

NOTICE OF MEETING

ALEXANDRA PALACE AND PARK PANEL

**Monday, 7th June, 2021, 6.00 pm - The Londesborough Room,
Alexandra Palace Way, Wood Green, London, N22. (If it is possible
to live stream the meeting, it will be viewable [here](#).)**

Members: Councillors Anne Stennett (Chair), Elin Weston (Vice Chair), Dana Carlin, Nick da Costa, Bob Hare, and Kirsten Hearn.

Non-Voting Members: Jason Beazley, Duncan Neill, Val Paley, and Nigel Willmott.

Quorum: 3 voting members

1. **FILMING AT MEETINGS**

Please note 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. 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', 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**

To receive any apologies for absence.

3. **URGENT BUSINESS**

It being a special meeting of the Alexandra Palace and Park Panel, under Part 4, Section B, Paragraph 17, of the Council's Constitution, no other business shall be considered at the meeting.

4. **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

5. WEST HALL REWIRE PROJECT (PAGES 1 - 14)

This report seeks urgent approval to award the West Hall Rewire contract, issue a Letter of Intent above the standard allowable thresholds, and to waive the relevant contract standing orders.

6. EXCLUSION OF THE PRESS AND PUBLIC

Item 7 is likely to be subject to a motion to exclude the press and public from the meeting as it contains exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); para 3, namely information relating to the financial or business affairs of any particular person (including the authority holding that information).

7. WEST HALL REWIRE PROJECT (PAGES 15 - 22)

As per item 5.

Fiona Rae, Principal Committee Co-ordinator
Tel – 020 8489 3541
Email: fiona.rae@haringey.gov.uk

Fiona Alderman
Head of Legal & Governance (Monitoring Officer)
River Park House, 225 High Road, Wood Green, N22 8HQ

Monday, 07 June 2021

**ALEXANDRA PARK AND PALACE CHARITABLE TRUST****URGENT PANEL****7 JUNE 2021**

Report Title: West Hall Rewire Project – Contract Award

Report of: Emma Dagnes, Deputy CEO, APPCT

Purpose: This report seeks approval to award the West Hall Rewire contract, issue a Letter of Intent above the standard allowable thresholds and to waive the relevant contract standing orders as detailed below.

Local Government (Access to Information) Act 1985 N/A

Reason for Urgency: The West Hall wiring system suffered a catastrophic failure in May 2021, the impact of which means no lights can be used in the Hall, which is scheduled to host a number of high profile and commercially valuable events from September 2021.

The risk of failure was known and a procurement process for securing a specialist contractor was underway, however this process has now had to be significantly accelerated. In part due to the failure but most significantly because of COVID impacting transportation the supplier of the Lights & Controls issued an order warning last week stating any order not confirmed by 8th June would not be guaranteed for delivery until end of September.

This would significantly impact the critical path of the project and put at risk Alexandra Palace ability to hold events as scheduled from September 2021 and in turn generate much needed revenue.

1. Recommendations

- 1.1. To approve the award of the West Hall Rewiring contract to Bidder 1 up to a contract sum of £789,551.40 (excluding VAT).
- 1.2. To approve the waiver of Contract Standing Order (CSO) 9.01.1 (requirement to advertise contracts above £500,000).
- 1.3. To approve the waiver of CSO 9.07.3 (letter of intent provision) under CSO 10.01.1 and authorise the Chief Executive of Alexandra Park and Palace Charitable Trust (APPCT), to issue a Letter of Intent to the contractor for a value of £490,000 (excluding VAT); to allow for orders to be placed by Tuesday 8th June and works to commence immediately prior to contract finalisation and sealing.
- 1.4. To delegate authority to the Chief Executive to agree the final terms and conclude arrangements to award the contract.

2. Executive Summary

- 2.1 The Board have been regularly updated on a number of emergency capital projects including the West Hall Rewire Project and installation of lights and controls in the West Hall and Fire Alarm Detection System Upgrade, required due to failing infrastructure. Since the Board were last updated the wiring in the West Hall has failed.
- 2.2 The works are intended to be conducted while the Palace building is closed to avoid disruption to the opening programme. The window for this is challenging with Events scheduled to restart in the main Halls September 2021.
- 2.3 The Trust appointed specialist consultants to run a procurement process for the Rewire Project, who have brought to the Trust's attention that the lead in times to place orders for project materials are far greater than initially expected. Therefore, the Trust cannot wait for contracts to be agreed and signed due to the strict window of time until the next large scale event in September 2021.
- 2.4 This report seeks board approval of the recommendations above to enable the contract to be awarded and a letter of intent to be issued above the normal CSO limit of 10% (or £100k) of contract sum. This is required so orders can be urgently placed for essential parts and materials to ensure the project critical path is not impacted and the venue can open as scheduled in September.

