

This matter is being dealt with by

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13 October 2009

To: All Members of the Alexandra Palace and Park Board

Dear Member,

Alexandra Palace and Park Board - Thursday, 15th October, 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:

6. GOVERNANCE UPDATE - TO FOLLOW (PAGES 1 - 8)

Report of the General Manager – Alexandra Palace

Yours sincerely

Natalie Cole
Principal Committee Co-Ordinator

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ALEXANDRA PALACE & PARK BOARD

On 15th October 2009

Report Title: **The Way Ahead - Governance Review and Vision Development for Alexandra Palace**

Report of: **Rebecca Kane, Managing Director, APTL and Andrew Gill, Interim General Manager, APPCT**

1. Purpose

- 1.1 To update Trustees with the progress made, and key milestones to come, in relation to improving current governance in order to create a 'fit for purpose' board and processes which will enable the trustees to drive change forward at Alexandra Palace.
- 1.2 To update Trustees with the progress made and ongoing work being undertaken to formulate a new vision for Alexandra Palace.
- 1.3 To clarify the expectations and objective of the Stakeholder Forum on 24 October 2009.

2. Recommendations

- 2.1 Note the update on the Trustees' away day and next steps (appendix 1) as prepared by the independent facilitator Alison Millward.
- 2.2 Note and support the key actions arising from the current communications strategy.
- 2.3 Note the financial commitment to the project to date which is budgeted for within the Trust's development fund and an element of branding work as budgeted within APTL's marketing plan. Any additional works arising from the yet to be approved Communications Strategy would be subject to Trustee approval.

Report Authorised by: **Andrew Gill, Interim General Manager, APPCT.**

A handwritten signature in blue ink, appearing to be 'AG', is located to the right of the text 'Report Authorised by: Andrew Gill, Interim General Manager, APPCT.'

Contact Officer: **Rebecca Kane, Managing Director, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4336.**

3. Executive Summary

3.1 In October 2008, an Independent Report publicly identified that the governance of Alexandra Park & Palace needed urgent review and implementation. In September 2008, the Trustees endorsed an action plan which included the creation of a code of governance. In June 2009 the Trustees endorsed a more thorough review of governance rather than simply putting codes around existing structures.

3.2 At the Board of Trustees meeting on 30 June the following was agreed:

- That the previously agreed approach to achieving changes in governance be confirmed as the appropriate way forward, and that the forthcoming governance away day on 26 September 2009 will give further clarity;
- That the draft code of governance and associated schedules be further developed to reflect the approach outlined and in preparation for formal adoption at a later date; and
- Attendance at the Trustee Away Day be extended to the three Consultative Committee representatives on the Board – Ms Paley, Mr Tarpey and Mr Willmott, and also the Observer on the Board – Mr Liebeck – Chair of the Statutory Advisory Committee.

3.3 Once the Governance structure is fit for purpose, we will engage an array of stakeholders to discuss and agree the future of the asset.

3.4 A Project Steering Group was created to assist Officers and Trustees in the process which includes support from internal members and external members.

3.5 A Trustee Away Day was held on 26 September to engage Trustees in the brand and governance project.

3.6 The key objectives of the Stakeholder Forum, to be held on 24 October, have been identified within the report.

3.7 A communication strategy has been prepared to support the project work. The Chair is the appointed spokesperson. Direct PR are handling initial media queries.

3.8 Rebecca Kane will be hosting behind the scenes tours of the site for Stakeholders prior to 24 October.

3.9 The website will be used in order to inform a wider range of stakeholders and to communicate progress.

3.10 KPMG were asked to provide general advice on structural options which included assessment of tax, legal and local government implications in general terms. This was presented at the Trustee Away Day.

3.11 Work to date is budgeted for but a review of the ongoing communications strategy is

required to keep the project within budget for 2009/10.

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

4.1 The independent report identified some deficiencies and a more comprehensive system of governance as essential good practice for the ongoing operation of the Trust.

4.2 The Chair and Board of Trustees agreed on 30 June 2009 to adopt a new approach to the governance review (as previously outlined in Sept '08) and seize the opportunity to undertake a thorough and radical analysis of the current structures and processes which underpin the Trust.

5. Local Government (Access to Information) Act 1985

Reports referred to in preparing this paper:

- Review and stress test of governance arrangements, KPMG, Sept 2009
- Minutes of APPCT Board meeting, 30 June 2009
- The Independent Report into the Firoka licence, Sept 2008

6. Background and the Independent Report

6.1 An independent report which identified some weaknesses in the APPCT governance was presented on 26 September 2008 to a special meeting of the Trustees. This report was commissioned by the Council using section 151 officer powers.

