

**MINUTES OF THE ALEXANDRA PARK AND PALACE ADVISORY COMMITTEE.
TUESDAY, 18 MARCH 2008**

* indicates attendance

*Ms. J. Hutchinson : Alexandra Residents' Association
 Mr P. Wastell : Alexandra Residents' Association
 *Ms. M. Myers) : Muswell Hill and Fortis Green
 Association
 Ms J. Baker : Palace Gates Residents' Association
 Ms P. Lacroix : Palace View Residents' Association
 Ms S. Rees (deputy) : Palace View Residents' Association
 *Mr. D. Frith : The Rookfield Association
 *Mr. F. Hilton (deputy) : The Rookfield Association
 *Mr. D. Liebeck : Warner Estate Residents' Association
 (Chair)
 *Mr H. Aspden : Warner Estate Residents' Association

APPOINTED MEMBERS

Councillor S. Oatway : Alexandra Ward
 Councillor A. Demirci : Bounds Green Ward
 *Councillor S. Beynon : Fortis Green Ward
 Councillor M. Whyte : Hornsey Ward
 Councillor J. Bloch : Muswell Hill Ward
 Councillor A. Dobbie : Noel Park Ward
 *Councillor J. Patel : Council Wide appointment
 Vacancy : Council Wide appointment

* indicates Member present

Also in attendance:

Councillor E. Reid – substituting for Councillor M. Whyte – Hornsey Ward

Mr D. Loudfoot – General Manager Alexandra Palace

Mr C. Hart – Clerk to the Committee – LB Haringey Non Executive Committees Manager

**MINUTE
NO.**

SUBJECT/DECISION

<p>APSC33.</p>	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received on behalf of Councillor Oatway, Paul Wastell, and Jackie Baker due to attendance at post office closure meeting, Councillor Whyte for whom Councillor Reid was substituting, and Councillor Dobbie due to attending a Local partnership meeting within his Ward.</p> <p>NOTED</p>
<p>APSC34.</p>	<p>DECLARATIONS OF INTEREST: MEMBERS OF THE COMMITTEE ARE INVITED TO DISCLOSE ANY INTEREST THEY MAY HAVE IN ANY OF THE ITEMS APPEARING ON THIS AGENDA.</p>

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	There were no declarations of interests.
APSC35.	<p>DEPUTATION - TO RECEIVE A DEPUTATION FROM SAVE ALLY PALLY CAMPAIGN <i>N.B. THIS IS NOT A VERBATIM NOTE, BUT AN OUTLINE OF THE PRESENTATION.</i></p> <p>The Chair informed the Committee that a deputation request had been received from the 'Save Ally Pally' Campaign. The Chair welcomed the representatives from the Group and asked that they give their presentation to the Committee. The Chair also advised that the time allowed for presentations was usually 5 minutes but the Committee would allow a full presentation and an opportunity for questions and answers.</p> <p><u>The Presentation</u></p> <p>Mr J O'Callaghan on behalf of the Campaign (SAP) informed the Committee that Ms Zilkha and Mr Hay from the Campaign would each give a short presentation and then would be happy to respond to questions and discuss their proposal. Mr O'Callaghan briefly outlined his personal history and involvement with the Palace, his view of the history and benefits of the Palace as a recreational and educational facility, ensuring that the future usage was governed by what people wanted and not purely for profit as the current proposals with the Firoka Group were based upon. The proposals put forward would not have in a sense a 'casino royal' scheme or any unsuitable usage. Mr O'Callaghan stated that if a development agreement was entered into with the Firoka Group by the Board this would not stand up to future High Court challenges. SAP proposed that the building would be restored to the usage it was always intended for, and they would ensure that the Palace was recognised (nationally) as the birth place of television.</p> <p>Mr O'Callaghan then asked that Ms Zilkha and Mr Hay to address the meeting.</p> <p>Ms Zilkha informed the meeting that she was a resident and also a business woman in Muswell Hill and belonged to the Muswell Hill Road Residents Association and the Muswell Hill and Fortis Green Association. Ms Zilkha expressed her love of the area and its history and that Alexandra Palace was a landmark of unique importance to the area, London, and the Country as a whole. Ms Zilkha commented on the history of the Park and Palace which existed before the building of houses and shops in the area did, and was then and still was 'the people's palace'. The new "Trust" proposed by SAP would ensure that 'the people's Palace' was recognised, and that it would bring back into use existing historic elements of the building, including the Victorian Theatre, a museum and visitors centre for the TV Studios, restoring the Willis Organ, and ensuring the KUFOS building was maintained for community usage. The costs of this would partially be met from the successful marketing of the trading arm of the Palace. Ms Zilkha commented on the 1996 letter which referred to the £35 million, and SAP's view that the current debt was as a result of mismanagement of the Palace in spite of the £1 million + injected by the LB Haringey. Ms Zilkha commented on the charitable status of the Trust and charity law (in terms of specific public benefit) and said that the proposed lease arrangements with the Firoka Group (being a purely commercial basis) flouted the Law, and were in contravention of the 1985 Alexandra Palace and Park Act. It was the intention of SAP that a newly appointed</p>

