

NOTICE OF MEETING

ALEXANDRA PARK AND PALACE ADVISORY COMMITTEE

Tuesday, 23rd January, 2018, 7.00 pm or on the rise of the Joint SAC/CC- The Londesborough Room, Alexandra Palace Way, Wood Green, London N22

Members: Councillors Mark Blake, Clare Bull, Adam Jogee, Stephen Mann, Peter Mitchell, Ali Gul Ozbek, James Patterson and Viv Ross

Co-optees/Non Voting Members: David Frith (Advisory Committee Member), Jane Hutchinson (Alexandra Residents Association) (Advisory Committee Member), Jason Beazley (Three Avenues Residents Association (TARA)) (Advisory Committee Member), Jim Jenks (Warner Estate Residents' Association) (Advisory Committee Member), Duncan Neill (Muswell Hill and Fortis Green Association) (Advisory Committee Member), Ken Ranson (Advisory Committee Member), Elizabeth Richardson (Advisory Committee Member) and Kevin Stanfield (Advisory Committee Member)

Quorum: 6, including not less than three appointed members and nominated members from not less than three different residents' associations.

1. **FILMING AT MEETINGS**

Please note that this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on.

By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual or may lead to the breach of a legal obligation by the Council.

2. **APOLOGIES FOR ABSENCE**

3. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

- (i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
- (ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct.

4. CHIEF EXECUTIVE OFFICER'S REPORT

To discuss any recommendations arising for the Joint SAC/CC discussion.

To avoid duplication the report is included in the Joint SAC-CC agenda pack.

5. NYE ROAD CLOSURE

6. ZIP WIRE

7. PARK EVENTS

8. SAC ATTENDANCE

9. GOVERNANCE REVIEW (PAGES 1 - 20)

To discuss the Governance Review report.

10. ANY OTHER BUSINESS

11. DATES OF FUTURE MEETINGS

Philip Slawther, Principal Committee Co-ordinator
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Bernie Ryan
Assistant Director – Corporate Governance and Monitoring Officer
River Park House, 225 High Road, Wood Green, N22 8HQ

Monday, 15 January 2018

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Alexandra Palace

ALEXANDRA PARK AND PALACE **ADVISORY COMMITTEE** **23rd January 2018**

Report Title: Governance Review

Report of: Chief Executive

Report Authorised by: Louise Stewart, Chief Executive Officer, Alexandra Park and Palace Charitable Trust (APPCT)

Contact Officer: Natalie Layton, Executive Assistant, APPCT
Email: Natalie.layton@alexandrapalace.com , Telephone: 020 8365 4335

Purpose: To report the findings of the Trusts Governance Review and seek feedback from the Advisory Committee.

Local Government (Access to Information) Act 1985

N/A

Recommendation: The Advisory Committee is recommended to note the findings contained in this report and provide comments.

1. Background

- 1.1 The governance of any organisation, charity or otherwise, needs to be fit for its needs. Good governance ensures that the charity functions in a way that allows the executives to undertake their duties effectively, within a clear framework that supplies the board with the information they need to provide sufficient oversight. Governance also includes the relationships with and between the stakeholders and beneficiaries of the charity and their alignment with the charity's purposes and aims and their ability to influence decisions.
- 1.2 The Trust commenced a review of its Governance in 2016 in recognition that;
 - stakeholder expectations of organisational governance standards have risen in recent years from funding bodies, the charity regulator and members of the public
 - requirements of the Board are increasingly demanding and require more specialised skills and capabilities on top of the general requirements of charity trustees
 - The charity is undertaking significant restoration, repair and maintenance works and wishes to continue the current pace of development in the future it therefore needs

to be a well governed organisation that funders, donors and partners entrust resources to.

- 1.2 The review has been a significant undertaking over 18 months, involving an experienced charity secretary, external legal support, a review of documentation and past and current practices.
- 1.3 The findings of the review were discussed by the Board at a series of workshops in 2016 and 2017.
- 1.4 A short document, attached at Appendix 1, provides background information on governance and the current governance of the charity, for members of the committee who may be less familiar with the subject matter.

2.0 Current Governance arrangements summary

2.1 The current governance arrangements are:

a) The duties and functions of the Trustees are the responsibility of the Trustee, Haringey Council. Counsel's opinion was obtained on behalf of the charity in 1990, who advised that this should be treated as a reference to "the mayor and burgesses of Haringey", the municipal corporation which acts through the council, rather than the council made up of the individual councillors, which lacks legal personality.