3. Background and Reason for Urgency

- 3.1 The Trustee Board were informed at its meeting on 26 January 2021 of the need to urgently address failing infrastructure matters and were informed on 29 March 2021 that the CEO had approved to waiver Contract Standing orders CSO 8.03 to appoint consultants to act on behalf of the Trust to conduct the procurement process for the West Hall Rewire project.
- 3.2 The West Hall at Alexandra Palace provides the focal point for two iconic televised events the Darts Live on Sky Sports and The Masters Snooker Live on the BBC as well as a significant space for hire and use on all other events and activities that take place at Alexandra Palace. In 2020 the Palace's Chief Engineer wrote to the DCEO formally stating that the wiring of the West Hall lighting infrastructure had deteriorated since its install in the 1980's and was a cause for concern, He considered it a realistic possibility that should the wiring fail it would not be possible for his team to resolve the problem.
- 3.3 Ridge and Partners LLP services engineers undertook an initial survey supporting the Chief Engineer's assessment of the infrastructure, some of which is no longer supported by spare parts due to the companies being out of service for over 20 years.
- 3.4 The Trust has been running the procurement process via our specialist consultants Ridge for securing a competent electrical contractor with experience of a Heritage site with significant access challenges. Ridge and Partners LLP were appointed to provide Building Services Engineering, Cost Management, Principle Designer and Contract Administration and the project procurement process has concluded up to RIBA (Royal Institute of British Architects) stage 6 - Handover and Close Out.

- 3.5 The funding for the project is provided from an emergency grant from Haringey Council and SALIX funding for the replacement of the light fittings. It should be noted that the SALIX fund requires that the project be completed and handed over no later than 24 December 2021.
- 3.6 This work cannot be commenced should the rewire works not be completed and if the Trust cannot commit to the timescales listed above funding will be withdrawn.
- 3.7 Furthermore it should be noted that the SALIX 0% loan has now been withdrawn from additional applications and the ability to reapply at a future date is no longer available.
- 3.8 The project timescales are:
- Mobilisation Period 1 week
 - Start on Site Monday 14 June 2021
 - Construction Period 12 weeks
 - Completion Date Friday 3 September 2021
- 3.9 The timelines are more critical due to the failure of the West Hall wiring in May 2021.
- 3.10 We have a finite window of time between now and mid-September to undertake the work due to events booked in for reopening post COVID. A further time sensitivity has arisen in the last few days when the supplier of the specialist light fittings notified any orders after Tuesday 8 June will have no guarantee of delivery before end of September beginning of October.
- 3.11 If the order is not placed on Tuesday 8 June the supplier cannot guarantee delivery of the specialist lights and controls until the end of September. This would have a significant impact on the critical path and put the Trading Subsidiary's ability to generate income at risk. The Trust is seeking to appoint by letter of intent on Monday 7 June to be able to instruct the contractors to immediately place the order with the specialist lighting company.

4. Procurement Process / Evaluation

- 4.1 Five specialist contractors were invited to participate in the procurement. They completed and passed the Pre-Procurement Questionnaire (PPQ) and were issued the Invitation to Tender (ITT) documents. Two contractors dropped out of the process with the remaining three contractors submitting full bids.
- 4.2 The evaluation was against a set of criteria as set out in the ITT. To ensure there was complete understanding of the Qualitative Delivery Proposals, the Panel, which consisted of Ridge and APPCT representatives raised clarifications, and these were answered at a Contractor Interview session. Individual evaluated scores were then inputted into the evaluation template by Ridge and Partners LLP, summarised in Table A below.

Table A – Quality / Price

No	Bidder	Quality(50%)	Price(50%)	Total Score
1	1	48%	47.9%	95.9%
2	2	34%	50%	84%
3	3	30%	45.2%	75.2%

- 4.2 Based on Table A, above Bidder 1 has submitted the Most Economically Advantageous Tender and therefore the recommendation is to award Bidder 1 the contract for Rewiring and Lights and Controls.
- 4.3 Ridge and Partners LLP will be providing a full evaluation report and responding in detail to unsuccessful bidders.

5. The Contract

- 5.1 JCT Intermediate Building Contract * explanation provided by JCT website

The JCT Intermediate Building Contract is designed for construction projects involving all the recognised trades and skills of the industry, where fairly detailed contract provisions are needed, but without complex building service installations or other specialist work. Intermediate Building Contracts are suitable for projects procured via the traditional or conventional method.