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Trust would work with the Statutory Advisory Committee, take account of and act, (and not ignore) its comments and recommendations, which from evidence it was clear that the current Trust had done. Ms Zilkha concluded that it was SAP's intention to ensure that the Palace was to work and be operated by the people for the people.

Mr Hay addressed the meeting and commented on the existence of the Palace for well over 100 years, having survived 2 world wars, and major fire. The Palace was an icon and that the aim of SAP was to offer clear solutions to the current set up with crisis that the existing Charitable Trust was faced with. Mr Hay stated that current council officers working as Trustees did not work, that Haringey Council looked on the palace as a burden both operationally and financially and was a waste on Haringey's resources, and that Haringey's solution was to sell the building on a purely commercial basis. The Judicial Review in October 2007 had halted that process entirely and as a result SAP was now offering clear and financially backed solutions for the Palace's future. In law the Trust could not actually enter into a purely commercial lease. This view had been borne out by advice given by an experience barrister who had considerable knowledge of Charity law – Victoria Quint. In terms of the current Trust it was clear that the current management structure and trustees were not in a position to actively manage or seek solutions. The Palace management was not a unique situation. It was a prime location and its potential had never been capitalised by the current or previous trustees. The view of SAP was for a place of recreation and it was the duty of the trustees to ensure this, and restore the Palace as a Landmark site, offering a carbon neutral green palace with every visit by the public being an inspirational experience. Mr Hay commented on the opportunities of what could happen with the Palace, as currently 40% was not in use. Potentially, there could be a training centre for local usage, an Arts and Exhibition facility attracting the current specialist exhibitions but also new innovative ones. The BBC studios would offer a Heritage Museum centre, and there would also be opportunities for local community usage with rents at a reasonable rate. The SAP's draft Trustee and management model had been discussed with the Charity Commission, which had given its support to the proposals outlined. Mr Hay referred to the Avenues House Development in Barnet and the successful transfer of the building from Local Authority to an external charitable trustee control.

Mr Hay referred to the proposed 'People's Palace Trust' which would have a democratic structure, and take over from the existing trustees in managing the Palace and Park. The membership would come from the whole of London and those who joined would have voting rights. The Peoples Palace trust would have at its core 3 'c's – competence, commitment, and courage and whilst there was no criticism of the existing or past political trustees the new trustees would ensure that the 3 'c's were enshrined in their ethical and management processes. The proposed lease would be for between a 99-125 year period and would be a full repairing lease, on a peppercorn rent basis and payment of £1 – the lease would ensure the maintenance and development of the building, with an initial financial support by the LB Haringey of up to 2 years. The business of the existing trading company, as commented on by the Chair of the Board recently, was a viable one, and with correct management would generate the necessary revenue for a whole range of proposals. Once established there would be an interim period where the new Trust would commence public engagement and the vision for the future of the Palace would evolve from that consultation and expressions of interest which had

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already been given by businesses.

The Chair thanked Mr Hay and Ms Zilkha for their presentations.

The Committee then sought clarification on a number of points arising from the discussion and circulated literature, the main issues/comments and responses given being:

N.B the following is a collective account of the **main points** of the discussion and avoids repetition – the points may not follow the actual sequence of questions and answers given.

Q.1 How would SAP ensure that the estimated costs of bringing the Palace up to a habitable standard – estimated at approx £34 million would be achieved.

Answer: SAP responded that repairs would be carried out on an incremental basis with the development and not holistically, as proposed in the Firoka bid. Work would commence to restore the Victorian studios in the first instance together with the BBC studios/Heritage Centre. The quoted £34 million was not viewed as a realistic figure as there were estimated figures contained in that survey which had been viewed by SAP as somewhat misleading

Q.2 How would the proposed development proposals be funded, and if there outline business/financial plans and financial backers.