The Trustees are (i) the Municipal Corporation i.e. the enduring legal entity behind the Council (referred to in official documents as the Mayor and Burgesses) and (ii) the councillors on the APPCT Board by virtue of their 'de facto' role in managing the charity. The other councillors are not trustees.

b) The Council, in recognition of the legal need for the Charity to operate independently, delegates its duties to a non-executive Council Sub-Committee, the Alexandra Park and Palace Charitable Trust (APPCT) Board. This is the Trustee Board and it oversees the Charity, its activities and employees. The Board is made up of selected Haringey Councillors and co-optee/observer members. Members of the Board are bound by charity law to act in the best interests of the Charity.

c) There are two external committees that advise the Board. The Advisory Committee which is statutory. Its role and remit is stated in the 1985 Act of Parliament) and is within the Council's Constitution as an external body and the Consultative Committee which is a council committee but not statutory, both of these committees are administered by the Council as council committees.

3.0 Review Findings

3.1 The governance review identified several issues that changes to governance could overcome, in the best interests of the Charity, enabling it to deliver its charitable purposes more effectively. These issues can be summarised as:

- a lack of clear and consistent leadership of the Charity, as a result of the council committee arrangement, which results in a less than optimal level of stability, continuity or depth and breadth of the required skills on the Board;
- inherent conflicts of interest exist in the governance structure which require significant management to avoid conflicts of interests and breach of trust occurring;
- the complex arrangements and lack of clarity do not give potential funders and partners the level of confidence required to attract the funding and support required to further the Charity's purposes, and;
- on a practical level the operation as a charity and a council committee is inefficient and time consuming for the Charity, using sparse resources, which could be better deployed.

3.2 The review concluded that it would be in the best interests of the Charity to:

- modernise the governance arrangements; to provide the best opportunity for the Trust to become more financially self-sustaining, achieve a skills based board, improve the Charity's engagement with its stakeholders, and deliver an appropriate level of transparency enabling the Charity to fully meet the Charity Governance Code;
- adopt a separate legal identity from the Council to better deliver the functions and operations of the charity, to allow it to operate as a clearly independent charity and allow it to appoint a skills based board;
- retain Haringey Council, as Trustee, in the best interests of the Charity.

3.3 The review suggested that the most suitable legal form for the Charity, allowed for in the Charities Act 2011, is a Charitable Company Limited by guarantee. This form of company is registered both at Companies House, as a company, and with the Charity Commission as a charity in its own right. Charitable companies must make returns and submit accounts on an annual basis to both Companies House and the Charity Commission, and must also comply with both charity and company law.

3.4 The review did not suggest:

- changes to the Alexandra Park and Palace Acts and Orders. However it is recognised that in exploring the correct legal routes to achieve governance improvements, some amendments may be necessary;
- changes to the Advisory Committee, at this point or its role and remit as specified within the Act.

3.4 It is suggested that the Consultative Committee should develop into a broader stakeholder forum, administered by the Charity.

4.0 What might be different?

4.1 In future a Board may be appointed through an open and advertised selection process according to the specified skills and capabilities the Charity needs to fulfil its duties effectively. (Depending on the legal route chosen this may be with the exception of an agreed number of appointments made by the trustee)

- The skills and expertise sought, for example, might be; historic restoration & conservation, architecture and design, property, estate and environmental management, charity finance and legal, fundraising and investment, communications, learning and participation, archive and

interpretation, and volunteering. It would also look to select individuals that did not have inherent conflicts of interest by way of any other positions held.

- Applications from people local to Haringey from a diverse socio economic, ethnic and gender background would be encouraged to ensure the Charity draws on an appropriate range of experience to assist in delivering its charitable purposes for the benefit of 'the public'.

4.2 The Consultative Committee might develop into a stakeholder forum in line with the expectations of the Charity Governance Code so that it is better able to communicate and consult with the wide range of stakeholders that have an interest in the Charity's work such as users or beneficiaries, staff, volunteers, members, donors, suppliers, local communities and others.

4.3 Although no changes are suggested to the Advisory Committee or its remit it is proposed that the Advisory Committee should take the opportunity to review how it is administered and how it operates.

4.4 The Trustee would retain specified responsibilities and reporting in place to hold the Charitable Company to account.

4.0 Benefits of the potential changes for the Charity

- Clearer roles and responsibilities for decision making about the Charity
- A more appropriate and effective model for delivering the Charity's purposes strategically and operationally
- Improved confidence in the Charity and help attract external funding
- Strengthen the Charity's ability to deliver its purposes, use its resources to better effect, to achieve greater public benefit
- Improved arrangements and reporting mechanisms to provide reassurance to the Trustee that the Charity is carrying out its responsibilities effectively
- Greater freedom to operate as a charity - the current governance arrangements are subject to a mixture of charity law and local government law
- Incorporating the Charity provides regulation and disclosure requirements appropriate for the Charity's operation, to satisfy the need to achieve public confidence in its work
- The ability to raise funding and investment would be enhanced through greater transparency of independence of the Charity from the activities of the Local Authority.