- 5.2 Features of projects using the Intermediate Building Contract:

- The employer is responsible for the design, and this is usually supplied to the contractor by the architect or design team working on the employer's behalf. If the appointed contractor is to be responsible for designing specific parts of the works, then an Intermediate Building Contract with contractor's design must be used.
- The employer (through its advisers) will also need to provide drawings and bills of quantities, a specification or work schedules to specify the quantity and quality of work at tender stage. When using the Intermediate Building Contract with contractor's design, the employer must also detail the requirements for the parts of the works that the contractor is responsible for designing.
- Intermediate Building Contracts are normally administered either by the architect, quantity surveyor, or a contract administrator.
- Works can be carried out in sections.

- 5.3 The contract once finalised will be sent to London Borough of Haringey Legal Team for sealing.

- 5.4 Ridge and Partners LLP are acting as Contract Administrators on this project

6. Funding and Value Engineering

- 6.1 On the 28 May 2021 the Council approved funding for two emergency Capital projects (Fire Alarm and Rewire) with a total grant sum approved of £0.858m. Of which an estimated £441,000 is allocated to the Rewire Project this may change due to value engineering between the two projects but the funding sum of £0.858m is fixed.

- 6.2 The Lights & Controls for the West Hall are incorporated within the project but are funded by Salix loan which was secured in March 2021. The total loan sum is £493,421 which covers Lights & Controls for both the West Hall and the Ice Rink (which does not require Rewiring). The allocation from the Salix funding for the West Hall is estimated at £300,000.

- 6.3 During the procurement process APPCT have been made aware of the fluctuation in pricing and issues with the supply chain and materials due to COVID. Therefore, APPCT has allocated a further £100,000 contingency from its Capital allowance budget.
- 6.4 Total allocated funds £841,000 for West Hall Rewire, Controls and Lights Project.
- 6.5 Though the current sums identified are funded APPCT has requested the design team to find savings through Value Engineering these meetings will start as soon as possible an initial £100,000 target saving has been set by the Trust which the design team are confident they can achieve.

7. Is the decision/ action consistent with the Charity's Vision, Mission Purpose and Values?

- 7.1 This decision is consistent with the charitable objects (mission) to repair, restore and maintain the Park and Palace for public benefit and will support our financial resilience as we re-open and resume our purpose of *enriching lives, through great experiences*.

8. Risks

- 8.1 Project not completed on time, while the building is closed could be detrimental to income generation.
- 8.2 Financial sustainability of contractor - checks have been conducted on the three bidders.
- 8.3 Equity, diversity and inclusion - The actions outlined in this report have been assessed as having no adverse impact on any protected characteristics groups or any other groups.

9. Legal Implications

- 9.1 Alexandra Park and Palace is held in Trust by Haringey Council and therefore the Council's contract standing orders apply.
- 9.2 Pursuant to Contract Standing Order (CSO) 10.01.1 the AP Board/ Panel has authority to approve the waiver of CSO 9.01.1 (requirement to advertise contracts valued over £500,000) on the basis set out in CSO 10.01.2.
- 9.3 Pursuant to CSO 10.01.1 the AP Board/ Panel has authority to approve the waiver of CSO 9.07.3 on the basis set out in 10.01.2 to increase the value of the letter of intent to £490,000 (excluding VAT). CSO 9.07.3 provides as follows:

Where the provision of works, goods or services under a contract is required to commence prior to the issuance and execution of a formal contract, a Director, if satisfied that it is in the Council's best interest in the particular circumstances, may approve issuance of a Letter of Intent pending the issuance and execution of a formal contract. However, the maximum cover afforded by any Letter of Intent shall not exceed £100,000 or 10% of the total contract price, whichever is the higher value.

9.4 Pursuant to CSO 9.07.1(d) the AP Board/ Panel has authority to award the contract which the report relates to.

9.5 The Council's Head of Legal and Governance has been consulted in the preparation of the report and sees no legal reasons preventing the AP Board/ Panel from approving the recommendations in the report.

10. Financial Implications

10.1 On 28 May 2021 the Corporate Trustee approved grant funding for this project and the Fire Detection Systems Upgrade project (decision attached at Appendix 1).

