



NOTICE OF MEETING

Alexandra Palace and Park Board

MONDAY, 7TH JUNE, 2010 at 19:30 HRS - THE PANORAMA ROOM, ALEXANDRA PALACE, ALEXANDRA PALACE WAY, WOOD GREEN, LONDON N22.

Councillors:

Councillor Egan (Chair), Strickland (Vice-Chair), Hare, Peacock, Scott, Stewart and Williams

Non-voting representatives:

Ms V. Paley, Mr M. Tarpey and Mr N Willmott
(Alexandra Palace and Park Consultative Committee).

Observer:

Mr D. Liebeck (Chair, Alexandra Park and Palace Advisory Committee).

AGENDA

1. APOLOGIES FOR ABSENCE

2. URGENT BUSINESS

The Chair will consider the admission of any late items of urgent business. (late items will be considered under the agenda item where they appear. New items will be dealt with at items 10 & 16 below)

3. DECLARATIONS OF INTEREST

A member with a personal interest in a matter who attends a meeting of the authority at which the matter is considered must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.

A member with a personal interest in a matter also has a prejudicial interest in that matter if the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice the member's judgment of the public interest **and** if this interest affects their financial position or the financial position of a person or body as described in paragraph 8 of the Code of Conduct **and/or** if it relates to the determining of any approval, consent, licence, permission or registration in relation to them or any person or body described in paragraph 8 of the Code of Conduct.

4. QUESTIONS, DEPUTATIONS OR PETITIONS : TO CONSIDER ANY QUESTIONS, DEPUTATIONS OR PETITIONS RECEIVED IN ACCORDANCE WITH PART 4, SECTION B29 OF THE COUNCIL'S CONSTITUTION

5. APPOINTMENT OF DIRECTORS TO THE BOARD OF ALEXANDRA PALACE TRADING LIMITED (PAGES 1 - 16)

Report of the Head of Finance – Alexandra Palace - To seek nominations for replacements to act as Directors of APTL.

6. FINANCE UPDATE (PAGES 17 - 24)

Report of the Head of Finance - Alexandra Palace - To advise the Board of the draft, un-audited results for the 2009/10 financial year, and to obtain the Board's approval for a change to the Trust's accounting policy relating to the capitalisation of fixed assets.

7. INVESTMENT CONSIDERATIONS 2010/11 (PAGES 25 - 40)

Report of the Interim General Manager – Alexandra Palace - To update the Board on the progress with the Ice Rink replacement, and to seek approval for the priorities for capital and revenue spends on dilapidations and maintenance repairs.

8. INTEGRATED FACILITIES MANAGEMENT CONTRACT (PAGES 41 - 46)

Report of the Interim General Manager – Alexandra Palace - To update Trustees on progress on the award of a single contract to provide Security and Repairs and Maintenance services and to seek approval to extend existing contracts for one month.

9. UNRESTRICTED MINUTES (PAGES 47 - 62)

To confirm the unrestricted minutes of the Board held on 2 March 2010, and the special Board held on 4 May 2010 as an accurate record of the proceedings.

10. NEW ITEMS OF UNRESTRICTED BUSINESS

To consider any new items of urgent unrestricted business admitted under Item 2 above.

11. EXCLUSION OF THE PUBLIC AND PRESS

The following items are likely to be subject of a motion to exclude the press and public from the meeting as they contain exempt information as defined in Section 100a of the Local Government Act 1972; paragraphs 1 and 2 - namely information relating to an individual, and information which is likely to reveal the identity of an individual, and para 3 - information relating to the business or financial affairs of any particular person (including the authority holding that information)

Note by the Deputy Head of Local Democracy and Member Services

Item 15 allows for the consideration of exempt information in relation to item 8 which appears earlier on the agenda.

12. EXEMPT MINUTES (PAGES 63 - 74)

To confirm the exempt minutes of the Board held on 2 March 2010, and the special Board held on 4 May 2010 as an accurate record of the proceedings.

13. STAFFING MATTERS (PAGES 75 - 78)

Report of the Interim General Manager – Alexandra Palace

14. APTL LICENCE FEE (PAGES 79 - 88)

Report of the Interim General Manager – to report on the matter approved by the Board at its meeting on 12 January 2010 and to agree the APTL licence fee for the 2010/11 financial year.

15. INTEGRATED FACILITIES MANAGEMENT CONTRACT (PAGES 89 - 90)

Report of the Interim General Manager – Alexandra Palace - To update Trustees on progress on the award of a single contract to provide Security and Repairs and Maintenance services and to seek approval to extend existing contracts for one month.

16. NEW ITEMS OF EXEMPT URGENT BUSINESS

To consider any new items of urgent exempt business admitted under Item 2 above.

Ken Pryor
Deputy Head of Local Democracy & Member
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May 27 2010



Agenda item: 5

ALEXANDRA PALACE & PARK BOARD**On 7th June 2010**

Report Title: **APPOINTMENT OF DIRECTORS TO THE BOARD OF ALEXANDRA PALACE TRADING LIMITED**

Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park**

1. Purpose

- 1.1 To advise the Board of the resignation of Cllr Thompson from the Board of Directors of APTL on 24th May 2010
- 1.2 To seek a nomination and agreement of such nominee to act as Director of APTL
- 1.3 To resolve formally, as sole shareholder of APTL, to appoint such nominee as director under clause 8 of the Memorandum and Articles

2. Recommendations

- 2.1 That the Board notes the resignation of Cllr Thompson
- 2.2 That the Board receives a nomination of one of the councillor members of the Board to be appointed a Director to replace Cllr Thompson.
- 2.3 That the Board, in its capacity as sole shareholder of APTL resolves, subject to the willingness of the nominee, that he/she be appointed a director of APTL.

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

Contact Officer: Andrew Gill, Interim General Manager, Alexandra Palace & Park, Alexandra Palace Way, Wood Green, London N22 7AY. Telephone number 0208 365 4334.

3. Executive Summary

- 3.1 The resignation of Cllr Thompson requires a replacement nominee from amongst the councillor members of the board to serve as Director of APTL and a formal resolution of the shareholder that such nominee be appointed as director

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

- 4.1 N/A

5. Use of Appendices / Tables / Photographs

5.1 Appendix I – Memorandum and Articles, Alexandra Palace Trading Limited

6. Local Government (Access to Information) Act 1985

6.1 No specific background papers were used in compiling this report.

6. Report

6.1 Cllr Thompson resigned as Director of APTL on 24 May 2010 with immediate effect.

6.2 Appendix 1 contains the Memorandum and Articles of Association of APTL.

Article 7.1 provides that the APTL Board consist of a maximum of eight Directors of which up to four shall be trustees of the charity, one shall be an employee of the company, one shall be an officer of the Council and two shall not be officers or members of the Council, employees of the Company or trustees of the charity ('non-executive Directors')

6.3 The current Directors of the Trading Company are;

Cllr Pat Egan (as trustee)
Cllr Robert Hare (as trustee)
Cllr Nigel Scott (as trustee)
Julie Parker (as officer of the Council)
Richard Wills (non-executive Director)
Kumar Muthalagappan (non-executive Director)

6.4 Under Article 8 of the company's Memorandum and Articles of Association, the Directors must be appointed by resolution of the sole member (Alexandra Park and Palace Charitable Trust). The political balance rules do not apply to the selection of Directors for APTL.

8. Consultation

8.1 N/A

9. Legal and Financial Comments

9.1 Trustees acting as Directors of APTL do not receive any remuneration and as such, appointment of a new Director from the trustees has no cost implications

The Trust's Solicitor's advice has been taken into account in the preparation of this report.

The LBH Solicitor has been sent a copy of this report

The LBH CFO notes the report.

10. Equalities Implications

10.1 There are no perceived equalities implications in this report.

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THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

MEMORANDUM AND ARTICLES OF ASSOCIATION

OF

ALEXANDRA PALACE TRADING LIMITED

**(As amended by Special Resolutions dated 19th August 1999,
12th October 1999 and 13th February 2002)**

BATES, WELLS & BRAITHWAITE
Cheapside House
138 Cheapside
London EC2V 6BB
STL.MG.JM.016883.4

THE COMPANIES ACTS 1985 TO 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

of

ALEXANDRA PALACE TRADING LIMITED

(As amended by Special Resolutions dated 19th August 1999,
12th October 1999)

1. The Company's name is Alexandra Palace Trading Limited.
2. The Company's registered office is to be situated in England, and Wales.
- 3A. The object of the company is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to Alexandra Palace and Park Charitable Trust (registered charity number 281991) or any other charitable body which succeeds to its charitable purposes.
- 3B. The company shall pay such profits and gains at such times and after making such retention for the purposes of the company's continued trade and development as the directors think fit.
4. The liability of the members is limited.
5. The Company's share capital is £100 divided into 100 shares of £1 each.

We the subscribers to this Memorandum of Association wish to be formed into a company pursuant to this Memorandum; and we agree to take the number of shares shown opposite our respective names.

| NAMES AND ADDRESSES OF SUBSCRIBERS | Number of Shares taken by each Subscribers |
|---|--|
| LONDON LAW SERVICES LIMITED Temple Chambers Temple Avenue London EC4Y OHP | One |
| LONDON LAW SECRETARIAL LIMITED Temple Chambers Temple Avenue London EC4Y OHP | One |
| Total of shares taken | Two |

Dated the 29th day of July 1999

Witness to the above signature:-

COLIN A LAW
Temple Chambers
Temple Avenue
London EC4Y OHP

THE COMPANIES ACTS 1985 – 1989

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ALEXANDRA PALACE TRADING LIMITED

(As amended by Special Resolutions dated 19th August 1999,
12th October 1999 and 13th February 2002)

INTERPRETATION

1. In these articles:-
 - 1.1 “the Act” means the Companies Act 1985 including any statutory modification or re-enactment thereof for the time being in force.
 - 1.2 “the Articles” means these articles of the company.
 - 1.3 “the Charity” means Alexandra Palace and Park Charitable Trust (registered charity number 281991) or any other charitable body which succeeds to its charitable purposes.
 - 1.4 “clear days” in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect.
 - 1.5 “the Council” means Haringey Council of Civic Centre, Wood Green, London N22 8LE.
 - 1.6 “the Memorandum” means the memorandum of association of the company.
 - 1.7 “Secretary” means the secretary of the company or any other person appointed to perform the duties of the secretary of the company.
 - 1.8 Unless the context otherwise requires, words or expression contained in the Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when the Articles become binding on the company.
 - 1.9 The provisions of Table A shall not apply to and are expressly excluded from the Articles except where they are expressly included.