5.0 What might this mean for the Advisory Committee?

5.1 There are no proposed changes to the Advisory Committee as stated in the Act of Parliament, at this point.

5.2 However at some point in the 1980s the Board enabled the appointment of the Chair of the Advisory Committee to attend Board meetings as a non-voting 'observer' member. This has been identified as an inherent conflict and therefore this arrangement is not suggested to continue in the future.

5.3 There is nothing to prevent members of the Committee applying to be on the Board of any new company. They, like any other applicant, would need to demonstrate their suitability for the role and explain how they would manage any real or perceived conflicts of interest.

5.4 The Board recognises the value of the advice from the Committee but feels that the Governance of the Charity will be strengthened by having clearer separation between the Committee and the Board.

5.5 The Board are also keen to understand how engagement between the Board and Committee could improve, for example;

- The Charity could share its plans for the year with the Advisory Committee and identify on what issues it anticipates seeking their advice, so that there is a forward programme. This would also provide an opportunity for the Committee to raise and programme items, within its remit, that the Committee may want to advise the Board on
- For issues that come up during the year the Chair of the Board/ CEO would advise the Chair of the SAC in advance and discuss the need to seek advice and the best method of doing so
- There could be clearer record keeping of the issues on which the Board is seeking advice and its response to that advice when received. As it is the duty of the Board to seek the advice of the Committee the onus should be on the Board to ensure that this happens
- The administration of the SAC in a format other than as a council committee which can be restricting and overly formal, could be explored
- Other methods of seeking the advice of the Committee in addition to face to face meetings could be explored

5.4 The Trust is also keen to discuss how the Committee can be a more effective conduit and:

- improve the role its members perform in representing and actively engaging the broad spectrum of local residents.
- act as a more effective conduit thorough improved communication with local residents

5.5 Likewise the Trust would like to propose that members of the SAC are inducted more effectively so that their duties and responsibilities are better understood.

6.0 Next Steps

6.1 It is important to note that no decisions have been taken at this stage. The Trustee Board has discussed the findings of the review with the Trustee, Haringey Council. It has been agreed to further explore the methods by which governance improvement could be achieved including the possibility of establishing a Charitable Company Limited by Guarantee.

- 6.2 The Trust is seeking the view of the Charity Commission and obtaining formal legal advice from a local government law and charity law perspective, which includes Queen's Counsel opinion.
- 6.3 At this stage we are keen to hear the views of the Advisory Committee on the Governance review findings and specifically receive feedback on the suggestions the effect of the draft proposals on the Committee, so that the Board can take this into consideration.
- 6.5 If it is decided to progress the proposals, it would be the intention of the Trust to undertake a formal consultation with the committee.

7. Legal Implications

- 7.1 The Council's Assistant Director of Corporate Governance has been consulted in the preparation of this report, and advises that officers within the Council's Legal Service will be integrally involved in the work required to test the viability of any alternative governance model identified for further consideration.

8. Use of Appendices

Appendix A – Summary of current governance arrangements

Alexandra Park and Palace Charitable Trust

Governance Summary

Issue – Advisory Committee January 2018

Contents

		Page
Section 1	Introduction	3
Section 2	Governance	4
Section 3	Current Governance at APPCT	6

Section 1 – Introduction APPCT

1.0 Introduction to Alexandra Park and Palace Charitable Trust

Alexandra Park and Palace was placed in trust by Act of Parliament in 1900. The Charity was effectively created when the Park and Palace were placed in Trust. Several Acts since have conferred further powers or enacted amendments in 1903, 1905 and 1913, 1966, 1985, 2004.

Key moments in its governance history were: the 1966 order, which provided that the then body of trustees should cease to exist and passed their functions to the Greater London Council; in 1967 the organisation became a Charitable Trust, and; it was registered with the Charity Commission in 1981.

In 1980 the functions of the trustees were transferred to Haringey Council, making it the Trustee. A further Act was passed in 1985 amending the previous legislation. The 1985 Act is an amendment and consolidation of the previous Acts and acknowledges the transfer of the functions of the Trustees from the Greater London Authority to Haringey Council. Finally, the Charities (Alexandra Park and Palace) Order was passed in 2004.

There have been difficult times for the Charity: a devastating fire, subsequent financial difficulties, and; strategic decisions about the Palace, which aimed to make it financially viable, were contested by stakeholders on the basis that they felt plans were not in keeping with the charitable purposes. Whilst there are differing views and versions of past events, some of these difficulties involved how decisions about the Palace are made, by whom and on what grounds.

It is important to learn from and to some extent be guided and informed by past events but not led by them. It should be remembered that for the last decade the Charity has increasingly successfully been delivering its purposes; two current major construction projects on site will strengthen the trading operation and restore a large part of the Palace's East wing and bring back into public use the Theatre, overall reducing the level of dereliction of the main building. The Park has been gradually made more appealing, with improved management, new facilities and attractions and consistently winning quality awards.