6.2 A subsequent action plan was approved and a draft code of governance was presented to Trustees on 24 February 2009 with a view to discussing it a future away day.

6.3 In April 2009, the Chair of the Board asked The General Manager and MD of APTL to review:

- a. the format and need for facilitation at the Trustees' Away day
- b. produce a Communications Strategy and other essential papers to aid the delivery of the governance review

7. The revised approach

7.1 On 30 June 2009 trustees informally welcomed the broad outline prepared for the away day and commented on the need to develop the Board's vision, the relationship between the Board, its statutory advisory committee and consultative committee and the possible independent trustees

7.2 Since 30 June 2009 this work has progressed against five key areas in order to ensure the overarching objective of creating a governance structure that is 'fit for purpose' and empowers the trustees to secure a sustainable future for the asset was achieved:

- 7.3 **One:** formulation of a shared vision
Two: agreeing the mechanisms for decision-making and board membership
Three: reviewing the roles and membership of supporting committees
Four: adopting new behaviours and codes of conduct
Five: agreeing new policies
- 7.4 Within that overarching objective there was acknowledgement of the need to create a new dialogue from which to explore the 'future of the asset' which is unresolved and again requires a fresh and collaborative approach.

8. Creating a new brand vision

- 8.1 Once fit for purpose, the Trustees and an array of stakeholders need to be engaged in agreeing the future of the asset. The two projects – governance and branding – are therefore interdependent at the outset. One informs the other. One cannot exist without the other. Both projects were started in September 2009 to ensure the Board and governance structures are:
- fit for purpose
 - Trustees and stakeholders start to define the future vision and strategy for the site.
- 8.2 The format of the away day was changed to encompass both these project elements and a Project Steering Group (PSG) was assembled, to assist officers and trustees in this process, consisting of external support from:
- an independent and expert facilitator and change agent, Dr Alison Millward
 - Direct PR has been appointed (existing PR firm for both APTL and APPCT) to create a communications strategy
 - Harrison:Fraser was appointed to act as brand consultants and define a brand vision for the venue which will inform future strategic master-planning for the site. This work will engage stakeholders across a broad spectrum of interest groups and ensure high levels of collaboration
- 8.3 Internal members of the PSG include: Cllr Egan, Cllr Hare, Julie Parker, Rebecca Kane and Andrew Gill.

9. The Trustees' away day (26 Sept '09) and next steps

- 9.1 An update of the away day and next steps is appended (appendix 1) and reflects the results of the five hour session where Trustees were given feedback from 30 stakeholders on their vision for Alexandra Park & Palace and the exploration of alternative options for a potential re-structure of the Board of Trustees and its relationship with the London Borough of Haringey and Alexandra Park & Palace management.
- 9.2 The away day format will be repeated with a wider invited audience of stakeholders on 24 October, when up to 100 people who use the site's facilities for a wide range of activities, will have the opportunity to input their views on the

same topics. Trustees have agreed to attend in an observer capacity so that they can listen to stakeholder's views.

- 9.3 The results of the Trustees' Away Day and the imminent Stakeholder Forum are designed to help trustees set a draft vision and strategy for the future course of Alexandra Park & Palace which will be presented to the public for further comment at an exhibition in the New Year.
- 9.4 Once the vision has been articulated and approved, Trustees may wish to endorse a bid for additional resources to the London Borough of Haringey to secure a Project Manager and funds to work up a master plan.

10. Stakeholder Forum (24 October)

The main objective of the forum is to:

- Provide Stakeholders with feedback on the outcome of the initial branding interviews
- Explore Stakeholder perspectives on a range of issues relating to governance and branding: values, vision, processes and structures
- Utilise the outcomes of the Trustees' Away Day and the Stakeholder Forum to produce a draft strategy (with a vision, objectives, principles, processes, structure and code of good governance) to deliver a sustainable future for APP, for public consultation
- Illustrate by holding the stakeholder event (and with an almost identical agenda to that of the recent Trustees Away Day) progress on increasing engagement as required for good governance.

11. Communications strategy

- 11.1 A communications strategy has been prepared to support this project and is subject to PSG approval and cost review. The main objectives of the strategy are to:

- Provide clear and accurate information covering all stages of the review as it evolves
- Assist with the smooth running of the review by implementing a rounded communications campaign to support it
- Use effective communications to inspire a sense of ownership and pride in Alexandra Palace, to place the review as the pivotal moment which will kick-start a new and positive future for the site
- Identify pitfalls in advance and mitigate their effects

- 11.2 The Chair of Trustees is the appointed spokesperson to speak on behalf of the Board of Trustees in relation to the governance review process. Direct PR will handle any media queries in the first instance. Behind the scenes tours of AP, hosted by Rebecca Kane, will be held for key stakeholders before the Forum to explain the issues/opportunities facing AP.