SHARES

2. Subject to the provisions of the Act any share may be issued with such rights or restrictions as the company may by ordinary resolution determine.
3. No share shall be transferred except with the consent of the member which may in its absolute discretion and without giving any reason decline to register any transfer of any share.

AUTHORISED REPRESENTATIVES

4. The company secretary from time to time of each corporate member (or such other person as is from time to time notified to the company in writing) shall be the duly authorised representative of such corporate member.

MEETINGS AND COMPANY RESOLUTIONS

5. Subject to the provisions of the Act, the company shall dispense with the holding of general meetings and all resolutions of the company shall be passed by way of written resolution signed by the member or, in the case of a corporate member, by its duly authorised representative.
6. If in accordance with the Act a general meeting is required to be called then the provisions of articles 40 to 63 inclusive of Table A in force on the date of incorporation of the company shall apply to such meeting.

DIRECTORS

- 7.1 The maximum number of directors shall be eight and the minimum two.
- 7.2 The Board of directors shall comprise eight directors of which:
 - 7.2.1 up to four shall be trustees of the Charity;
 - 7.2.2 one shall be an employee of the Company;
 - 7.2.3 one shall be an officer of the Council;
 - 7.2.4 two others who shall not be officers or members of the Council, employees of the Company or trustees of the Charity.

Appointment and Removal of Directors

8. The directors shall be appointed by resolution of the member. The directors shall be removed by service of a notice as provided for in article 9.7.
9. The office of a director shall be vacated if -
 - 9.1 he or she ceases to be a director by virtue of any provision of the Act or he or she becomes prohibited by law from being a director; or
 - 9.2 he or she ceases to be a member of the London Borough of Haringey and is disqualified from such duty; but this Article will not apply to any director whose membership of the Council terminates in the period immediately prior to Council elections as part of the Council's election cycle. Any such director shall continue in office until replaced by a successor or re-appointed following the Council elections.
 - 9.3 he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or
 - 9.4 he or she is, or may be, suffering from mental disorder and either:-
 - (i) he or she is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
 - (ii) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his or her detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his or her property or affairs; or
 - 9.5 he or she resigns his or her office by notice to the company; or
 - 9.6 he or she shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that his or her office be vacated.
 - 9.7 a written notice dismissing the director signed by the member's authorised representative, is served on the company at its registered office.

Powers of Directors

10. Subject to the provisions of the Act, the Memorandum and the Articles and to any directions given by special resolution, the business of the company shall be managed by the directors who may exercise all the powers of the company. No alteration of the Memorandum or Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this article shall not be limited by any special power given to the directors by the Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.
11. The directors may, by power of attorney or otherwise, appoint any person to be the agent of the company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his or her powers.

Delegation of Directors' Power

12. The directors may delegate any of their powers to any committee consisting of one or more directors. ~~They may also delegate to any~~ managing director or any director holding any other executive office such of their powers as they consider desirable to be exercised by him or her. Any such delegation may be made subject to any conditions the directors may impose, and either collaterally with or to the exclusion of their own powers and may be revoked or altered. Subject to any such conditions, the proceedings of a committee with two or more members shall be governed by the Articles regulating the proceedings of directors so far as they are capable of applying.

Remuneration of Directors

13. The directors (other than the director identified in Article 7.2.3 and directors who are also trustees of the Charity) shall be entitled to such remuneration as the company may by ordinary resolution determine.

Directors' Expenses

14. The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or otherwise in connection with the discharge of their duties.

Directors' Appointments and Interests

15. Subject to the provisions of the Act a director

- 15.1 may be a director or other officer of, or employed by the Charity or any body corporate promoted by the company or in which the company is otherwise interested provided that no director who is also a trustee of the Charity shall be remunerated or receive other benefits in respect of such employment or office; and
- 15.2 shall not, by reason of his or her office, be accountable to the company for any benefit which he or she derives from any such office or employment and no transaction or arrangement of the company shall be liable to be avoided on the ground of any such benefit.

Proceedings of Directors

16. Subject to the provisions of the Articles, the directors may regulate their proceedings as they think fit. A director may, and the secretary at the request of a director shall, call a meeting of the directors. Questions arising at a meeting shall be decided by a majority of votes. In the case of an equality of votes, the chair shall have a second or casting vote.
17. The quorum for the transaction of the business of the directors may be fixed by the member and unless so fixed at any other number shall be two.
18. The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of calling a general meeting.
19. The directors may appoint one of their number to be the chair of the board of directors and may at any time remove him or her from that office. Unless he or she is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he or she is present. If there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chair of the meeting.
20. All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

21. A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors. The date of a written resolution of the directors shall be the date on which the last director signs.
- 22.1 Save as otherwise provided by the Articles, a director shall not vote at a meeting of directors or of a committee of directors on any resolution concerning a matter in which he or she has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the company.
- 22.2 Any person who is both a director and an officer of the Council should at a meeting of directors or of a committee of directors declare his interest and not vote on a resolution concerning any matter which relates to the relationship between the Company and the Council.
23. A director shall not be counted in the quorum present at a meeting in relation to a resolution on which he or she is not entitled to vote.
24. The company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of the Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.
25. Where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the company or any body corporate in which the company is interested the proposals may be divided and considered in relation to each director separately and (provided he or she is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his or her own appointment.
26. If a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chair of the meeting and his or her ruling in relation to any director other than himself or herself shall be final and conclusive.

SECRETARY

27. Subject to the provisions of the Act, the secretary shall be appointed by the directors for such term, at such remuneration and upon such

conditions as they may think fit; and any secretary so appointed may be removed by them. The secretary shall not be remunerated if he or she is a trustee of the Charity but shall be entitled to reimbursement of expenses to the same extent that the directors are entitled.

MINUTES

28. The directors shall cause minutes to be made in books kept for the purpose:-

28.1 of all appointments of officers made by the directors; and

28.2 of all proceeding at meetings of the company and of the directors, and of committees of directors, including the names of the directors present at each such meeting;

and the directors shall cause all written resolutions of the members and of the directors to be kept in such books.

ACCOUNTS

29. Accounts shall be prepared in accordance with the Act.

NOTICES

30. Notices under the Articles may be sent by hand, or by post or by suitable electronic means. The only address at which the member is entitled to receive notices is the address shown in the register of members. Any notice given in accordance with the Articles is to be treated for all purposes as having been received three days after being sent by first class post to that address or immediately if sent by electronic means effecting immediate transmission and receipt or, if earlier, on being handed personally to the member or, in the case of a corporate member, its duly authorised representative.

WINDING UP

31. If the company is wound up all remaining assets of the company after paying the debts of the company and the costs of winding up shall be paid to the Charity.

INDEMNITY

32. Subject to the provisions of the Act but without prejudice to any indemnity to which a director may otherwise be entitled, every director or other officer or auditor of the company shall be indemnified out of

the assets of the company against any liability incurred by him or her in defending any proceedings, whether civil or criminal, in which judgment is given in his or her favour or in which he or she is acquitted or in connection with any application in which relief is granted to him or her by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the company.

DIRECTORS' INDEMNITY INSURANCE

33. The directors shall have power to resolve to effect directors' indemnity insurance despite their interest in such policy.

NAME AND ADDRESSES OF SUBSCRIBERS

LONDON LAW SERVICES LIMITED
Temple Chambers
Temple Avenue
London EC4Y OHP

LONDON LAW SECRETARIAL LIMITED
Temple Chambers
Temple Avenue
London EC4Y OHP

Dated the 29th day of July 1999

Witness to the above signature:-

COLIN A LAY
Temple Chambers
Temple Avenue
London EC4Y OHP

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Agenda item: 7

ALEXANDRA PALACE & PARK BOARD**On 7th June 2010**Report Title: **FINANCE UPDATE**Report of: **Helen Downie, Head of Finance, Alexandra Palace & Park****1. Purpose**

- 1.1 To advise the Board of the draft, unaudited results for the 2009/10 financial year
- 1.2 To obtain the Board's approval for a change to the Trust's accounting policy relating to the capitalisation of fixed assets

2. Recommendations

- 2.1 The Board is asked to note the draft unaudited result for the 2009/10 financial year
- 2.2 The Board is asked to approve the proposal to introduce a £500.00 de minimis limit on the capitalisation of fixed assets, such that any items purchased below this value are treated as revenue expenditure in the year of purchase.

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

Contact Officer: Helen Downie, Head of Finance, Alexandra Palace & Park, Alexandra Palace Way, Wood Green, London N22 7AY. Telephone number 0208 365 4310.

3. Executive Summary

- 3.1 The draft results for the financial year ended 31st March 2010 are tabulated against budget at Appendix 1. All figures quoted below are subject to audit.
- 3.2 The Trust secured a number of restricted funding streams in 2009/10, the details of which are given at 6.1. Any unspent restricted funds will be carried forward to future periods.
- 3.3 Unrestricted income is £24.5k above budget and unrestricted expenditure is £183k above budget, giving a net adverse variance against budget, before gift aid, of £159k. The key variances are explained below.
- 3.4 The estimated gift aid payment from the trading company is £200k below budget at £400k. This figure is subject to any adjustments necessary for tax and audit purposes. The overall variance against the original budget is therefore £359k. This compares with a projected variance of £372k reported to the Board on 3rd March

| |
|---|
| <p>2010.</p> <p>3.5 With effect from FY 2010/11, the Board is asked to approve a change to the accounting policy for fixed assets to introduce a de minimis limit of £500 such that any items purchased below that value would be treated as revenue expenditure in the year of purchase.</p> |
| <p>4. Reasons for any change in policy or for new policy development (if applicable)</p> <p>4.1 N/A</p> |
| <p>5. Use of Appendices / Tables / Photographs</p> <p>5.1 Appendix I – Actual versus budget for the year ended 31st March 2010</p> |
| <p>6. Local Government (Access to Information) Act 1985</p> <p>6.1 No specific background papers were used in compiling this report.</p> |

6. Draft results for the financial year ended 31st March 2010

- 6.1 The draft results for the year ended 31st March are shown in Appendix 1, split between restricted and unrestricted funds. Restricted funds are funds secured for a specific purpose which may only be utilised for that purpose. During the year, the Trust secured £18k for work to the boating lake conservation area, £3k for maintenance work to the organ and £311k restricted capital funding from LB Haringey. Any unspent restricted funds are carried forward to future periods but can only be used for the specific purpose for which they were provided.
- 6.2 The deficit on unrestricted funds represents the Trust's funding requirement from LB Haringey. Unrestricted income is £24.5k above budget due to rent reviews on some of the Trust's leases and community events income being £19k above budget. The latter includes public donations for the fireworks, which were £6k above budget.
- 6.3 Prime costs are £84k or 5% over budget for the year. Salaries are £96k above budget due to higher management costs and increased staff costs during the secondment period. Contracted services are £12k below budget in park security (£3k underspent) and park maintenance (£9k underspent)

Fixed overheads are £27k above budget due to a £57k overspend in legal costs offset by a £22k underspend in central admin charges and an £8k underspend in audit fees. Legal fees include fees from LBH Legal Services Team as well as Howard Kennedy. Some central admin charges have been charged to professional fees although overall, the costs are much lower than budgeted. The underspend in audit fees has been achieved via the tender exercise during the year.