The Trust has successfully attracted restoration funding and has embarked upon a programme of fundraising for the longer term. The Trading Subsidiary now has a multi-million pound turnover and provides a significant proportion of the Trust's income. Whilst financial sustainability has not yet been achieved it is less of a distant reality than it was a decade ago. During this time Haringey Council has provided critical stability for the Trust, providing funding, support and expertise that has been vital in protecting the Palace and guiding the Trust to prevent repeats of past controversies.

However the financial challenge for the Charity has not gone away.

Section 2 – Governance

2.0 Governance

2.1 What is governance

Governance determines who within an organisation has power, who makes decisions and about what, how others can legitimately influence those decisions and by what methods, who is responsible and accountable for what and what systems and procedures are in place to ensure the above is followed and controls are in place.

Good governance ensures that the organisation functions in a way that allows the executives to undertake their duties effectively, within a clear framework that supplies the board with the information they need to provide sufficient oversight. It also includes the relationships with and between the stakeholders and beneficiaries of the charity and their alignment with the charity's purposes and aims and their ability to influence decisions.

The way an organisation is governed often depends on its history, its purpose and the perspectives of those responsible for its governance and management. The governance of any organisation, charity or otherwise, needs to be fit for the needs of the organisation and therefore there is an amount of tailoring which makes each organisation's Governance bespoke to their needs.

2.2 Why undertake a Governance review

A governance review provides an opportunity to examine the Charity's governance arrangements. It is good practice for trustees to have a programme of review whether this is looking at a wholesale review or aspects of governance to allow it to respond to a change in the organisation's direction, size, remit, changes in the external environment, to ensure it is able to respond effectively to the challenges it is facing or to ensure that trustees keep up with best practice and changes in the law.

The Governance of Alexandra Park and Palace Charitable Trust (APPCT) is not typical of most charities, although there are many charities with similar 'quirks' the combination of these and the size of the charity at Alexandra Palace is particularly challenging. It is therefore imperative that it is regularly reviewed to ensure that it is fit for purpose; that it works and functions in the way expected of charities generally; is compliant with charity law, regulation and best practice and delivers appropriate charitable outcomes for public benefit.

2.3 Why undertake a review now

There are several factors that make a governance review essential. Long term, the Charity aims to become financially self-sustaining. This will mean both attracting funds and generating income from a greater range of sources and further improving the management and efficiency of its operation, to use the Charity's resources effectively.

The existing income streams are static, which in real terms overall equates to declining, as cost and overhead pressures increase.

The competition for funding from other sources is intense as all charities become better skilled at attracting funds and demonstrating the impact of their activities.

The context in which charities operate has changed in the last decade, high profile cases of charity mismanagement particularly on governance and fundraising has led to tighter regulation and increased scrutiny. Expectations of organisational governance standards have risen across a

range of funders from philanthropic sources to those distributing government or lottery funds. In many cases funding bodies have published the governance standards expected of their recipients and all funders generally undertake more due diligence activities of potential recipients. Funders generally want to associate with success stories and avoid damaging their own reputations by association with 'difficult' or controversial cases.

The high profile cases have attracted media attention for lengthy periods of time and undermined public confidence in charities, creating a more circumspect and diligent population of potential and existing donors. Individuals do more research and ask more questions about the charities that they are being asked to fund before making their decision to donate. This creates a need for charities to ensure that they are sufficiently appealing to donors, are skilled at investing donors' money in their cause and can demonstrate transparently their capability to deliver the charitable purposes effectively.

The Trust itself is a different operation to that of 10 or even 5 years ago, it is considered to be in the 'large charity' category by the Charity Commission and funders, which heightens the expectations of good governance and professionalism. It is now also an active fundraising charity and therefore subject to scrutiny by potential institutional and individual donors. It is appropriate to assess whether the governance structure and processes are fit for purpose for its operation now and whether the current arrangements will support its future growth and success.

The Governance at Alexandra Palace has been looked at several times, notably in the 1990s and in 2009, but recommendations were not implemented or the changes that were adopted did not last. This is not a good track record and for the reputation of the Charity needs to be addressed.

Governance needs to be understood and owned by the Board and it needs to be documented to withstand changes in executive personnel and Board members; and so that it can be clearly communicated to achieve better outcomes for the Charity.

The first stage of the Governance review was a compliance check of the Charity's Governance against Charity Law and the Charity Governance Code. Upon completion of the first stage it was clear that the complexity of the governance history, the Acts, the current governance arrangements and confused or limited understanding, it was clear that a fundamental more strategic review of Governance was required. It was clear that looking at specific aspects of governance without undertaking a fundamental review was not likely to lead to clarification, only more questions and potentially recommendations that provide more fixes and workarounds.

