Parish Hall' hire to local groups

- 7.2 The amounts and terms offered are shown in Appendix 3 (exempt).

8. Summary and Conclusions

- 8.1 The bids were analysed and scored according to the following criteria:

- Rental Figure 40%
- Added value/symbiosis 15%
- Quality of Submission 10%
- Quality of Finance 10%
- Use type (appropriate) 10%
- Access 10%
- Term 5%

- 8.2 The scores allocated according to the criteria listed in 8.1 above are summarised in the following table:

Tenderer	Score
1	32.0
2	40.0
3	48.0
4	43.5
5	28.0

- 8.3 The recommended operator according to the criteria is therefore, Tenderer 3, with a proposal for a play centre and family cafe.

- 8.4 In summary, Tenderer 3 plans to refurbish the building and fit it with bespoke soft play structures, slides and imagination-inspiring play areas for children aged 0-11. A selection of snacks and drinks will be available as well as a supply of homemade organic food. Their aim is "to bring vibrancy & fun into the Park through stimulating games and activities for children and quality facilities for adults".

- 8.5 The Panel will note that this proposal includes provision of a family café. There is the possibility that this could impact on the business of the nearby Grove Kiosk. However, the play centre would have an entry fee and would be aimed at those with young children. The existing clientele of the Grove Kiosk is much wider and includes regular park users such as dog walkers and passing shoppers.
- 8.6 The re-use of this building will increase the use of parking in the grove car park which may have a small impact upon APTL due to increased pressure on parking availability. It is not feasible to provide a reserved parking system and parking will remain on a first come first served basis.
- 8.7 The Trustees are required to obtain (subject to use) the best rent reasonably obtainable under the Charities Act 1993. The rents offered have been determined through a tender process and Strutt and Parker have provided a report, Appendix 3 (exempt), which serves to satisfy the obligation under section 36 of the Charities Act to have the rental figure assessed by a qualified surveyor.
- 8.8 Detailed lease terms will need negotiation in order to allow the building to be opened before the end of 2009. The negotiations would be subject to the tenant obtaining planning permission for the proposed use, restrictions on the user clause and to financial/legal checks as to the suitability of the tenant.
- 8.9 All of the tenderers, successful or not, will be informed of the Panel's decision following this meeting. If the selected tenderer withdraws, the second tenderer (number 4) would then be approached.

9. Recommendations

- 9.1 That the Panel notes the tender results matrix shown in paragraph 8.2.
- 9.2 That the Panel notes the report of Strutt and Parker shown at Appendix 4 (exempt) and agrees to lease the building to Tenderer 3 as recommended in paragraph 8.3.
- 9.3 That the Panel delegates to officers and legal advisors the power to conclude negotiations and finalise lease terms.
- 9.4 That the Panel notes the requirement for the tenant to obtain Planning Permission prior to sealing of the lease.
- 9.5 That the London Borough of Haringey's Corporate Services (Borough Solicitor/Head of Legal Services) be authorised to seal the finalised lease on behalf of the Board of Trustees.
- 9.6 That the Board receives a progress report from officers at the next regular meeting of the Board.

10. Equalities Implications

10.1 There are no perceived equal opportunities implications in this report.

11. Financial Implications

11.1 The Workshop building currently attracts small annual costs due to insurance, standing charges on the utilities and maintenance of the fire alarm system.

11.2 Letting the building on a fully repairing basis will pass those costs onto the tenant and provide an additional income stream for the Trust from the rent.

11.3 The recommended operator is proposing a capital spend of <exempt> to redevelop the building.

11.4 The surrounding grass area and shrubs are currently maintained by the grounds maintenance contractor. The redevelopment of the building will have very little impact on the delivery of this contract.

11.5 The LBH Chief Financial Officer has been sent a copy of this report and his comments are attached as Appendix 2.

12. Legal Implications

12.1 The Trust's Solicitor and LBH Head of Legal Services have been sent a copy of this report.

12.2 The proposed operator would need to secure planning permission from the Local Authority before completion of the lease. If this proves impossible the building would not pass to the tenant.

12.3 The lease will need to contain clauses restricting the use (and any revised future use) to uses that are approved by the trustees.

12.4 The proposed use provides services to children and food handling, the tenant will need to obtain various approvals from the local authority and the trustees should ensure that any approvals granted by the local authority do not lapse.

13. Use of Appendices/Tables/Photographs

13.1 Appendix 1: Location plan of the Workshop.

13.2 Appendix 2: Comments of the LBH Chief Financial Officer.

13.3 Appendix 3: Exempt information relating to paragraphs 7.2. and 11.3.

13.4 Appendix 4: Exempt report of Strutt and Parker to comply with Section 36 of the Charities Act 1993.

Location of the Workshop building

Appendix 1



Gerald Almeroth, LBH Chief Financial Officer has been supplied a copy of this report and provided the following comment:

'The Chief Financial Officer supports the recommendation.'

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By virtue of paragraph(s) 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

Document is exempt

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