

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
WEDNESDAY, 10 OCTOBER 2007**

Councillors *Cooke (Chair), *Egan (Vice-Chair), *Beacham, Dogus, *Hare,
 *Oakes, and *Peacock

Non-Voting *Ms V.Paley, *Mr M.Tarpey and Mr N.Willmott
Representatives:

Observer: Mr D.Liebeck

* Present

Also present: Councillors Engert and Newton

**MINUTE
NO.**

SUBJECT/DECISION

<p>APBO16.</p>	<p>APOLOGIES FOR ABSENCE (IF ANY)</p> <p>Apologies for absence were submitted from Councillor Dogus Mr. D. Liebeck and Mr. N. Wilmott.</p>
<p>APBO17.</p>	<p>REPORT OF THE TRUST'S SOLICITOR UPON THE OUTCOME OF THE APPLICATION FOR JUDICIAL REVIEW OF THE CHARITY COMMISSION DECISION, CONSIDER THE CHARITY'S OPTIONS AND MAKE DECISIONS IN REGARD THERETO (TO FOLLOW).</p> <p>The Trust's Solicitor reported that the special meeting of the Board had been convened to report on the outcome of the application for judicial review of the Charity Commission decision and to consider the Charity's options and make decisions in regard to further conduct.</p> <p>The report having only been published on Tuesday afternoon, it was agreed that the meeting be adjourned for a period of 10 minutes to enable Members to read it.</p> <p>(The meeting was adjourned from 14.10 to 14.20 hours).</p> <p>On re-convening, clarification was sought of whether it was open to the Board to reaffirm its specific strategy of granting a long lease, in the terms agreed to Firoka. The Board was advised that the terms referred to had been agreed by the Trustees during 2006 but these would be subject to any variations necessary as a result of the consultation to be undertaken by the Charity Commission.</p> <p>Clarification was also sought of the willingness of the local authority to continue to fund the Charity's trading deficit whilst the Charity carried out the process of securing a willing development partner. It was reported that this was a matter entirely for the Council but that confirmation had been received that this financial support would continue to the end of the current financial year (2007/08). In response to a question the Board was advised that this was thought to be revenue as opposed to capital support but that this would be confirmed.</p>

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In response to a further question about the nature and purpose of the continued negotiations and discussions mentioned in paragraph 5.20 in the report, the Board was advised that the key issues were to confirm whether or not Firoka remained willing to continue to negotiate and to establish with the Charity Commission what the scale and scope of the further consultation would be. Once these points were clarified the Trust's officers would come back to the Board for further instructions but no commitment would be made before issues were considered at a further Board meeting.

Concern having been expressed about the solvency of the Charity, it was confirmed that the going concern concept for the 2006/07 accounts could only be met because of the Council's agreement to provide a subvention. If that subvention was withdrawn then the charity would no longer be solvent and consideration would need to be given to the issues that would arise on its insolvency.

In response to a further question about what form the further consultation would take, the Board was informed that this was for the Charity Commission to decide. However, the Judge had given some indication of what was required and that fuller versions of both the draft lease and project agreement would be involved albeit with redacted financial information.

With regard to the position of staff working for the Palace and seconded to Firoka, it was dependent on Firoka's continued engagement with the process, in the absence of negotiations about a holistic development no guarantee of continued business and employment could be given.

Clarification was then sought about the timescale for resolution of the outstanding issues and of the financial implications given the continuing deterioration of the fabric of the building. Whilst a deadline for resolution could not be given, it was thought likely to be between weeks and months as opposed to years. Similarly, it was not possible to be precise about the financial implications of any deterioration but an early resolution was desirable as any future deterioration was likely to result in additional costs which may fall to be met by the Council and make the building less viable for commercial development.

RESOLVED

1. That the outcome of the judicial review application be noted.
2. That it be confirmed that it was the general strategy and objective of the Board to grant a long lease to a developer and its specific strategy of granting such a lease in the terms agreed to Firoka, subject to any variations necessary as a result of the consultation to be undertaken by the Charity Commission.
3. That the Board's officers and advisers proceed accordingly.

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COUNCILLOR MATT COOKE

Chair