Whilst the governance review by its nature identifies and focuses on elements that need to be addressed and could be perceived as negative, it should be a matter of record that the relationship between the Trust executive team and Haringey Council is extremely positive. The Trust team have received a great deal of support from their counterpart colleagues in areas of finance, legal, HR, and regeneration. Staff have responded to queries and requests for advice and assistance and generally find fixes and solutions to issues that arise.

It should be noted that any references to 'independent' and 'independence' throughout the report relate to the independence of decision making in the best interests of the Charity in accordance with Charity Law. The Charity is currently dependent on the funding it receives from Haringey Council's own resources to deliver the charitable purposes. In making any changes to governance the Trust should be mindful that it is not in the best interests of the Charity to jeopardise the close functional relationship with the Council.

Section 3 - Current Governance

3.0 Current Governance

This section of the report is descriptive of the existing governance arrangements.

3.1 Organisation Type

Alexandra Park and Palace Charitable Trust (APPCT) is a charity registered with the Charity Commission. The Charity encompasses the assets of Alexandra Park and Palace and the functions of the Trustees.

3.2 Legal Title and Ownership of the Charity

The Park and Palace are the property assets of the Charity. Haringey Council, its capacity as Trustee owns the property “on the substantive trusts of the said Act of 1900 and with the powers set forth in that Act as extended and modified by the said Act of 1913 and the said Order of 1966”.

3.3 Legal Framework

As a charity APPCT is subject to Charity Law and regulation in the same way as any other charity.

Haringey Council discharges its duties as Trustee via a Council Committee to which it delegates its power and authority as Trustee. The Charity is subject to general UK law including company law, in relation to its trading subsidiary. As a Council Committee the Trust is also subject to Local Authority legislation.

3.4 The Functions of the Trustees

The functions of the Trustees are detailed in the 1900 Act and updated in subsequent Acts, the 1985 Act states that:

- The Trustees are under a statutory duty to uphold, maintain and repair the Palace and to maintain the Park and Palace as a place of public resort and recreation and for other public purposes:
 - To reconstruct and repair the Palace in a manner which will enable the Trustees to promote the use and enjoyment of the said Park and Palace by the public:
 - The Trustees intend in fulfilling their statutory duty under the said trusts to take into account the contemporary needs of the public:
 - They shall maintain, uphold and improve the existing theatre in the Palace...
 - They may let or license at the best rent that can reasonably be obtained any portion of the Park and Palace (subject to any covenants and conditions)...
 - They may close any part of the Palace and Park for not more than fourteen days in any one year
 - They may sell, let or otherwise dispose of the whole or any part of, or the whole or any part of any interest in land acquired by them after the passing of the 1985 Act together with any building or buildings erected thereon but may not without further authorisation dispose of property acquired pre 1985
- (Alexandra Park and Palace Act, 1985, Chapter xxiii)*¹

¹ The 1985 Act lists the above and then amends the 1900 Act

3.5 Constitution/Governing Document

The governing documents are collectively known as the Alexandra Park and Palace Acts and Orders 1900–2004.

The constitution of Haringey Council details how these duties are discharged by the Trustee, to and by, its delegated committee. The constitution of Haringey stipulates how the Board (as a Council committee will operate).

The Charitable Assets of the Park and Palace have been designated as Local Nature Reserve, it is covered by several Statutory Conservation areas, it is also designated Metropolitan Open Land. Byelaws were established in 1929 and are still in force.

3.6 The Role of the Trustee

The main duty of a Trustee is to ensure that good governance is in place.

3.7 Board and committee remits and membership

(a) Alexandra Park and Palace Board

Membership – 6 elected Councillors of Haringey Council, 3 appointees from the Consultative Committee, 1 observer member from the Statutory Advisory Committee. The Council appointed Board members are not trustees in their own right but representatives of the Trustee. The appointees of the SAC and CC are considered co-optees. Co-optees have no voting rights. The Chair of the Board is paid as per all chairs of council committees.

