

**Alexandra Palace & Park Board** **on 9<sup>th</sup> May 2011**

Report Title: **Regeneration Working Group Update**

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

**1. Purpose**

- 1.1 To report back on progress made by the Alexandra Park & Palace Regeneration Working Group (APPRWG) since the last report to the Board on this matter on 28 March 2011.
- 1.2 To provide the Board with the final report on the Options Analysis and Feasibility Study undertaken by Colliers International (Locum).
- 1.3 To seek the Board's consideration and approval of the recommendations and next steps in the process of regenerating Alexandra Park and Palace.
- 1.4 To seek the Board's instructions to the APPRWG on the next steps identified in the report.

**2. Recommendations**

- 2.1 That the Board agrees and approves the key recommendation in the Colliers International (Locum) report; that the selection of the 'Leisure and Entertainment' Strategic concept and pursue a 'core use' for the Palace and Park which focuses on 'Live Music'.
- 2.2 That the Board recognises and notes the two important notes made by Locum alongside their recommendation above;
  - Firstly, the recondition focuses only on the 'core use' which will; relate to only part of the overall Palace and park. It is anticipated that many other complimentary uses will ultimately form part of the whole destination offer of Alexandra palace and Park (many of which are already active) and all of which will embrace the core themes of community and the rich cultural heritage to underpin the regeneration strategy and its long term sustainability
  - And secondly, of particular relevance to other uses is the 'Sport and Active' offer which is recognised to have clear synergy with the core use of Live Music and which to a certain extent already takes place through the existing Ice Skating Rink.
- 2.3 That the Board considers the suggested next steps in the Locum report and outlined in the report and instructs the APPRWG to progress accordingly to the Concept Planning stage using funds currently available.
- 2.4 That the Board notes that it will receive further reports on the matters covered in this report at future meetings of the Board and in particular it will receive a detailed Regeneration Project Plan including key milestones and forecast costs at a future meeting.
- 2.5 That the Board notes that, following the departure of the former Director of Urban Environment from Haringey Council that the Chair of the APPRWG is now Anne Lippitt, Interim Director of Place & Sustainability.

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



Contact Officer: **Andrew Gill, Interim General Manager, Alexandra Palace & Park, Alexandra Palace Way, Wood Green N22 7AY Tel No. 020 8365 4340.**

### **3. Executive Summary**

- 3.1 This report should be read in conjunction with appendix 1 report of Colliers International (Locum) entitled "Alexandra Palace & Park Options Appraisal" April 2011.
- 3.2 This report updates the Board on the work of the APPRWG and the findings of the Feasibility Study and Options Appraisal on AP & P carried out by Locum.
- 3.3 The presentation attached at appendix 2 of this report will be presented to the Board at its meeting on 9 May 2011 by the Vice Chair of the APPRWG and the Board will have the opportunity to seek further clarification on any aspect of the report.
- 3.4 The key recommendation of the Locum report is that the Board selects 'Leisure and Entertainment' as the strategic concept for AP & P and that it should pursue a 'core use' for the Palace and Park which focuses on 'Live Music'.
- 3.5 The key recommendation is accompanied by two notes which are reproduced in the body of this report and in its recommendations.
- 3.6 This report seeks the approval of the Board to progress to the next stage of the regeneration process Concept Planning and that the board instructs the APPRWG accordingly.
- 3.7 The Board will receive a detailed Regeneration Project Plan including key milestones and forecast costs at a future meeting.

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

- 4.1 Resolutions made by the Board at previous meetings during 2010 and 2011.

### **5. Local Government (Access to Information) Act 1985**

- 5.1 This report was prepared with reference to the report of Colliers International entitled "Alexandra Palace & Park Options Appraisal" April 2011, and appended at appendix 1 to this report.

## **6. Description**

- 6.1 At its meeting on 12 January 2010 the Board resolved to abandon its former strategy to award a long lease to a single developer, with a view to adopting a new Strategy for the regeneration of AP&P.
- 6.2 At its meeting on 6 September 2010 the Board resolved to approve the terms of reference and proposed membership of the Alexandra Park & Palace Regeneration Working Group (APPRWG) and to create that Working Group to oversee and give direction to the design, formulation and adoption of a sustainable regeneration strategy for Alexandra Park and

Palace that will include the delivery of a strategic master Plan which will provide an integrated framework for future commercial and development delivery.