Answer: SAP responded that approaches had been made to a number of financial backers and a whole myriad of interested parties who had indicated their willingness to work with SAP and a new Trust – including The Prince's Trust. SAP had already secured funding of £10 million and £4 million from two business interests and had received interest from Universal Studios as well. Contact had been made with the London Olympic organisation with a view to funding/refurbishing the Ice-Rink before the 2012 London Olympics. It was not for SAP itself to develop a business plan but that would be the job of the new Trustees following the establishment of 'The People's Palace'. A business plan had not been developed in considerable detail as the SAP were an amateur (interest) group and producing a detailed plan would be a considerable undertaking. Funding would be also forthcoming from the existing APTL which if successfully managed, would make a substantial contribution, generating in the region of £4.5/5 million a year. Funding for the refurbishment of the theatre would be from the Mountview School who's Principal had given assurances of funding in the region of £7 million and had given a projected rental income (from 60,000sqm), in the region of £400/500K per annum and also from Robert Cooke – the head of the Malmaison Group - who also had signalled funding of in the region of £10 million for a proposed hotel development. SAP also commented that it did not envisage any funding difficulties and it was the case that a number of those approached had shown their willingness to work and fiancé the proposals outlined by SAP but a clear message had been given by those backers that they would not have wanted to work in partnership with existing trustees or Haringey Council.

Q.3 How the BBC Studios to be developed when there were had been a

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considerable lack of interest shown by both the BBC and ITV and other broadcasting companies.

Answer: SAP responded that there was considerable optimism given by a number of sources including the Bradford Museum, and also the BBC, in returning the original equipment, and that the area of the studios if let on a peppercorn rent, and not on a commercial rent as was intended in the Firoka proposals would be able to fund and ensure the success of a museum and heritage centre.

Q.4 Were SAP confident of the proposed Trust model and how would this operate.

ANSWER: SAP commented that the model of the new Trust was tried and tested and supported by the Charity Commission. The Charity Commission had expressed a keenness for such transfer arrangements to occur. The development at Avenues House was a prime example of how transfer from Local Authority control could work effectively and successfully and the new trust would model that success. The Trust would appoint between 7/9 trustees on an initial adhoc basis in its 1st year and ensure a consultation process, employing a CEO who would manage the day to day running of the Palace, the establishment of a Patrons Committee which would ensure funding streams, a membership from the whole of London with a generated income of approx £4/5 million per annum with membership ranging from £10 to £50 per person per year. The Membership would have the right to vote off underperforming Trustees individually or collectively. The trustees could revert back to the original Trustees. SAP would be likely to relinquish involvement once the new Trustees were operating, in the spirit of (and observing) the 3 'C's. The London wide Membership would allow for committed people to have a say as to how the Trust should run the Palace, and what should go in the Palace.

Q.5 What was the timetable for the taking over of the Trust by the new trustees.

Answer : SAP responded that the timetable would be for the negotiations to commence in May 2008 with the Charity Commission and existing Trustees, followed by a transfer of the responsibility to the new Trustees in June 2008 and agreement to the lease in July 2008. The current Firoka Group proposed lease agreement would not happen. SAP was confident that its proposals and vision would succeed.

The Chair in conclusion thanked SAP for their presentation.

The Chair then advised the meeting that given the lateness of the hour it would be appropriate to defer consideration of the remaining items on the agenda.

NOTED

Following the departure of the SAP deputation the Chair asked the Committee if there were any points they wished to make.

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	<p>The committee then briefly commented on the proposals and also received comments from the General Manager. A resume of the comments made are as follows:-</p> <ul style="list-style-type: none">• The lack of an actual draft business (or financial) plan and no actual letters of intent in terms of funding;• There was a perceived momentum that SAP would succeed;• The absence of SAP taking part in the lengthy process of tendering for the future of the asset some 18 months/2 years previous• The take over of the current trust this could only happen if the current trustees were to advise the Charity Commission that they wished that the current arrangements cease, and only then would the Charity Commission agree to such a proposed take over if all financial and other arrangements were in place. The timescale put forward by the SAP was (at this stage) unrealistic. <p>The Chair in conclusion thanked the Committee for their contributions.</p> <p>NOTED</p>
<p>APSC36.</p>	<p>MINUTES - MEETING OF THE ALEXANDRA PARK AND PALACE STATUTORY ADVISORY COMMITTEE - 5 FEBRUARY 2008</p> <p>The Chair advised that given the lateness of the hour he proposed that the Committee not consider the draft minutes of the meeting held on 5 February 2008.</p> <p>NOTED</p>
<p>APSC37.</p>	<p>FUTURE OF THE ASSET – UPDATE (VERBAL REPORT OF THE CONSULTANT DEVELOPMENT MANAGER, ALEXANDRA PALACE) TO ADVISE THE COMMITTEE ON PROGRESS.</p> <p>Matters pertaining to this item were discussed during consideration of the deputation.</p> <p>NOTED</p>

The meeting ended at 21.55hrs.

**D. LIEBECK
CHAIR**