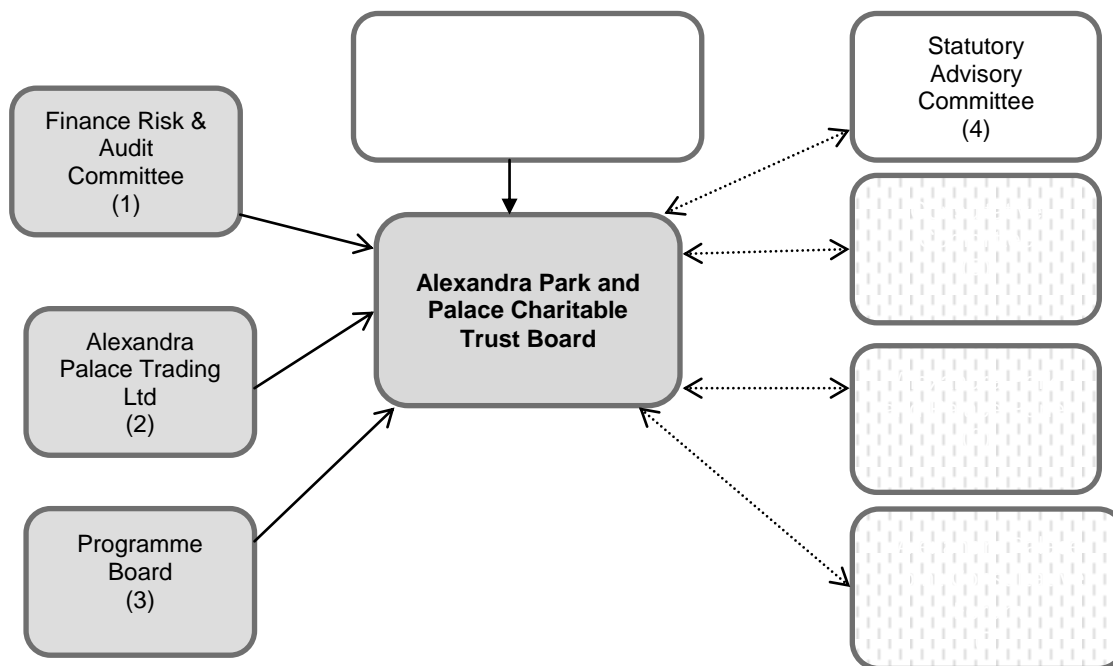
Remit - To discharge the trustee functions delegated to it by Haringey Council detailed below.

The Council's functions as statutory trustee of the Alexandra Palace and Park charitable trust are discharged by the Alexandra Palace and Park Board.

To fulfil the functions, powers and duties of the Council as Trustee of Alexandra Palace and Park under the Alexandra Park and Palace Acts and Order 1900 to 1985 and, without prejudice to the generality of this, these functions include:

- *The duty to uphold, maintain and repair the Palace and to maintain the Park and Palace as a place of public resort and recreation and for other public purposes.*
- *Acting as the employing body for employees engaged in the working of the Trust at Alexandra Palace, and to be responsible for the setting of staffing policies, conditions of service and terms of employment of those employees.*
- *In relation to the Trust, being responsible for developing and monitoring the implementation of effective policies and practices to achieve equality of opportunity both for employment and service delivery.*

3.8 Board Committee Structure



3.8.1 Board created committees

The APPCT Board has created sub committees to meet its needs and workload (1,2,3 in the above diagram). Two of these committees, FRAC and the Programme Board have no decision making powers but are able to make recommendations to the Board. The APTL Board has full delegated authority to direct the Trading Subsidiary activities defined in its Articles and Memorandum, approved by the Board. The Board appoints its members onto these committees and appoints co-optees to meet specific skills and expertise gaps when appropriate.

(a) Finance, Risk and Audit Committee (FRAC) (1)

Membership – The Board appoints from its membership or co-opts on to the Committee, which currently consists of 4 councillors and one co-opted member. Chaired by the APPCT Board Chair.

Remit - The Finance, Risk and Audit Committee is authorised by the Board to:-

- a) Investigate any activity within its terms of reference;
- b) Seek any information that it requires from any employee of the Charity;
- c) Obtain outside legal or independent professional advice as it considers necessary;
 - making recommendations to the Board respect of auditor appointments;
 - reviewing and monitoring the external auditor's independence and effectiveness
 - monitoring the integrity of the annual financial statements;
 - reviewing the Charity's financial, internal and risk management controls
 - considering the need for on-going internal controls
 - ensuring appropriate procedures are in place for whistleblowing
 - investigating any other topics referred by the Board

FRAC has no executive powers with regard to its findings and recommendations.

(b) Alexandra Palace Trading Ltd (APTL)(2)

The Charity's subsidiary company, Alexandra Palace Trading Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 29th July 1999. A licence agreement exists between the Trust and the Trading Company, stipulating the conditions on which the Trading Company operates and the areas of operation within the Palace. The Trading subsidiary and the Trust share some services such as finance and human resources.

Membership – The Board appoints 4 directors from the Trustee Board Membership and APTL may appoint up to two non-executive directors (NED)(currently only one NED) is in place). The CEO of the Charity is also an APTL Board Member and the Memorandum and Articles of Association (1999) stipulate that an officer of the Council may also be appointed. The Chair of the Trust is also the Chair of APTL.

Remit –To progress the activities of APTL

- To closely monitor the budget and regular management accounts for APTL
- To appraise the performance of the companies contracted to provide services in Alexandra Palace and Park
- To supervise the appropriate maintenance of Alexandra Palace and Park

APTL as a company limited by guarantee and a legal entity in its own right has the authority to:

- The Committee shall have delegated authority to obtain independent professional advice if it considers this to be necessary.
- The Committee shall have authority to make contractual commitments.
- All programmes and events must fit with the prevailing ethos of the APPCT.
- All proposals, budgets and planned expenditure must have the approval of the Chief Executive Officer of APPCT.