- 6.3 At its meeting on 21 December 2010 the Board was informed that that the APPRWG considered it vital that the Board clearly sets out its Vision for AP&P in order to set the parameters for the Master Planning process. This is important because the Vision is a very clear public statement of what the Board of Trustees wants to achieve for AP&P and for whom. The Mission Statement (essentially the Alexandra Park and Palace Act 1985) sets out what is in effect the object of the charity which is the purpose the Board must try to achieve.
- 6.4 The sub-group of the APPRWG was tasked with the next stage in the project plan which was to deliver an Options Analysis and Feasibility Study of Alexandra Palace and Park, which will identify suitable uses for the various parts of the site. The study will inform a subsequent master planning exercise which will in turn assist the Board in determining its future strategy for Alexandra Park and Palace.
- 6.5 The Board was informed at its meeting on 15 February 2011 that the APPRWG had sought tenders for the Study and it had selected Colliers International (Locum Consulting) as the successful bidder and the contract was awarded by Haringey Council as approved by the former Director of Urban Environment.
- 6.6 Following the departure from Haringey Council of the former Director of Urban Environment (who has been appointed CEO at LB Sutton) the Chair of the APPRWG is now Anne Lippitt, Interim Director of Place & Sustainability. In the interest of consistency, it is proposed that the role of Chair of the APPRWG is subsequently assumed by the person ultimately appointed to the latter post. This arrangement is supported by the Chief Executive of Haringey Council. A permanent replacement has now been made to the post of Director of Place & Sustainability and the Board will be advised when formalities have been completed and a start date is known.
- 6.7 The Board was informed of progress made by the APPRWG and Locum at its meeting on 28 March 2011. Since that date the APPRWG has met on a number of occasions to consider the feedback received from stakeholders at the meetings on 10 and 12 March and to discuss the initial findings of the study.
- 6.8 The APPRWG received Locum's draft report in early April and it held a Special Meeting of the APPRWG on 15 April 2011 which approved the content of Locum's report and approved the recommendations and next steps therein.
- 6.9 The report of Colliers International (Locum) entitled "Alexandra Palace & Park Options Appraisal" April 2011 is appended to this report at appendix 1 and this Board report should read in conjunction with the Locum report.
- 6.10 As the Board will receive a presentation from the APPRWG at this meeting and the presentation is appended to this report at appendix 2, this report does not seek to repeat the findings of the Options Appraisal.
- 6.11 The presentation attached is the same as that given to the 'Report Back to Stakeholders' meeting which (at the time of writing) was scheduled for 3 May 2011. On behalf of the Board and in consultation with the Chair, the APPRWG had committed to feeding back to Stakeholders the findings of the Options Appraisal before the Board was asked to consider the report.
- 6.12 The recommendations and next steps of the Options Appraisal are set out at page 94 of appendix 1 and they are separated into 2 parts;

- *Firstly, a clear recommendation has been made, based on the outcome of the options appraisal process for the proposed Strategic Concept and particular 'core use' to be pursued; and*
- *Secondly, a series of next steps are proposed in order to move the regeneration forward in the most effective manner, taking into consideration a variety of physical and organisational complexities which need to be overcome.*

6.13 The clear recommendation of the preferred strategic concept and core use is that the 'Leisure and Entertainment' Strategic Concept was identified as the preferred option through the options appraisal process;

*The recommendation by the Locum Consulting team of Colliers International is for the Board to approve the selection of the 'Leisure and Entertainment' Strategic Concept and pursue a 'core use' for the Palace and Park which focuses on 'Live Music'.*

6.14 Importantly, two notes are made alongside this recommendation:

6.14.1 *Firstly, the recommendation focuses only on the 'core use' which will relate to only part of the overall Palace and Park. It is anticipated that many other complementary uses will ultimately form part of the whole destination offer of Alexandra Palace and Park (many of which are already active) and all of which will embrace the core themes of community and the rich cultural heritage to underpin the regeneration strategy and its long term sustainability.*

6.14.2 *And secondly, of particular relevance to other uses is the 'Sport and Active Leisure' offer (considered in sections 5.6 and 6) which is recognised to have clear synergy with the core use of Live Music and which to a certain extent already takes place through the existing Ice Skating Rink.*

6.15 The board is asked to agree and approve the recommendation at 6.13 above by the Locum Consulting team of Colliers International, taking into account the two notes above regarding core and other uses of AP & P.