Variable overheads are £72k above budget overall. There are a number of over and under spends in this category as follows;

| Category | Year to Date (Over)/Underspend | Explanation |
|----------------------------|--------------------------------|---|
| Repairs building/equipment | (£38k) | Due to essential repairs and maintenance expenditure; the final overspend is significantly lower than previously forecast (£100k) |
| IT expenditure | (£15k) | Ongoing IT support and maintenance charges |
| Community events | (£48k) | The original £100k budget was insufficient to ensure public safety at the event. |
| Recruitment | (£22k) | Recruitment fees for APTL non-executive Directors |
| Professional fees | (£32k) | Additional costs relating to the governance project and pump priming work on the ice rink project |
| Depreciation | £53k | Underspent as the budget assumed depreciation on new assets purchased in the year. Depreciation on the £311k capital purchases on 2009/10 is now charged to the relevant restricted fund. |
| Printing | £7k | Due to a large credit note received in the year |
| Internal audit | £5k | Commenced April 2010 |
| Other | £18k | Other net under/overspends |
| Total overspend | (£72k) | |

- 6.4 Development (governance) costs are on budget.
- 6.5 The anticipated gift aid payment from the trading company is £200k below budget and £50k below forecast. The company faced an extremely difficult trading environment in 2009/10 as both the events and leisure industries were hit hard by the recession. Two major bookings were lost as a direct result of economic climate, with an estimated combined loss to bottom line profit of £112k. Due to the reduction in household spending, increasing footfall and spend per head in the pub and the ice rink was particularly challenging.
- 6.6 In addition, the coldest winter on record for 30 years had a significant impact on energy consumption due to the nature of the building which is particularly difficult to heat. Most of the utility costs for the site are recharged to the trading company whose utility costs were £44k above forecast for the year.
- 6.7 The final gift aid payment may change as a result of audit and tax adjustments. Our audit fieldwork commences on 7th June 2010 for two weeks. Following completion of the audit, a draft of the consolidated statutory accounts will be sent to trustees for review and comment prior to their approval in October.

7. Capital expenditure policy

- 7.1 The trust currently capitalises all items which fall within the statutory definition of a fixed asset, regardless of their value. The items are added to the fixed asset register and depreciated monthly over four or ten years, depending on the nature of the asset. This creates unnecessary work for the Finance team as depreciation is being calculated monthly on items with a value of as little as £50.
- 7.2 Most organisations have a threshold below which items are treated as revenue expenditure in the year of purchase. For an organisation of the Trust's size, a threshold of £500 is deemed appropriate.
- 7.3 The impact of introducing the threshold will be to marginally increase equipment expenditure in 2010/11. Existing budgets should be sufficient to cover this. There will be no impact on the £500k capital works budget for 2010/11. The change will take effect from 1st April 2010; there will be no requirement to effect a prior period adjustment in the accounts.
- 7.4 The Trust team will continue to log and tag individual assets with a value over £200, ensuring that these items can be properly tracked and monitored even if they do not appear on the fixed asset register.

8. Consultation

- 8.1 N/A

9. Legal and Financial Comments

- 9.1 The Trust's Solicitor has been sent a copy of this report and his comments are incorporated.
- 9.2 The LBH Solicitor has been sent a copy of this report
- 9.3 The LBH CFO has been sent a copy of this report and her comments are as follows:

The report is noted along with the final deficit position of the Trust. The budget within the accounts of Haringey Council was £1,728k, therefore the final deficit position represents a £598k overspend on the Council's budget.

The 2010/11 Council budget was increased in order to reflect the true deficit position of the Trust and the Trust should ensure that all measures are taken to stay within budget for 2010/11.

The change in accounting policy in relation to capital expenditure is noted and I can confirm that this policy is in line with standard accounting practice and with the Council's accounting policies.

10. Equalities Implications

10.1 There are no perceived equalities implications in this report.

11. Appendices

11.1 Appendix One – Draft Summary of Accounts for the year ended 31st March 2010.

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Appendix 1

ALEXANDRA PALACE AND PARK CHARITABLE TRUST

ACTUAL VERSUS BUDGET FOR THE YEAR ENDED 31ST MARCH 2010

| | TOTAL TRUST FUNDS | | Total £ | Budget £ | UNRESTRICTED | | Variance £ | Variance % |
|---------------------------------------|--------------------|-----------------|--------------------|--------------------|--------------------|------------------|---------------|------------|
| | Unrestricted £ | Restricted £ | | | Actuals £ | Variance £ | | |
| Concessions/Leases | 304,624 | 0 | 304,624 | 297,650 | 304,624 | 6,974 | 2% | |
| Community Events | 68,803 | 0 | 68,803 | 50,000 | 68,803 | 18,803 | 38% | |
| Sundry Sales | 351 | 0 | 351 | 5,000 | 351 | (4,649) | -93% | |
| Service Charges | 15,389 | 0 | 15,389 | 12,000 | 15,389 | 3,389 | 0% | |
| Restricted income | 0 | 332,252 | 332,252 | 0 | 0 | 0 | 100% | |
| TOTAL INCOME | 389,167 | 332,252 | 721,419 | 364,650 | 389,167 | 24,517 | 7% | |
| EXPENDITURE | | | | | | | | |
| Salaries | 427,238 | 0 | 427,238 | 330,881 | 427,238 | (96,357) | -29% | |
| Contracted Services | 1,239,664 | 0 | 1,239,664 | 1,252,000 | 1,239,664 | 12,336 | 1% | |
| TOTAL PRIME COSTS | 1,666,902 | 0 | 1,666,902 | 1,582,881 | 1,666,902 | (84,021) | -5% | |
| Fixed overheads | 395,158 | 0 | 395,158 | 368,000 | 395,158 | (27,158) | -7% | |
| Variable overheads | 1,018,220 | 38,538 | 1,056,758 | 946,280 | 1,018,220 | (71,940) | -8% | |
| TRUST BEFORE DEVELOPMENT COSTS | (2,691,113) | 293,714 | (2,397,399) | (2,532,511) | (2,691,113) | (158,602) | 1% | |
| Development costs | 34,671 | 0 | 34,671 | 34,500 | 34,671 | (171) | 0% | |
| TOTAL TRUST OPERATION | (2,725,784) | 293,714 | (2,432,070) | (2,567,011) | (2,725,784) | (158,773) | 1% | |
| Gift aid payment from APTL | 400,000 | 0 | 400,000 | 600,000 | 400,000 | (200,000) | 0% | |
| TRUST NET DEFICIT | (2,325,784) | 293,714 | (2,032,070) | (1,967,011) | (2,325,784) | (358,773) | 1% | |

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ALEXANDRA PALACE & PARK BOARD**On 7th June 2010**

Report Title: **Investment Considerations for 2010/11**

Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park Charitable Trust**

1. Purpose

- 1.1 To update the Board on the progress with the Ice Rink replacement.
- 1.2 To seek approval for the priorities for capital and revenue spends on dilapidations and maintenance repairs

2. Recommendations

- 2.1 The Board is asked to note the progress report on the Ice Rink replacement project.
- 2.2 The Board is asked to approve the capital budget for the proposed work priorities identified against the £500k granted by Haringey Council during 2010/11.
- 2.3 The Board are asked to approve the proposed revenue work priorities against the Trust's Security and Maintenance budget.
- 2.4 The Board is asked to note that it will receive updates on the matters covered by this report at future Board meetings.

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



Contact Officer: John Barnett, **Interim Facilities Management Consultant, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4334**

3. Executive Summary

- 3.1 The contract for the replacement Ice Rink has been awarded to Lengard Ltd and at the time of writing this report the project is proceeding on budget and to programme. The scheduled completion date is 15th October 2010.
- 3.2 A capital dilapidation budget of £500,000 and an R&M Security & Maintenance budget of £1,237,295 has been allocated for 2010/11. The truncated Project Initiation Document (PID) at appendix 1 summaries the work priorities which are targeted at addressing areas of legislative compliance, significant Health and Safety impacts and the site's operability and upkeep.

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

4.1 N/A

5. Local Government (Access to Information) Act 1985

5.1 No specific background papers were used in compiling this report.

6 Description

6.1 Ice Rink Replacement

The sum of £2.0 million has been secured from Haringey Council via prudential borrowing to replace the Ice Rink.

6.1.1 To minimise the loss of revenue to APTL and the Trust during the 6 months construction period the replacement has been scheduled across the summer low season of the Ice Rink.

6.1.2 A professional project team working in conjunction with Haringey Council has been mobilised for the contract and a Design and Build contract has been tendered under the Haringey Council Framework Agreement for the Provision of Major Works Construction Services value in the range £1,000,000 to £3,499,000.

6.1.3 At a special Board meeting on the 4th May 2010 approval was given to award the contract to Lengard Ltd on the basis that the tender represented the overall best value to Alexandra Palace and was within the allocated cost plan for this element of the project (£1.7m).

6.1.4 A letter of intent was issued to Lengard on the 6th May 2010 and the contract documentation was completed on the 14th May 2010.

6.1.5 The Ice Rink was closed to the public on 5th May 2010 and the facility decommissioned over the following days. Bore holes into the ground have been completed and the depth of ice penetration and soil condition analysed, which have shown no areas for concern to date.