(c) Programme Board (3)

Membership - 2 APPCT Board Members as observers, plus the Chair of APPCT with the APPCT Deputy CEO, Project Manager and other staff and consultants in attendance as appropriate. The Director of Regeneration, Planning and Development (or their representative) of Haringey Council has been co-opted onto this committee to provide additional expertise and oversight. Chaired by the APPCT Board Chair. The group is administered by the APPCT Regeneration Team.

Remit - The Programme Board is an informal sub group of the Board. It has no formal decision making powers. Its role is to advise the APP staff on the direction of both building and regeneration projects at the Palace.

The papers of the committee are provided to the APPCT for information. Regular and specific reports are provided to APPCT Board meetings.

3.8.2 Governing document created committees(a) Advisory Committee (Statutory Advisory Committee (SAC)(4)

Created by the 1985 Act of parliament.

Membership – The SAC consists of up to 16 members; 8 Council members from the surrounding wards (Alexandra, Bounds Green (formally known as Bowes Park), Fortis Green, Hornsey, Muswell Hill and Noel Park) , and; 8 representatives from residents associations which meet specific requirements as set out in the 1985 Act.

Remit – To promote the objects of the Charity and assist the Trustees in fulfilling the trusts by considering and advising the Trustees on the following matters:

- the general policy relating to the activities and events arranged or permitted in the Park and Palace;
- the effects of such activities and events upon the local inhabitants and local environment;
- the frequency of activities and events attracting more than 10,000 people at any one time and the maximum number to be permitted on such occasions;
- the adequacy of car parking arrangements within the Park and Palace so as to avoid overflow into adjoining residential streets;
- any proposals which require planning permission;
- the establishment and maintenance of the Park as a Metropolitan Park;
- the furtherance of recreation and leisure in the Park and Palace.

The SAC elects one of its members onto the APPCT Board annually.

3.8.3 Haringey Council created committees

Arising from the Council's role as Trustee of Alexandra Park and Palace and previous operational management of it, the following additional committees exist. Membership of these bodies (shaded in Table 1 above) is as described in the Councils Constitution 'Appointments of Non-Executive Committees, Sub-Committees' as approved by the Annual Meeting of the Council. The Terms of Reference of the additional bodies is as follows:

(a) Alexandra Palace and Park Consultative Committee²

Membership - Alexandra Palace and Park Consultative Committee, 6 Councillors who are the APPCT Trust Board members, and up to 30 community group representatives.

Remit

- To give representatives of appropriate local and national organisations the opportunity of full discussion with members of the Alexandra Palace and Park Board on general matters affecting Alexandra Palace and Park.
- To give members of the Alexandra Palace and Park Board the opportunity of discussing and explaining to the organisations matters affecting the overall policy and efficient management of Alexandra Palace and Park.
- To promote better understanding between members of the Alexandra Palace and Park Board, the Palace Management and local organisations.
- To enable appropriate local (and national) organisations to be fully consulted on decisions of direct concern to them.
- To promote the best interests of the Alexandra Palace and Park as a conservation area.

The CC elects 3 of its members on to the APPCT Board annually.

(b) Alexandra Palace and Park Panel

Membership -The Panel is composed of four Councillors, selected with reference to political balance.

Remit - To consider and take decisions upon urgent matters arising between ordinary meetings of the Alexandra Palace and Park Board.

There is no information held at the Trust as to when this committee last met.

² Note that the SAC and CC meet together as the Joint SAC/CC Committee

(c) Alexandra Palace and Park Consultative Forum

Membership - 4 Councillors plus 4 Trade Union representatives.

Remit -

- To be a forum for consultation and negotiation between the Alexandra Palace and Park Board and its employees, on issues in relation to Conditions of Employment.
- To consider issues referred directly by Management or by the Trade Unions in consultation with the Employer's Side Secretary.
- To provide a means whereby the Alexandra Palace and Park Board can consult Union representatives on policies and strategies and provide an arena for discussion of matters of mutual interest.
- To provide a means of effective communication, in order to prevent or eliminate friction and misunderstanding.

The Consultative Forum may not consider any matter concerning an individual employee, nor any issues that fall within the scope of other existing procedures, e.g. dismissal appeals, individual grievances and individual salary issues; such matters may only be raised as a matter of principle/policy.

There is no information held at the Trust as to when this committee last met.

3.9 Role of Individual Trustee Board Members

The members appointed by the Council to the Board must always act in the best interests of the Charity.