10.2 The Lights and Control element of the project is funded by Salix (loan award letter attached Appendix 2).

10.3 The Council's Chief Financial Officer has been consulted on this report and advises that the Salix funding will be made available to the trust on milestone payments. Similarly, the additional funding of £0.441m made available from the Council's approved capital programme for this project will be transferred to the trust. The scheme is funded from the following sources:

Salix loan	£300,000
Contribution from annual capital grant	£100,000
Emergency capital grant	£441,000
Total	£841,000

11. Strategic Procurement

11.1 The Councils' Head of Procurement has been consulted in these matters and is supportive of the recommendations stated in this report.

11.2 Contract Standing Order (CSO) 9.01.1 requires the APCCT to advertise Works contracts above £500,000; however, the time taken to procure these Works using one of the procedures stated in CSO 9.01.1 would not have enabled the Works to be completed in the timescales required. The Public Contract Regulations 2015 (PCR) do not require Works to be advertised (tendered) below £4,733,252 and therefore the procurement is outside of the PCR.

11.3 The APCCT approached five suitably qualified contractors and invited them to tender. It can therefore be assumed the APCCT has satisfied the value for money test and attempted to operate a competitive process, albeit somewhat limited to specialist contractors with previous experience of these types of Works.

- 11.4 CSO 9.07.3 caps Letters of Intent to 10% of the contract value or £100,000 whichever is the greater. CSO 101.01.1 b) allows a Director to waive any CSO with the exception of CSO 5 (EU Public Directives); therefore, it is permissible to waive the cap on Letter of Intents. Whilst this is not generally encouraged or supported by Strategic Procurement, given the need to secure materials to compete the Works; the Head of Procurement is supportive of this recommendation
- 11.5 Strategic Procurement can confirm that lead in times for materials across the construction sector have been extended considerably due to the impact of Covid and Brexit.

12. Use of Appendices

Appendix 1 – Corporate Trustee Grant Approval

Appendix 2 – Salix Loan Award Letter

Exempt Appendix 3 – Tender Evaluation Overview (LGA para.3)

Exempt Appendix 4 – Letter of Intent (LGA para 3)

13. Background Papers

Tender submissions and evaluation documents

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MINUTES OF MEETING CABINET MEMBER SIGNING HELD ON FRIDAY, 28TH MAY, 2021, 10.30 - 10.40 AM

PRESENT: Councillor Peray Ahmet, Leader of the Council.

In attendance: John O’Keefe, Head of Finance; Jon Warlow, Director of Finance; and Fiona Rae, Principal Committee Co-ordinator.

1. APOLOGIES FOR ABSENCE

There were no apologies for absence.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. ALEXANDRA PALACE AND PARK EMERGENCY CAPITAL WORKS

The Leader considered the report which sought approval for emergency capital works at Alexandra Palace and Park. It was noted that the Alexandra Park and Palace Charitable Trust (the Trust) had notified the Council, in its role as corporate trustee, that there were two urgent capital schemes that needed to be undertaken within the palace. These works were required to enable the palace to operate safely, and their scale exceeded their financial capacity. One was the West Hall rewire project and the other was the replacement of the fire alarm system in the West Hall, the Great Hall, and Palm Court.

It was noted that the Council was the corporate trustee for the Alexandra Park and Palace Charitable Trust. In that capacity, the Council had a statutory duty “to uphold, maintain and repair” the park and palace. The Council had been informed that there was a requirement for certain urgent works to be undertaken and that the Trust was not able to undertake the works from its existing resources.

In considering and supporting the report, the Leader recognised that this represented a significant capital grant in addition to existing revenue and capital grant funding provided annually to the Trust. This was to help the Trust meet the cost of safety works, consistent with the Council’s responsibilities as corporate trustee.

The Leader RESOLVED

1. To approve an additional capital grant of £0.858m to Alexandra Park and Palace Charitable Trust.
2. That capital budget of £0.858m be vired from the General Fund approved capital programme 2021/22 Contingency to the Alexandra Palace grants budget for this purpose.

Reasons for decision

The Council is the corporate trustee for Alexandra Palace and in that capacity has obligations to maintain the park and palace.

The Trust advises that these urgent works cannot be met by the annual capital grant that the Council makes available in discharge of its obligations as set out in paragraph 6.1 of the report.

Alternative options considered

Not to fund the urgent fire alarm replacement works

The Council could decide to not fund these works. This is not recommended as the non-replacement of the fire alarm system would represent a health & safety issue that needs to be resolved.

Not to fund the urgent electrical works

The Council could decide to not fund these works. This is not recommended as the current system is over 20 years old, the manufacturer of the system no longer trades, the supply of spares is not guaranteed, and the position of key elements of the system presents a health and safety risk when they need to be maintained.

LEADER: Cllr Peray Ahmet

Signed by Leader

Date ...28 May 2021.....