6.1.6 A bid has been submitted to Haringey Council's Sustainable Investment Funding (SIF) programme for a low emissivity ceiling for the ice rink at a cost of £51,461. This sum would be repaid to Haringey Council from the resulting energy cost savings over a five year period.

6.1.7 The site was handed over to Lengard on the 12th May 2010 and the project has commenced.

6.1.8 At the time of writing this report this project is currently on budget and on programme with a scheduled completion for the 15th October 2010. There is a Project Board meeting scheduled for 27 May 2010 and the Interim General Manager will verbally update the Board members should there be any significant change to the status of the project.

6.2 CAPEX and R&M Budget 2010/11

6.2.1 Alexandra Park and Palace Charitable Trust (APPCT) has been allocated a CAPEX dilapidation budget for 2010/11 of £500,000 and an R&M Security and Maintenance budget of £1,2377,295.

6.2.2 The £500,000 capital grant represents only half of the requested sum for 2010/11 has been realigned on the basis of the priority of the compliance and dilapidation works defined within the original bid paper. These are as follows:-

- External Hydrant Main £20,000
The proposed installation of a plastic liner into the 250mm ductile has been deferred from this financial year. Following modifications to the pressure control systems and repairs the existing system has proved more reliable. It is now intended to commission a report and to get more detailed recommendations on the options we have available in the long term.
- Fire Alarm Upgrade/Replacement £100,000
Commissioning a project to upgrade and replace the existing obsolete and unreliable fire system over the next two years starting with high risk areas.
- External Building Dilapidations £130,000
Commissioning a contract through the LBOH Minor Works Framework Contracts to commence works on the external brickwork condition on the Palm Court and Ice Rink entrances and the South side of the Palace this financial year.
- Theatre £50,000
Commissioning a structural engineering and building surveyor's report/estimate for the area to identify staged cost options to:-
 - Make safe and protect the structure
 - Make it a useable facility
 - To develop an analysis of a Return on Investment (ROI) for the facility
- The objective is to develop a project proposal which can be used to seek other streams of funding and clearly identify the staged options that are available for the Theatre.
- Internal Dilapidation Works £100,000
Commissioning a contract through the LBOH Minor Works Framework Contracts to address internal dilapidation on the building fabric to safeguard the asset and to support the operation of APTL. A list of work priorities has been agreed with APTL and these monies will initially address the Priority 1 areas. For example the Palm Court

Entrance, Londesborough room, Phoenix Toilets, Place Suite and Palm Court meeting rooms will all have some refurbishments works taking place.

- Upgrade of the Data/Comms Cabling Infrastructure £50k
Commissioning a contract to rewire the data/comms infrastructure to address obsolescence, dilapidations and speed of the system. These works were urgently required to provide a platform on which further technical improvements can then be added. (e.g. new telephone system, EPOS etc). These works were approved by the IGM using his procurement authority and are nearing completion.
 - Contingency Fund £50k
Alexandra Place does not have yearly allocated Capital Budget from which to invest (e.g. replacement computer for staff). A £50k capital fund has therefore been allocated to address these unforeseen capital purchases.
- 6.2.3 The £1,237,295 R&M Security and Maintenance budget will fund Site Security, Planned and Reactive Maintenance and a proportion of the utility costs of the site. The term contracts with Europa and Integral are in place until the 31st October 2010, after which the new Integrated Facilities Management contract will be in place at which time the cost plans will be reviewed. The current cost plan is as follows:-
- Site Security with term contractor £ 432,708
Provision of 24/7 site security team across AP
 - Planned Maintenance with term contractor £331,389
Provision of planned maintenance support to AP but with the Ice Rink elements removed during the construction programme
 - Reactive Maintenance £270,900
Provision of reactive maintenance support to the buildings and landlord services across the site.
 - Equipment Maintenance £116,380
Provision for the planned and reactive repairs to equipment at AP (i.e. not landlord services e.g. boilers)
 - Balance of Budget: Funding a proportion of the utility costs of the site
- 6.2.4 The above sums do not include variable repairs and maintenance budgets for the park, winter maintenance, roads and park security, which were included in the Budget Report approved by the Board at its meeting on 2 March 2010.
- 6.2.5 A truncated version of the Project Initiation Document (PID) is appended to reassure Board members that the Trust has a robust

project management process in place, which is subject to scrutiny by internal stakeholders. The appendices have been removed from the PID as they contain significant detail, which is available to Board members on request from the Interim General Manager.

- 6.2.6 The Interim General Manager has proposed that there should be a memorandum of understanding between the Trust and APTL that effectively 'ring-fences' the additional profit from the ice rink to enable the £2.05m capital and interest to be repaid to the Council over a ten year period. The Board is asked to approve this approach and, if so, the Interim General Manager will report back to the Board on this in due course.

7. Consultation

- 7.1 The development and allocation of capital and revenue expenditure has been fully discussed with APTL management. Progress on capital and major revenue works is reviewed on a monthly basis at Facilities Meetings between senior management of the Trust and APTL. A list of Priority 1 and Priority 2 dilapidation works have been agreed and monies are being targeted towards these areas as funds allow.
- 7.2 The Board of APTL at their next meeting in June 2010 will be apprised of the investment priorities identified in this report and will be invited to comment further on the Priority 1 and 2 dilapidation works with a view to maximising the return on investment for the business.

8. Legal and Financial Comments

- 8.1 At the time of writing, the ice rink replacement project is currently progressing on budget.
- 8.2 The proposed capital works are within the £500k capital grant allocation from LB Haringey. The grant will be treated as restricted capital funding and the relevant depreciation charged to the fund over the useful economic life of the assets.
- 8.3 The proposed R&M Budget Programme is in line with the revenue budget allocation awarded by LB Haringey for 2010/11 and the revenue budget approved by the Board at its meeting of 2 March 2010.
- 8.4 The project is expected to pay back the initial loan plus interest within a ten year period. The final terms of the prudential borrowing (interest rate and repayment period) have yet to be agreed with Haringey Council. Based on the prevailing Public Works Loan Board interest rate, interest has been calculated at £470k over the ten year repayment period.
- 8.5 The Interim General Manager has proposed that there should be a memorandum of understanding between the Trust and APTL that effectively

'ring-fences' the additional income from the ice rink so that profit derived appears in the gift aid payment and consequently reduces the deficit funding by Haringey Council.

8.6 The final terms of the prudential borrowing (interest rate and repayment period) have yet to be agreed with Haringey Council. It is expected that the interest payable will in the region of £470K.

8.3 Haringey Council's Chief Financial officer comments:

The report is noted and confirmation that the capital sums of £500k for building works and the £2 million for the ice rink redevelopment are available. The governance arrangements that are in place for the management of these projects is noted and follows the Council's good practice. The Council has a senior finance officer as a member of the Ice Rink project board. The trust should ensure that it reports to the board on a regular basis on progress against milestones and spend on both projects.

8.4 The Trust's solicitor's advice has been taken into account in preparing this report.

8.5 Haringey Council's Legal Services have also been consulted on the report and have no comment to add.

9. Equalities Implications

9.1 There are no perceived equalities implications in this report.

10. Use of Appendices / Tables / Photographs

Appendix 1:-

- Truncated Project Initiation Document for the CAPEX and R&M Budget Programme for 2010/11.

APPCT**CAPEX and R&M Budget Programme****for****2010/11****Project Initiation Document****(Truncated for APP Board on 7 June 2010)****17th May 2010**

DOCUMENT CONTROL**CHANGE HISTORY**

| Version | Author | Date | Change |
|---------|--------------|----------|--|
| V0.1 | John Barnett | | Initial |
| V0.2 | John Barnett | 30/03/10 | Final Draft |
| V1.0 | John Barnett | 14/04/10 | Final |
| V1.1 | John Barnett | 17/05/10 | Updated |
| V1.1A | Andrew Gill | 26/05/10 | Truncated for APP Board (appendices removed) |

REVIEWERS

| Version | Reviewer | Role | Date |
|---------|----------------|--------------------------|----------|
| V0.2 | Andrew Gill | General Manager | 14/04/10 |
| V0.2 | Rebecca Kane | MD of APTL | 14/04/10 |
| V0.2 | Les Myers | Facilities Manager | 14/04/10 |
| V0.2 | Stephen Garner | Events & Leisure Manager | 14/04/10 |

APPROVERS

| Version | Approver | Role | Date |
|---------|-------------|-------------------------|----------|
| V1.0 | Andrew Gill | Interim General Manager | 17/05/10 |
| V1.1A | Andrew Gill | Interim General Manager | 26/05/10 |
| | | | |

DISTRIBUTION

| Version | Name | Role |
|---------|----------------|---------------------------------------|
| V1.0 | Andrew Gill | Interim General Manager |
| V1.0 | Les Myers | Facilities Manager |
| V1.0 | Mark Evison | Parks Manager |
| V1.0 | Rebecca Kane | MD of APTL |
| V1.0 | Stephen Garner | Events & Leisure Manager |
| V1.0 | David Mulford | Construction Procurement Manager LBOH |
| V1.1A | APP Board | Trustee Board Approval |
| | | |

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1 PROJECT DEFINITION

1.1 DESCRIPTION

Alexandra Park and Palace Charitable Trust (APPCT) have been allocated a CAPEX dilapidation budget for 2010/11 of £500,000 plus an R&M budget of £1,2377,295. The following document defines the proposed programme of works and spends for the year.

1.2 OBJECTIVES

The objectives for the 2010/11 financial year are as follows:-

1.2.1 CAPEX Expenditure

The £500,000 monies, which represents only half of the requested sum for 2010/11 has been realigned on the basis of the priority of the compliance and depilation works defined within the original bid paper. These are as follows:-

- **EXTERNAL HYDRANT MAIN £20,000 (CODE Y01 02020)**

The proposed installation of a plastic liner into the 250mm ductile has been deferred in this financial year. Following modifications to the pressure control systems and repairs the existing system has proved more reliable. It is now intended to commission a report with Advantica Technologies who are a pipelines expert into the system and to get more detail recommendations on the options we have available in the long term.

- **Fire Alarm Upgrade/Replacement £100,000 (CODE Y01 02020)**

Commission a project to upgrade and replace the existing obsolete and unreliable fire system over the next two years starting with high risk areas.