- 11.2 A community page goes 'live' on the AP website in early October, outlining the review and the issues faced and inviting people to register to receive more information.

12. Legal Implications

- 12.1.1 The Trust's solicitor has been consulted in respect of the preparation of this report. The Trust's solicitor, BWB (lawyers to APTL) and the legal advisor to the London Borough of Haringey provided advice to the Trustees in advance of the Trustees' away day re alternative structural options for governance.
- 12.2 KPMG were also commissioned to provide advice on a number of structural options for the trustee's consideration at the away day and their review considered the tax, legal and local government implications in general terms.
- 12.3 The action plan implementation will contribute to the reduction of overall risk of governance failure of the charity.

13. Financial implications

- 13.1 The requirement for additional trustee meetings, engagement and use of external assistance and KPMG has a cost implication which is shared between APTL and APPCT. The total spend YTD is £72,825. These costs are placing the relevant budgets (development, marketing etc.) under extreme pressure.
- 13.2 The Communications Strategy and resultant activities for the remainder of the FY to support this project is subject to approval. The costs for this work will need to be considered. Given the timescales it is likely that this will need to be considered outside the standard meeting cycle.
- 13.3 The LBH CFO has been consulted on this report and his comments are below;
- "I note the report and the inclusion of a possible bid for resources from the Council. This would be considered as part of the Council's business and financial planning process."

14. Use of Appendices / Tables / Photographs

- 14.1 Appendix 1 Update on Trustees' away day, Alison Millward

APPENDIX ONE

Alexandra Park and Palace

Governance and Branding Review

Update on Trustees' Away Day, September 2009

As part of the programme of work to review the governance and branding of Alexandra Park & Palace (Alexandra Palace or AP for short), a Trustees' Away Day was held on 26th September, 2009 at Alexandra Palace.

The Trustees' Away Day was attended by:

- Board members of the Alexandra Park & Palace Charitable Trust (APPCT) – Cllr Egan, Cllr Thompson, Cllr Hare, Cllr Scott and Cllr Williams
- Two of the three members of the Consultative Committee who sit on the APPCT Board - Mike Tarpey (Alexandra Palace Amateur Ice Skating Club) and Nigel Willmott (Friends of the Alexandra Palace Theatre)
- The observer on APPCT Board (non-voting) – David Liebeck (Warner Estate Residents' Association)
- Andrew Gill, Interim General Manager, APPCT
- Rebecca Kane, Managing Director, APTL
- Julie Parker, Director of Corporate Resource, London Borough of Haringey

and was facilitated by:

- Alison Millward, Independent Facilitator, John Harrison, Branding Consultant, Harrison:Fraser, Jane Lawrence, Direct PR, Amanda Sears, Exec Assist, APTL

Trustees were provided with feedback on the outcomes of the initial branding interviews with themselves and other stakeholders. They were then invited to discuss their own and each others' perspectives on a range of issues relating to governance and branding. The final part of the day invited initial reactions on the pros and cons of three alternative governance structures which specialist advisors had suggested would make the Board more fit for purpose.

The branding interviews and the Trustees' Away Day were very much first steps in the review process and were designed to encourage open-minded exploration of issues and possibilities. No decisions were taken at the Away Day, neither were any preferred options put forward. This was deliberate because the review strategy is firmly rooted in the good governance principle of fully engaging stakeholders and the wider public in contributing their ideas to *inform* the shaping of the new governance systems and processes. In line with this approach a full and combined report will be prepared of the outcomes of the Away Day and forthcoming Stakeholder Forum.

Next steps

The purpose of the Stakeholder Forum is to replicate the agenda used at the Trustees' Away Day. It will include:

- Providing Stakeholders with feedback on the outcome of the initial branding interviews
- An exploration of Stakeholder perspectives on a range of issues relating to governance and branding
- Discussion of the pros and cons of the same three alternative governance structures put before the Trustees' Away Day.

The combined outcomes of the Trustees' Away Day and the Stakeholder Forum will be used to produce a *draft* strategy (with a vision, objectives, principles, processes, structure and code of good governance) to deliver a sustainable future for APP, for

consultation with the wider public early in 2010. Trustees will use the feedback from the consultation to prepared a revised vision and way forward.

Dr Alison Millward
6 October 2009