Members of the Board appointed by the Consultative Committee and Statutory Advisory Committee have no voting powers on the Board and have no delegation of authority conferred upon them save their own appointing committees' terms of reference. However, as they are part of the body of the Board, who are considered to have the management and control of the Charity. The Trust does pay for insurance to indemnify them in recognition that their exact status is not altogether clear since in practice they participate in discussions and decisions and therefore can be considered to have trustee or quasi-trustee duties.

As per the constitution of the SAC and CC committees these representatives have a duty to represent the views of the Committees on the Board and to report back to the Committees from each Board meeting, as stated by the Haringey Council Constitution.

3.10 Role of the Company Secretary

The secretariat and Board administration and advice is undertaken by the Council in its committee administration role in accordance with the Council's Constitution and procedures.

3.11 Board reporting responsibilities

The Board is responsible for providing its audited annual accounts and annual return to the Charity Commission and in relation to APTL filing accounts annually with Companies house.

There are no specific reporting duties placed on the Trustee Board by the Council, but the annual report produced for the Charity Commission is sent to the Council. The Council has sight of all Board papers and the annual business plan.

3.12 Strategic Direction

The Board of Trustees has no documented strategy currently in place creating a vacuum in relation to overall medium and long term direction.

3.13 Delegation of authority and decision making

The delegated power to the Board is detailed in the Haringey Council constitution. Delegation to the CEO is detailed in the Haringey Constitution and standing orders. The Board itself has no scheme of delegation to its CEO other than that provided for by the Council's Constitution.

3.14 Performance Management & Monitoring

An annual Business Plan is in place, progress is reported to the Board at its scheduled meetings on a quarterly reporting basis. A basic performance matrix is in place to demonstrate the Charity's progress, impact and its wider benefit to society. The organisation has implemented an individual performance management programme so that the performance of its employees relates to the overall business plan and performance targets.

3.15 Financial Management and Reporting

The Trust manages its own finances and has its own finance department. Its accounts are prepared in accordance with Statement of Recommended Practice applicable to charities (Charity SORP), externally audited and filed with the Charity Commission as required by charity law (it also files accounts for the Trading Subsidiary with Companies House as required by company law).

The Council consolidates the Trust's accounts into its own accounts as required by IFRS 10 as the Trust is a committee of the Council with a majority of councillors on that committee. Financial performance reports are provided at each Board meeting, having previously been presented at FRAC.

Programme Board oversees the capital programmes and the associated budgets, which are reported to the Board.

3.16 Board selection, appointment and development

APPCT is currently governed by a Board of six voting members. Four non-voting members are also appointed to the Board by stakeholder committees.

The Chair of the Board is elected into position by the elected politicians of the majority political group. The Haringey Council appointed members of the Board reflect the political balance of the council, as per council committee rules.

Non-voting members are appointed by the SAC and CC through a process of nomination and seconding. The SAC appoints its Chair onto the Board. The CC appoints three of its members onto the Board.

Members of the Board who are also Councillors step down for local government elections and those who are re-elected may be re-appointed to the Board at the annual general meeting of the Council held in May each year.

3.17 Advisors to the Board

- Independent legal advisors
The Trust appoints independent legal advisors. The advisors are Russell Cooke LLP a London-based law firm with around 200 specialist solicitors and lawyers on areas covering commercial, not-for-profit, regulatory and personal clients.
- The Executive Team
The employees of the Trust, the CEO, Finance Director and other specialists are employed to undertake the Trusts duties in areas such as Financial Management, Property Management, Park Management, General Management.
- The Statutory Advisory Committee (SAC)
The Statutory Advisory Committee provides advice to the Board. The Board has a duty to seek and consider its advice on the matters covered by the committees remit.
- The Consultative Committee (CC)
The Consultative Committee enables engagement between the Board and local and national organisations on general matters. The CC may make recommendations to the Board although the Board has no formal duty to consider such recommendations.
- Auditors
The Trust appoints independent external auditors to undertake an external annual audit of the accounts.

The Trust appoints independent internal auditors to undertake internal audits, the focus of which is determined by the Finance Director and CEO.

- Haringey Council Legal Team
The Council legal team reviews and comments on all Board papers to provide advice to the Councillors appointed to the Board. The Council Legal Team also provide procedural guidance regarding the administration of the Board as a Council committee.
- Haringey Council Finance Team
The Council Finance Section 151 officer, or their representative, reviews and comments on all Board papers, to provide advice to the Councillors appointed to the Board. The officer has previously attended Board meetings in person.

3.18 'Friends of' Groups and Associations

In addition to the Committees several 'Friends of' groups and associations also exist, with varying degrees of links to the Board and the executive team, the delivery of the charitable purposes or use of the assets.

- Friends of AP Theatre
- The Friends of Alexandra Park
- Alexandra Palace Television Group
- The Alexandra Palace Television Society (A.P.T.S.)
- The Friends of The Alexandra Palace Organ Appeal
- Alexandra Palace allotments association

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