- **External Building Dilapidations £130,000 (CODE Y01 02027)**

Commission a contract through the LBOH Minor Works Framework Contracts to commence works on the external brickwork condition on the Palm Court and Ice Rink entrances plus the South side of the Palace this financial year.

- **Theatre £50,000 (CODE Y01 02027)**

Commission a structural engineering and building surveyor's report/estimate for the area to identify staged cost options to:-

- Make safe and protect the structure
- Make it a useable facility

To develop an analysis of a Return on Investment (ROI) for the facility

The objective is to develop a project proposal which can be used to seek other streams of funding and clearly identify the staged options that are available for the Theatre (i.e. from basic through to operational facility).

- **Internal Dilapidation Works £100,000 (CODE Y01 02027)**

Commission a contract through the LBOH Minor Works Framework Contracts to address internal dilapidation on the building fabric to safeguard the asset and to support the operation of APTL.

- **UPGRADE OF THE DATA/COMMS CABLING INFRASTRUCTURE £50k (CODE Y01 02020)**

Commission a contract to rewire the data/comm. infrastructure to address obsolescence, dilapidations and speed of the system. This will then provide a platform on which further technical improvements can then be added. (e.g. new telephone system)

- **Contingency Fund £50k**

£50k capital emergency fund to address unforeseen capital purchases by the Trust

1.2.2 Revenue and Maintenance Spend

The £1,237, 295 R&M budget will be used to fund Site Security, Planned and Reactive Maintenance plus a proportion of the utility costs of the site. The term contracts with Europa and Integral are in place until the 31st October 2010, after which the new Integrated Facilities Management contract will be in place at which time the cost plans will need to be reviewed.

- Site Security with term contractor (Code 38390) £ 432,708
Provision of 24/7 site security team across AP
- Planned Maintenance with term contractor ((Code 38400) £331,389
Provision of planned maintenance support to AP but with the Ice Rink elements removed during the construction programme
- Not Committed £13,042
Monies not committed
- Reactive Maintenance (Code 40401) £270,900
Provision of reactive maintenance support to the buildings and landlord services across the site.
- Equipment Maintenance (Code 40402) £116,380
Provision for the planned and reactive repairs to equipment at AP (i.e. not landlord services e.g. boilers)
- Electricity (Code 50500) £31,927
9 % of the electricity cost at AP
- Gas (Code 50501) £ 17,782
9.7 % of the gas cost at AP
- Water (Code 50502) £11,667
28 % of the water cost at AP
- Telecoms (Code 51510) £11,500
Allocate by line cost at AP

1.3 CUSTOMER QUALITY EXPECTATION

The CAPEX will be mainly targeted at the areas of legislative compliance and addressing key areas that could have significant Health and Safety impacts on the site.

Some monies £100k CAPEX will be targeted towards the Trustees responsibilities to maintain the internal fabric in go order and to assist the operation of APTL to deliver its business plans.

Some £116k Revenue will be targeted at supporting APTL operational equipment.

1.4 EXCLUSIONS

In view of the £500k CAPEX budget limit for this financial year the proposed works on the BBC Studios and Ancillary areas has been deferred. Works on building services replacement have also been deferred unless capital cases under the Sustainable Investment Funding programme can be achieved.

2 PROJECT PLANNING

2.1 APPROACH

The programme of works will be project managed by John Barnett who will work in conjunction with LBOH Corporate Procurement Team to utilise their Minor Works Framework Contracts they have in place.

The programme will be managed and reported as a project, with Project Board meetings monthly chaired by the Interim General Manager

2.2 CONSTRAINTS

The works will be managed within the defined cost programme.

2.3 ASSUMPTIONS

The impact of any efficiency savings in the delivery of an Integrated Facilities Management contract will be reviewed later in the financial year once tenders are available.

2.4 CHANGE MANAGEMENT APPROACH

A formalised system of Change Management will be operated on the project. This will be formally recorded by the Project Programme Manager; then reviewed and approved by the Project Sponsor. Information will be communicated to the Project Sponsor through the highlight reporting system each month.

2.5 HIGH LEVEL MILESTONE PLAN (SEE APPENDIX 4 & 5)

The high level milestone plan is detailed in appendix 4 & 5

3 PROJECT CONTROLS

3.1 PROJECT TEAM STRUCTURE

PROJECT SPONSOR (PS)

The project sponsor will be Andrew Gill, Interim General Manager APPCT. The Project Sponsor's responsibility will be to review the project delivery through a formalised project board with monthly highlight reports.

Project Manager (PM)

The project manager will be John Barnett who will manage the project delivery. The project will be strategically programme managed using the Council project management system. This will include an approved PID, costs plan, project and milestone plan and risk assessments. The PM will be responsible for submitting monthly highlight reports to the Project Sponsor.

Stage Management

Support in the delivery of this project will be provided through the LBOH Corporate Procurement Department, utilising their Minor Works Framework Contracts.

3.2 REPORTING ARRANGEMENTS

The PID will be reported to the APPCT Trustees meeting on the 7th June 2010 to seek approval for priorities for capital and revenue spends on dilapidations, repairs and maintenance.

The PID will also be presented to APTL Board meeting

The project board will meet monthly and at Key milestones stages of the project.

Review will take place at the scheduled monthly Facilities Management meeting with APTL

3.3 PROJECT GOVERNANCE

The project will operate under the APPCT policy guidelines and use the Council "Best Practice Procurement & Project Management Procedures".

3.4 CHANGE REQUEST PROCEDURE

A formalised system of Change Management will be operated on the project. This will be formally recorded by the Project Programme Manager; then reviewed and approved by the Project Sponsor. Information will be communicated to the Project Sponsor through the highlight reporting system each month.

4 QUALITY PLAN

4.1 QUALITY APPROACH AND RESPONSIBILITIES

Prior to works being undertaken a detailed project quality plan will be produced against which the project will be monitored.

5 RESOURCES

5.1 TIME COMMITMENTS

The Project Manager will be required to facilitate the project implementation at an estimated effort of 1 day per week.

Support from the LBOH Corporate Procurement team will be required at project setup and commencement

5.2 PROJECT BUDGET (APPENDIX 1 & 2)

The cost plans for the CAPEX are detailed in Appendix 1 and for R&M in Appendix 2.

RISK LOG

5.3 Risk Log

A formal project risk assessment will be compiled separately; the following lists areas of High Risk which could have high impact on the project.

| Risk Description | Owner | Impact (H/M/L) | Probability (H/M/L) | Mitigation Plan |
|---|--------------|-----------------------|----------------------------|--|
| Lack of resources to deliver the project. | Prjt Man | H | L | Internal resources have been agreed with IGM |
| Lack of funding | Prjt Man | H | L | The funding will be managed within the £0.5 Million |
| Time scales take longer. | Prjt Man | H | M | Utilise LBOH framework contracts to reduce the front end specification and tendering works |
| LBOH give low priority to works | Prjt Man | M | L | Discussions complete with CPU/CPG and agreements in principle obtained |
| Other works demands on the budget | Prjt Man | H | M | Good project management and change control procedures. |

FULL PROJECT RISK REGISTERS TO BE DEVELOPED WITH EACH PROJECT

6 AUTHORITY TO PROCEED

6.1 SIGN-OFF

Sign-off
Interim General Manager

Agenda item:

ALEXANDRA PALACE & PARK BOARD On 7th June 2010

Report Title: **Integrated Facilities Management Contract – Open part one**

Report of: **Andrew Gill, Interim General Manager, Alexandra Palace & Park Charitable Trust**

1. Purpose

- 1.1 To update the Board on the current progress on the award of a single contract to provide Security and Facilities Management services.
- 1.2 To seek the Board approval to extend the existing contracts for one month.

2. Recommendations

- 2.1 The Board is asked to note the progress reported on the procurement of a single contract for the provision of Security and Facilities Management services.
- 2.2 The Board is asked to approve, in accordance with Contract Standing Order (CSO) 13.02, the extension of the existing Mechanical Services contract with Integral UK Ltd until the end of October 2010.
- 2.3 The Board is asked to note that the Interim General Manager will approve, in accordance with CSO 13.01(a)(ii), the extension of the existing Security contract with Europa Workspace Solutions Ltd until the end of October 2010.

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



Contact Officer: John Barnett Interim Facilities Management Consultant ,
Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4334

3. Executive Summary

- 3.1 The delivery of the Integrated Facilities Management contract is proceeding to programme.
- 3.2 The contract will be tendered over the period 10th June to the 19th July 2010 and following tender evaluation will be ready for Board approval at the end of August. A Special Board meeting has therefore been scheduled for 6.30pm on the 6th September 2010 to review the tender evaluations and approve the award of contract.
- 3.3 Following the 'Alcatel period', the award of contract is programmed for the 27th September 2010. This will require the existing contracts with Europa and Integral to be extended past the 31st August 2010 for a period of 2 months (i.e. allowing 25 days for mobilisation of the new contract).
- 3.4 The proposed extension has been agreed in principle with both Europa and Integral

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

- 4.1 The Interim General Manager has the same authority as a Director under Contract Standing Orders, therefore can extend the Europa contract for a single extension period under CSO 13.01(a)(ii).
- 4.2 The reason for referring approval of the Integral extension to the Board is set out in Appendix A to the report.

5. Local Government (Access to Information) Act 1985

- 5.1 No specific background papers were used in compiling this report.
- 5.2 This report contains exempt and non-exempt information. The exempt information is contained in Appendix A of this report and is not for publication. The exempt information is exempt under the following category (identified in the amended Schedule 12A of the Local Government Act 1972), s. (3):
- Information relating to the financial or business affairs of any particular person (including the authority holding that information) (Category 3).