31 March 2021

Jon Warlow
 Director of Finance
 Haringey Council
 River Park House
 225 High Road
 Wood Green,
 Greater London.
 N22 8HQ

Dear Jon Warlow,

**Energy Efficiency Loan Scheme Application – Commitment Letter – Alexandra Palace:
 Sustainable LED Lighting and Controls upgrade**

Project ID	Site name	Project title	Salix loan value	Salix Loan Repayment Period	Expected completion date	Completion certificate returned by	Loan paid to client by
CHAR01LP001	Alexandra Palace	Sustainable LED Lighting and Controls upgrade	£493,421.00	5 years	15/12/2021	22/12/2021	05/01/2022
Total loan value			£493,421.00				

Salix Finance Ltd, is pleased to confirm that your application for loan funding under our Energy Efficiency Loan Scheme in respect to the above project(s) has been approved. Please use the above Project ID reference(s) in correspondence with us.

The next steps to agree the loan are to sign and return this document to confirm receipt of this letter and agreement to its content. The funding is not fully secured until we receive back your signed commitment letter. We would ask that you do this by 10 working days from the date of the letter.

Subject to agreement with the contents of this letter, you can now proceed with implementation of the proposed project(s) detailed above. Please provide regular updates on the progress of your project(s). In particular, you should let us know of any changes; in the scope of your project; the contact details; and any delays which may affect meeting the expected completion date of your project(s).

Your dedicated contact at Salix is:

- Oliver Smith
- Client Support Officer
- Oliver.smith@salixfinance.co.uk
- 020 4542 9081

To build on the strong relationship we already have and to support you on this important project, we suggest setting up a small number of meetings that align with key stages of your project. These meetings can be used to go through updates on progress, review of your risk register and to answer and support any specific questions that you or your colleagues may have. Your dedicated contact will be in touch to arrange convenient dates for these meetings based on your key project milestones.

You are responsible for ensuring that under audit you would be able to demonstrate value for money and that all contractors involved in the provision of services in relation to the proposed project(s) hold and maintain appropriate professional indemnity insurance cover to cover all the services to be carried out and

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that you obtain copies of the relevant certificates. You must also ensure that all professional consultants and/or contractors provide you with invoices, receipted invoices and completion certificates (where appropriate) in relation to the services carried out on the project(s), as you may be required for audit of the project(s). Once the project has been completed, you are required to submit to Salix a completion certificate (the "Completion Certificate"), a copy of which can be downloaded from our website at www.salixfinance.co.uk; and return it to us within one week of completion. You should read the terms of the Completion Certificate carefully before signing and also provide reasonable evidence of costs to your dedicated Salix contact. Once we have received the Completion Certificate, we will issue you with the Loan Agreement, a Direct Debit mandate and notification for the funds to be paid to your account. Salix can also provide interim payments during the installation of the project to suit cash flow, which will require the signature of an Instruction of Payment Form, an Interim Loan Agreement and Direct Debit Mandate.

The Loan Agreement and provision of the proposed loan is subject to:

1. You complying with the obligations in this letter and in your application.
2. All representations made, and information provided, by you to us in relation to the proposed project(s) and the proposed loan being true, complete and accurate.
3. You providing us with other information requested by Salix in respect of the project(s).
4. Where interim payments are required, the receipt from you of an Instruction of Payment Form, Interim Loan Agreement and Direct Debit mandate.
5. Receipt from you of a Completion Certificate, along with reasonable evidence of costs, Instruction of Payment Form, Loan Agreement and Direct Debit mandate.
6. The project(s) being completed by the proposed completion date indicated in your application and set out above (or within such other timescales and costings as Salix may agree with you from time to time).
7. The project(s) being completed in accordance with and remaining compliant with all conditions and requirements of our Energy Efficiency Loan Scheme.
8. In the event that project costs alter, we understand and accept that payment of any project costs beyond the scheme's compliance criteria cannot be guaranteed to be funded by Salix.

Please let us know if you have any questions in relation to this letter. If you are happy with the content of this letter, please sign below.

Yours sincerely,

Signed: 

Date: 31-Mar-21 | 12:10 PM BST

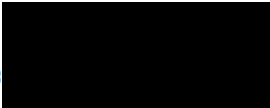
Name: Paul Smyth

Position: Director of Programmes and Technical Services

On behalf of: Salix Finance Ltd



We hereby acknowledge receipt of the above letter and consent to its terms.

Signed: 

Date: 31-Mar-21 | 12:34 PM BST

Name: Jon Warlow

Position: Director of Finance

On behalf of: Haringey Council



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

Document is exempt

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