Description

- 6.1 Alexandra Palace currently has two term contracts delivering facilities management services across the site. The contracts are:-
- a. Site Security provided by Europa Workspace Solutions**
This contract was novated to Europa in 2009 when the incumbent supplier went into administration. The contract was placed until the 31st August 2010 and can be terminated at will following this date
 - b. M&E services provided by Integral UK.**
This was awarded on the basis of a 5 year contract with the ability to extend for a further two periods of one year. The extension options have now been taken and the contract terminates on the 31st August 2010.
- 6.2 The above contracts do not provide full coverage of the required FM services to the site and various other minor works contracts have to be sourced in addition to the above.
- 6.3 The award of an Integrated Facilities Management contract would deliver improved value for money by the following;
- a. Providing cost savings from the improved economies of scale
 - b. Reducing the management costs within the contracts

- c. Providing a tendered scope of works which will fully define the FM requirements and have performance monitoring.
 - d. Reduce the internal work load of specifying, tendering and awarding contracts for minor works.
 - e. Adopting a principle of measured works using the National Schedule of Rates.
- 6.4 A process for procuring a new integrated Facilities Management Contract has therefore been proceeding under EU procurement rules since September 2009.
- 6.5 A professional team has been mobilised for the project comprising the Haringey Council Construction Procurement and Legal Team members together with expertise from within Haringey Council's Consultants Framework agreement and key APPCT & APTL staff. This project team meets on a regular basis to formally review the project against the milestone plan.
- 6.6 The project has now reached the Pre-qualification Stage (PQQ) and 16 contractors have submitted their responses. The draft tender specification has been compiled and it is programmed for the contract to be tendered over the period 10th June to the 19th July 2010.
- 6.7 Tender evaluations are programmed for completion at the end of August 2010. A Board meeting has therefore been scheduled for 6.30pm on the 6th September 2010 to review the tender evaluations and approve the award of contract
- 6.8 Assuming that there will be no challenges at the Alcatel stage of the project, the new contract can be awarded on the 27th September 2010. With mobilisation taking place over the following 5 weeks.
- 6.9 The exacting requirements of the EU procurement process do not provide any flexibility to accelerate this programme, therefore the incumbent term contractors' contracts (Europa & Integral) need to be extended to the end of October 2010.
- 6.10 Preliminary discussions have already taken place with both Europa and Integral on this basis and approval in principal agreed
- 7. Consultation**
- 7.1 The development of the Integrated Facilities Management contract has been taking place with full consultation of APTL senior management.
- 8. Legal and Financial Comments**
- 8.1 There are no negative impacts on the R&M budget of this proposal.
- 8.2 The costs of the project team have been accounted for within the 2010/11 budget plan.
- 8.2 The costs of the project team have been accounted for within the 2010/11 budget plan.

- 8.3 Haringey Council's Chief Financial officer notes the report. The trust will need to ensure that if any additional costs occur, as a result of the contract extension and re-tendering, then they will need to be contained within the existing and agreed budgets.
- 8.4 The Trust's solicitor has no comment to make on this report.
- 8.5 Haringey Council's Legal Services have also been consulted on the report and have no comment to add.

9. Equalities Implications

- 9.1 There are no perceived equalities implications in this report.

10. Use of Appendices / Tables / Photographs

Appendix A – Exempt Item

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**UNRESTRICTED MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

PRESENT : * denotes attendance

Councillors *Egan (Chair), *Hare, *C. Harris, *Peacock, *Scott, *Thompson
(Vice-Chair), and *Williams

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

Observer: *Mr D. Liebeck

Also present:

Mr A. Gill – Interim General Manager – Alexandra Palace**

Mr I. Harris – Trust Solicitor

Ms H. Downie – Head of Finance – Alexandra Palace **

Ms R. Kane – Managing Director – Alexandra Palace Trading Limited **

Ms J. Parker – Director of Corporate Resources – LB Haringey

Mr C. Hart – Committee Manager (Clerk to the Board) LB Haringey

** present for the unrestricted part of the proceedings only

**MINUTE
NO.**

SUBJECT/DECISION

| | |
|----------------|--|
| APBO18. | <p>APOLOGIES FOR ABSENCE</p> <p>An apology for lateness was received from Councillor Hare, and Val Paley.</p> <p>NOTED</p> |
| APBO19. | <p>URGENT BUSINESS</p> <p>The Clerk to the Board – Mr Hart advised that in respect of Agenda Item 9 – Minutes – the Minutes of the meeting of the Alexandra Palace and Park Consultative Committee held on 16 February 2010, and the Alexandra Park and Palace Advisory Committee held on 9 February 2010 had been marked 'TO FOLLOW' and had been forwarded to Board members during the latter part of the previous week.</p> <p>NOTED</p> |
| APBO20. | <p>DECLARATIONS OF INTERESTS</p> <p>Councillor C. Harris declared a non prejudicial interest in respect of Item 7 – Budget 2010/11, and Item 8 – Finance Update as Chair of the Pensions Committee of the LB Haringey.</p> <p>Councillor Thompson advised that as he was no longer a member of the pensions Committee he did not have to declare any interests as previously.</p> <p>Mr Gill – Interim General Manager – Alexandra Palace declared an interest in</p> |

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

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|-----------------------|---|
| | <p>Exempt Items 12 – 14 as Interim General Manager.</p> <p>Ms Downie – Head of Finance – Alexandra Palace declared an interest in Exempt Items 12 – 14 as Head of Finance Alexandra Palace Trading Limited.</p> <p>Ms Kane – Managing Director Alexandra Palace Trading Limited declared an interest in Exempt Items 12 – 14 as Managing Director Alexandra Palace Trading Limited.</p> <p>NOTED</p> |
| <p>APBO21.</p> | <p>QUESTIONS, DEPUTATIONS OR PETITIONS : TO CONSIDER ANY QUESTIONS, DEPUTATIONS OR PETITIONS RECEIVED IN ACCORDANCE WITH PART 4, SECTION B29 OF THE COUNCIL'S CONSTITUTION</p> <p>Nil.</p> |
| <p>APBO22.</p> | <p>ADVICE ON THE OUTCOME OF THE MEETING AT THE CHARITY COMMISSION ON 3 FEBRUARY 2010</p> <p>The Chair asked for a brief introduction of the report.</p> <p>In a brief introduction the Trust Solicitor – Mr Harris advised the meeting of the discussions that took place at the Charity Commission on 3 February 2010. The meeting had been attended by the Interim General Manager – Mr Gill, and the Managing Director – APTL – Ms Kane, and himself. Mr Harris commented that the Commission had requested the meeting, to be updated in relation to various matters concerning the charity and the conduct of its affairs. The charity had also asked for consideration of some points. The agenda attached to the circulated report had been kept to and had been agreed prior to the meeting. Mr Harris gave a summary of the meeting as detailed in the attachments to the report and emphasised the position of the Charity Commission that there was no current contemplation of the removal of Haringey as trustee. There had been an awareness that this point had been argued quite forcibly by a number of correspondents and there was appreciation of the Commission's position.</p> <p>Mr Harris also advised that some discussion had centred on structural models and the Charity Commission had indicated that if new trustees were to be appointed that were not members of Haringey Council this would require a Section 17 Charities Act 1993 scheme. Discussions had also centred on possible car park charging and that the Commission remained willing in principle to promote a Section 26 Order empowering trustees to levy charges for car parking, with a probable need/requirement to consult upon a proposed order and that a draft would probably need to be advertised. The Commission advised that dependant upon any response to consultation an order could take between 2 and 12 months to be made. Mr Harris commented that this point was a helpful and important indication, and reminded the Board of its meeting on 12 January 2010 where it had received a paper on additional income sources and one of the options was levying car parking charges in respect of which the trustees directed that it be given further consideration. In the light of this indication further work would now be undertaken on this by officers. Mr Harris concluded that it was the belief of the Interim General Manager, the Managing Director of APTL and himself that there was common ground in that what both Commission and trustees would like to see was a vibrant, solvent self supporting charity that</p> |

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

ceased to be the subject of ongoing complaints to the Commission.

The Chair thanked Mr Harris for his brief and succinct report, and asked if there were any points of clarification.

Councillor C. Harris sought clarification as regards the comments in paragraph 5.7 of the report and whether she had misheard Mr Harris in his introduction by stating that the Charity should be independent and self supporting, and that this had been agreed as an ultimate aim.

In response Mr Harris clarified that was not the case but that it was the common wish to see a vibrant and self supporting charity, but not an independent charity.

There being no further points of clarification the Chair summarised and it was:

RESOLVED

That the outcome of the meeting at the Charity Commission on 3 February 2010, as detailed in the report of the Trust Solicitor be noted.

APBO23. GOVERNANCE UPDATE

The Chair asked for a brief introduction of the report.

The Managing Director Alexandra Palace Trading Limited – Ms Kane, on behalf of the Interim General Manager informed the Board that major barriers to current governance were identified at both away days in the autumn of 2009 and common ground for how to progress with the future of Alexandra Palace and Park captured around the following headings: a) Objectives, b) Principles and c) Processes. The Board had been recommended to adopt the NCVO *Good Governance* code. It was the intention to carry out more work to implement the code during the May induction process, and in time, the code would be bespoke to suit the preferred structure of the trustees and reflect the work already completed by trustees and stakeholders on the three areas above. The seven key principles which combined a cross reference of the NCVO code and governance outputs arising from the Awayday and Stakeholder Forum were listed at appendix 1 of the report. For ease of reference, a further copy of the report had been tabled as the copied and sent versions had not been particularly easy to read. Ms Kane outlined the seven principles, being:-

- Board Leadership

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

- The Board in control
- The High Performance Board
- Board Review and Renewal
- Board Delegation
- Board and trustee Integrity
- Board Openness

(Councillor Hare arrived at 19.37hrs)

Ms Kane advised that the pros and cons of structural options had been assessed by attendees, and KPMG had also tested a number of models against tax, charitable law and governance criteria. Ms Kane also advised of the planned road show for the week commencing 15 March 2010 and a planned open day on 22 May 2010. The details of the 7 principles, objectives and pros/cons, and details of the proposed road show venues would also be placed on the community pages of the APTL website.

The Chair sought clarification as to the need for emphasis on whatever model to be adopted needed to be explicit in terms of the objectives of the Charitable Trust and development of the fund raising arm of the Charity, and he commented on the possible development of fund raising through both the Advisory, and Consultative Committees, as well as the possible development of the concept of 'Patrons' of the Palace and Park.

Ms Kane responded that in terms of such the idea of 'patrons' and possible fund raising was detailed within Model 4.

Councillors C Harris and Hare commented in respect of the possibility of exploring external funding sources, and local fund raising, and the need for sensitivity in terms of attracting external funding sources, and local fund raising. Ms Kane commented that such avenues would be explored when resources permitted and local fund raising needed handling carefully. In terms of 'Patrons' there would possibly be a 'Patron's Committee' though exactly how the 'Patrons' concept would work did also require some special consideration.

Councillor Scott commented that at a community level there could be some specific areas of fund raising with a clear structure of how local groups and interested parties could contribute to the Palace and park.

Mr Liebeck commented that in his view the Board was actually going 'overboard' in its efforts to consult and take on views of the local community, and that there was surely a conflict in terms of the whole issue of the Charitable Trust being comprised of elected local Councillors. In his view, there was a need for a totally

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

independent Board of Trustees without local authority influence and only then would the Charity be able to effectively run. Mr Liebeck also commented that the Charity's effort to engage and seek views regarding governance were, in his view the wrong approach, and that in terms of consultation it was a fact that the Board had previously failed during the Firoka process to engage with the Community when indeed consultation at that time should have been effectively carried out, with the resultant High Court action having shown that consultation had not been effective. Mr Liebeck also commented that in his view apart from the professionalism of the Managing Director – Alexandra Palace trading Limited in terms of both her current and previous position all others connected with the running/management of the Palace were amateurs and that in that sense both the previous 20 years and future direction of the Palace would always be affected by this fact in terms of managing the strategic objectives of the future direction of the Trust. Also in terms of the issue of encouraging the Advisory Committee to be involved in fund raising this was not something that in his view that the Advisory Committee should be involved in nor should it be a path to be taken by the Board.

The Interim General Manager Alexandra Palace – Mr Gill placed on record his objection to the assertion of Mr Liebeck in respect of officers of the Charity being amateur in their running of the palace and that such comments were extremely unhelpful. The Chair, in sharing Mr Gill's views, urged Mr Liebeck to consider withdrawing such comments.

Mr Liebeck commented that he would stand by his comment and reiterated his comment in respect of the past 20 years being hampered by no professional direction.

Mr Gill, in again commenting on the unhelpfulness of such comments advised that it was the case that since the issue of the Firoka development, which was now closed, the Board had adopted a new way forward and this Board had moved on from the comments expressed by Mr Liebeck. There had been significant advancement of community engagement in an effort to address a whole range of developmental matters pertaining to the future of the palace and the governance report before the Board demonstrated a commitment to a new beginning as well as significant community/local involvement. Mr Gill urged Mr Liebeck to withdraw his remarks.

Councillor Hare commented that the conflict of interest as alluded to by Mr Liebeck was certainly of importance and asked whether the Trust Solicitor would remind the Board what exactly the conflict of interest was.

The Trust Solicitor – Mr Harris advised in response that it was a fact that LB Haringey was actually the Trustee and it had delegated the responsibility as Trustee to a Board of now eight Board members. Mr Harris advised that as Trustees in terms of any conflict the advice given by himself had always centred on the fact that as appointed trustees collectively and individually they had to act solely in the interest of the charity and act in a bi-partisan manner, putting aside any political considerations or affiliation in favour of the best interests and

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

aims/objectives of the Charitable Trust. It was also the aims and objectives of this Trust, as supported by the recent view of both its management and the Charity Commission that the Board would wish to be self supporting and vibrant. There were also conflicts in relation to legislation pertaining to Local Government and Charity acts but these conflicts were largely managed effectively.

Councillor Scott commented that it was neither helpful or relevant to bring into question the professionalism/amateurism of officers in terms the management of the Trust and exemplified a school governing body where personal political views or conflicts were always put aside by Governors as they would come together and make decisions purely in the interest of the School and its welfare. Councillor Peacock commented that Councillor Scott's comment was exceptionally well put.

Mr Harris also advised that the Trustees did not control or run the Charitable Trust on a day to day basis and that Mr Liebeck's comment in terms of strategic direction was correct in that the charitable trustees were required to give a clear strategic direction for officers of the Charity to then work towards.

Councillor C Harris commented that she had some concerns at the expressed view of Mr Liebeck in terms of officers being unprofessional and amateur and questioned why such comments were necessary. She added that it was also in the interest of the Charity to obtain as much external sourcing of funding as possible and if this included fund raising which brought in any additional income then surely this should be welcome.

The Chair then asked that Ms Kane conclude her report.

Ms Kane, in drawing the introduction to a close advised that there would be further engagement with trustees, stakeholders, the Council and the Charity Commission and it was anticipated that decisions would be sought later in 2010 when further legal/tax analysis would also help inform decision making. In terms of the overall budget situation the Project Steering Group had been tasked with reviewing the communications strategy to ensure that it met the overall project deliverables. As a result of the review and changing timescales, the remaining activity would be achieved within existing budgets for the current financial year. Ms Kane briefly outlined the recommendations in the report for the Board to consider which mirrored the sentiments of the introduction of the report. Ms Kane also advised that she would be seeking the Board's views as regards a possible visit to the Eden Project so that the Board could see an effective operation of a charitable trust and an excellent working and structured model. Ms Kane also said that she would send trustees a briefing note on the Dartford /Kidd Legacy which had been touched on at the meeting with the Commission.

The Chair thanked Ms Kane for concluding her report presentation and asked if there were further any points of clarification from Board members.

Members referred to the venues for some of the intended road shows and whether some were as suitable as others were. Ms Kane undertook to review the venues.

(Ms Val Paley arrived at 19.56hrs).

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

The Chair then summarised and it was:

RESOLVED

- i. that NCVO *Good Governance* code (and the Key principles: as detailed at appendix 1 of the report) be endorsed and adopted subject to the provisions of Haringey Council's Constitution as they apply to the Alexandra Palace and Park Board and its officers;
- ii. that it be noted that the NCVO code had been presented to both the Alexandra Park and Palace Statutory Advisory Committee and to the Alexandra Palace and Park Consultative Committee, and that it be further noted that the Alexandra Park and Palace Statutory Advisory Committee would further consider governance at a special meeting on 17 March 2010 to discuss governance and feed back to their comments to the Board;
- iii. that the pros and cons of the various structural options currently available for comment which had been subject to scrutiny of KPMG and officers, with some of which having also been discussed at the Trustee and Stakeholder away days as detailed in Appendix 2 of the report be noted;
- iv. that it be noted that the project would be delivered within the budget available to year end 2009/10.
- v. that the proposed time frame for the project and key milestones including an Open Day and a road show to broaden engagement as detailed in appendix 3 of the report be noted, and that the Managing Director APTL review 2/3 of the venues to ensure maximum participation; and
- vii. That the managing Director Alexandra Palace Trading Limited be authorised to explore and initiate trustees visit or host visits to Alexandra Palace from charities operating similar venues and parks in a bid to learn more about effective governance in action.

APBO24. BUDGET 2010/11

The Chair asked for a brief introduction of the report.

The Head of Finance Alexandra Palace – Ms Downie informed the Board that the proposed revenue budget for the 2010/11 financial year was given at Appendix 1 of the report. Ms Downie formally reported that Alexandra Palace had been successful in securing some funding against all the bids that were submitted to LB Haringey for the 2010/11 financial year as follows:-

- Capital allocation - £2m to address ice rink dilapidations, and £500k per annum for 2 years to address key buildings dilapidations
- Revenue allocation - £243k revenue growth bid - £211k to cover shortfall

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

in gift aid due to ice rink closure, and £50k for master planning work

Ms Downie advised that :-

- The Budget being presented was the Trust's revenue budget for 2010/11 which corresponded with the amount awarded by LB Haringey
- A separate capital budget would be prepared in relation to the £500k allocation for 2010/11 – to be presented to the next Board meeting
- The Budget did not include £50k for master planning – although this was revenue spend, a separate project budget would be prepared for master planning
- Income budget included £170k licence fee from the Trust. The Interim General Manager was seeking professional advice on an appropriate level of fee now that the ice rink capital project had been approved. At Board meeting on 12 January 2010 – the Board delegated to the General Manager the setting of the licence fee for 2010/11 – the final amount of the fee would be reported back to a future Board meeting
- Section 7 of the report set out the assumptions made in the budget. It could be assumed that Trust's activities would continue as is.
- The APTL gift aid payment was set at £239k – this took into account the reduction of £211k due to the closure of the ice rink. This was subject to ongoing feasibility testing

Ms Downie also highlighted the following risks in relation to the budget, and that the budget was an estimate based on assumptions that may change over time and would inevitably contain risks. The risks could be mitigated to some extent by regular budget monitoring, re-forecasting and taking corrective action but they could not be removed. The key risks associated with the Trust budget were:

- The Trading Company was unable to deliver the anticipated £239k gift aid payment due to the economic climate or other factors beyond its control;
- Sponsorship for the fireworks display was not secured and costs exceed the £100k budgeted
- Public donations for the fireworks were lower than budgeted
- The anticipated savings on the buildings security/maintenance contract were not deliverable
- Utilities estimates were inaccurate
- Any cessation payment due upon the expiry of the security contract was larger than anticipated (see para 7.4)
- Additional legal work was commissioned and costs exceeded the £72k budgeted

The Chair thanked Ms Downie for her detailed introduction and asked if there were any comments or questions.

Councillor C Harris referred to para 7.4 and asked if the pension risk was built

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

into the budget and Ms Downie responded that the risk was not specifically built in but under the TUPE arrangement the cost would be negligible.

Councillor Hare referred to paragraph 7.7 of the report in relation to the repairs and maintenance budget and the allocation of monies for road repairs, and commented that as a result of the bad weather during the winter season there may be a need for additional funding for likely increased road repairs, together with parts of the park landscape being water logged.

In response the Interim General Manager – Mr Gill advised that there was likely not to be an increase in the allocated budget for 2010/11 with no fluidity to increase.

Following further points of clarification the Chair MOVED and it was:

RESOLVED

That approval be given to proposed revenue budget for the 2010/11 financial year, on the basis that the LB Haringey gave its approval to fund the deficit budget.

APBO25. FINANCE UPDATE

The Chair asked for a brief introduction of the report.

The Head of Finance – Alexandra Palace Ms Downie reported the report before the Board detailed the financial results for the ten month period to 31 January 2010 and the forecast outturn for the 2009/10 financial year. Ms Downie advised the Board that overall, year to date income was £33k above budget and expenditure was £137k above budget, giving a net adverse variance against budget of £105k. Income was £33k above budget due to the receipt of £21k of restricted income which was not budgeted for and community events income being £11k above budget. The latter included public donations for the fireworks, which were £6k above budget. Concession/lease income was £4k above budget due to a backdated rent review on the Vodafone lease. Sundry sales were £4k below budget.

Ms Downie reported that prime costs were £70k (5%) over budget for the year to date, with salaries £79k above budget due to higher management costs and increased staff costs during the secondment period. The contracted services were £9k below budget in the areas of park security and park maintenance, although the Park Manager had indicated there was likely not to be an underspend in his budget overall by year end. In respect of fixed overheads Ms Downie reported that these were £21k above budget due to a £41k overspend in legal costs offset by a £20k underspend in central admin charges. Legal fees include fees from LBH Legal Services Team as well as Howard Kennedy.

Ms Downie, in reference to the forecast gift aid payment from Alexandra Palace Trading Limited, advised that this had now been forecast at £454k, as reported to the APTL Board. .

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

Ms Downie concluded that as previously reported, the Trading company's performance was monitored by the APTL Board and Senior Management Team on a monthly basis and the Managing Director liaised closely with the Interim General Manager of the Trust to highlight areas of concern.

The Chair thanked Ms Downie for her introduction and asked if there were any comments or points of clarification.

In response to a point of clarification from Councillor C. Harris Ms Downie advised that in terms development (governance) expenditure was on budget year to date the budget but was likely to be approx £5K above budget at the end of the financial year – representing the Trust's contribution to the governance and branding work.

There being no further comments the Chair summarised and it was:

RESOLVED

That the results for the ten month period to 31st January 2010 and the forecast outturn for the 2009/10 financial year be noted.

(Mr Willmott arrived at 20.25hrs)

APBO26. MINUTES

The Chair asked that the Clerk to the Board give a brief resume of the Minutes for consideration.

The Clerk to the Board – Mr Hart informed the meeting that before it this evening there were the Minutes of the Board meeting of 12 January 2010 for approval. Those Minutes referred to the approval of the minutes of the previous meeting of the Board on 24 November 2009 as an accurate record. Since this approval, Councillor Hare had advised that he should have raised a point of amendment to those minutes in relation to MINUTE APB064 where he had commented on his concern with an additional point of clarification. Mr Hart advised as the Minutes had already been agreed as an accurate record they stood as that however if the Board was in agreement the amendment could be recorded as a matter of record at this item as a matter of note.

Councillor Hare concurred with the comments expressed by Mr Hart and the Board agreed to the noting of the comment as follows, nemine contradicente:

'Cllr Hare also questioned the nature of the material to be imported and the costs involved. In response a Golfwise representative explained that the material was waste material that would otherwise have to be deposited in land-fill sites, that they would be paid to import the material and that without these payments the project could not go ahead. '

NOTED

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

Mr Hart also referred to the Minutes of the Consultative Committee of 16 February 2010, and also the Minutes of the Advisory Committee of 9 February 2010 together with a number of recommendations for consideration, which had been marked 'TO FOLLOW' and had been circulated. Mr Hart drew the Board's attention to the Advisory Committee's minutes of 9 February 2010 and attachments which asserted that the Board had not given consideration and response to a number of resolutions of the Advisory Committee arising from previous meetings of the Advisory Committee.

Mr Hart advised that following receipt of the Advisory Committee's recommendations the Chair of the Board had consulted with the Interim General Manager and Trust Solicitor, and himself, and as a result a letter of response had been prepared in draft and circulated to Board Members for perusal prior to this evening's meeting setting out a response from the Chair of Board to those recommendations. The Board were now asked to consider the draft response and endorse the proposed draft letter, as well as considering two other points of clarification from the Advisory Committee of 9 February 2010.

The Chair thanked Mr Hart for his succinct clarification and asked if the Board were in agreement to draft response. The Board agreed to the draft letter of response nemine contradicente

In respect of the remaining two points of consideration arising from the Advisory Committee of 9 February 2010 following clarification of the points from the Interim General Manager Mr Gill, and the Trust Solicitor Mr Harris, the Chair summarised and it was:

RESOLVED

- i. that the minutes of the Alexandra Palace and Park Board held on 12 January 2010 be agreed and signed by the Chair as an accurate record of the proceedings;
- ii. that the minutes of the Alexandra Palace and Park Consultative Committee held on 16 February 2010 be agreed;
- iii. that in respect of the Minutes of the Alexandra Park and Palace Advisory Committee of 9 February 2010:
 - a. the draft letter from the Chair of the Board in response to assertions that the Board had not given consideration and response to a number of resolutions of the Advisory Committee arising from previous meetings of the Advisory Committee be agreed (a copy of the letter will be interleaved with the minutes); and
 - b. That in respect of the two resolutions of the Advisory Committee of 9 February 2010 which sought the Board's consideration and response, the response be as follows:

Resolution (i) of the Advisory Committee: That the Board be asked to note the comments of the Advisory Committee and is encouraged to aspire to meet the requirements of the NCVO Good Governance Code.

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
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| | <p style="text-align: center;">RESPONSE OF THE BOARD</p> <p>That in response to resolution (i) the comments be noted.</p> <p>Resolution (ii) of the Advisory Committee: That the Board be informed that the Advisory Committee would like an opportunity to contribute towards the 3 year business plan for Alexandra Palace before it is approved.</p> <p style="text-align: center;">RESPONSE OF THE BOARD</p> <p>That in response to resolution (ii) the request be rejected and that it was not appropriate for the Advisory Committee to see any 3 year business plan for Alexandra Palace before it had been approved by the Board.</p> |
| <p>APBO27.</p> | <p>ANY OTHER UNRESTRICTED BUSINESS THE CHAIR CONSIDERS TO BE URGENT</p> <p>NIL</p> |
| <p>APBO28.</p> | <p>EXCLUSION OF THE PUBLIC AND PRESS</p> <p>The Chair advised that the next scheduled meeting of the Board on 22 April 2010 would be cancelled due to the nearness of the meeting to the forthcoming local elections, and the need to ensure that Board members would not be politically compromised prior to the election.</p> <p>The Clerk to the Board advised that should the need arise for non controversial business to be considered then an Urgency panel or Special meeting of the Board would be convened.</p> <p>NOTED</p> <p>RESOLVED</p> <p>That the press and public be excluded the from the meeting for consideration of Items 12, 13, and 14 as they contain exempt information as defined in paras 1,2, 3, and 5 of Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); namely information relating to an individual, information which is likely to reveal the identity of an individual, information relating to the business or financial affairs of any particular person (including the authority holding that information), information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.</p> <p>At this point in the proceedings Mr Gill, Ms Kane, and Ms Downie left the proceedings for the remainder of the meeting.</p> <p style="text-align: center;">SUMMARY OF EXEMPT CONFIDENTIAL PROCEEDINGS</p> |

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 2 MARCH 2010**

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| APBO29. | <p>STAFFING ISSUES</p> <p>AGREED RECOMMENDATIONS</p> |
| APBO30. | <p>OFFICER DELEGATION</p> <p>AGREED RECOMMENDATIONS</p> |
| APBO31. | <p>MINUTES</p> <p>AGREED – the exempt minutes of the Alexandra Palace and Park Board held on 12 January 2010 with an amendment</p> |
| APBO32. | <p>ANY OTHER EXEMPT BUSINESS THE CHAIR CONSIDERS TO BE URGENT</p> <p>Nil.</p> <p>The Chair on behalf of the Board thanked all officers for their work during the past year</p> |

The meeting ended at 21.00hrs.

COUNCILLOR PAT EGAN
Chair

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**UNRESTRICTED MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 4 MAY 2010**

PRESENT : * denotes attendance

Councillors Egan (Chair), Hare, C. Harris, *Peacock, Scott, Thompson (Vice-Chair), and *Williams

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

Observer: Mr D. Liebeck

Also present:

Mr A. Gill – Interim General Manager – Alexandra Palace
 Mr I. Harris – Trust Solicitor
 Ms H. Downie – Head of Finance – Alexandra Palace
 Mr S. Garner – Alexandra Palace Trading Limited **
 Mr B. Bannister – Senior Project Manager – Children and Young People’s Service -LB Haringey
 Mr C. Hart – Committee Manager (Clerk to the Board) LB Haringey

**MINUTE
NO.**

SUBJECT/DECISION

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| <p>APBO01.</p> | <p>ELECTION OF A CHAIR FOR THE DURATION OF THE PROCEEDINGS</p> <p>The Clerk to the Board – Mr Hart advised the Board that in the absence of the Chair of the Board it would be necessary to elect a Chair for the duration of the proceedings. Mr hart sought nominations for the Chair.</p> <p>Councillor Williams nominated Councillor Peacock as Chair of the meeting for the duration of the proceedings.</p> <p>Councillor Peacock was elected Chair for the duration of the proceedings nemine contradicente.</p> <p style="text-align: center;">COUNCILLOR PEACOCK IN THE CHAIR</p> <p>The Chair noted that apologies for absence had been received on behalf of Councillors Egan, Hare, Scott, and Thompson, Ms Paley, Mr Liebeck and Mr Tarpey.</p> <p>NOTED</p> |
| <p>APBO02.</p> | <p>URGENT BUSINESS</p> <p>The Clerk to the Board advised that the item before them – Exempt Agenda Item</p> |

**MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
TUESDAY, 4 MAY 2010**

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| | <p>5 would require reasons for lateness given that it had been sent after the publication of the agenda in a revised form. The 'Return on Investment Analysis' as prepared after the evaluation had also been forwarded to the Board prior to the meeting, and would be considered in conjunction with the exempt agenda item.</p> <p>NOTED</p> |
| APBO03. | <p>DECLARATIONS OF INTERESTS</p> <p>There were no declarations of interests.</p> <p>NOTED</p> |
| APBO04. | <p>EXCLUSION OF THE PUBLIC AND PRESS</p> <p>RESOLVED</p> <p>That the press and public be excluded the from the meeting for consideration of Item 5 as it contains exempt information as defined in para 3 of Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); namely information relating to information relating to the business or financial affairs of any particular person (including the authority holding that information).</p> <p style="text-align: center;">SUMMARY OF EXEMPT/CONFIDENTIAL PROCEEDINGS</p> |
| APBO05. | <p>PROPOSED AWARD OF CONTRACT FOR THE NEW ICE RINK AT ALEXANDRA PALACE</p> <p>AGREED THE RECOMMENDATIONS AS DETAILED IN THE REPORT</p> |

The meeting ended at 08.50hrs.

COUNCILLOR SHEILA PEACOCK

Chair

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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