6.16 In terms of the next steps in the regeneration process, Locum has set those out in some detail in section 7 of their report (from page 94 onwards). These are summarised below for ease of reference;

- Following the conclusion of the current **Options Appraisal** work (subject to the Trustees approval of the recommendations to proceed) a phase of **Concept Planning** could follow on immediately after.
- The focus of **Concept Planning** is to resolve the big masterplan issues required for any significant regeneration to proceed at APP and to define the physical and tactical parameters within which any future development must be contained. This stage is about getting clarity around the Trust's options and requirements before involving third parties.
- The outcome of the Concept Planning work will provide the necessary briefing materials to initiate the process of tendering for the anchor Live Music operator. Given the complexity of the Palace and Park, its part derelict state and the fact that the leading Live Music operators each have very different business models, it is recommended that the tender process is based on Competitive Dialogue. The **Operator Tendering** phase therefore sets out the key stages of Competitive Dialogue, should that be the chosen procurement strategy.

- There will be a need for the APPRWG to seek further procurement and legal advice on the procurement process in order to advise the Board of the most appropriate procurement strategy.
  - During the Operator Tendering phase, tenderers will be shortlisted and engaged in competitive dialogue with the client to allow the commonalities between the tenderers to be understood and to work up the brief collectively. The outcome of the Operator Tendering will be a preferred operator with whom the client will agree heads of terms and embark on finalising the Detailed Masterplan.
  - In parallel with the Operator Tendering it is proposed to initiate the **Heritage Lottery Fund application process**. The overall funding strategy will have been refined in then Concept Planning phase but already we know that an HLF application for a significant capital sum is highly probable. Furthermore, the documentation required to support the Stage 1 and Stage 2 HLF Applications will be necessary for developing and undertaking the regeneration of APP in any case – so the process of developing the HLF applications is not only timely but also acts as a useful discipline for accelerating and preparing these project documents. The HLF process alters depending on the scale of investment applied for, but broadly speaking it is unlikely that successful Stage 2 pass will be achieved in less than 12 months and more likely in around 18 months from start.
- 6.17 At this stage the Board is asked to approve that the project proceeds to the **Concept Planning** stage as far as existing funding will allow. As outlined by Locum, this would involve the tasks set out in sections 7.2.2 of their report but will stop short of **Operator Tender and Engagement**,
- 6.18 The Board will receive further reports on the matters covered in this report at future meetings of the Board and in particular it will receive a detailed Regeneration Project Plan including key milestones and forecast costs at a future meeting.

## 7 Consultation

- 7.1 There has been no specific consultation on this report beyond the liaison with the Stakeholders, officers of Haringey Council, AP & P and Trustees described in previous reports to the Board and the 'Report Back to Stakeholders' meeting held on 3 May 2011.
- 7.2 It will be necessary to inform and consult with the Charity Commission at key stages of the regeneration process. As a dialogue exists with the Commission on matters of governance and structure it is proposed that the Interim General Manager extends that dialogue where appropriate to include these matters.
- 7.3 Other aspects of consultation, including liaison with the media and key strategic stakeholders are covered by the Project Communications Plan which is regularly reviewed and refreshed by the APPRWG.

## 8 Recommendations

- 8.1 That the Board agrees and approves the key recommendation in the Colliers International report; that the selection of the 'Leisure and Entertainment' Strategic concept and pursue a 'core use' for the Palace and Park which focuses on 'Live Music'.
- 8.2 That the Board recognises and notes the two important notes made by Colliers alongside their recommendation above;
- Firstly, the recondition focuses only on the 'core use' which will; relate to only part of the overall Palace and park. It is anticipated that many other complimentary uses

will ultimately form part of the whole destination offer of Alexandra palace and Park (many of which are already active) and all of which will embrace the core themes of community and the rich cultural heritage to underpin the regeneration strategy and its long term sustainability

- And secondly, of particular relevance to other uses is the 'Sport and Active' offer which is recognised to have clear synergy with the core use of Live Music and which to a certain extent already takes place through the existing Ice Skating Rink.

8.3 That the Board considers the suggested next steps in the Colliers report and outlined in the report and instructs the APPRWG to progress accordingly to the Concept Planning stage using funds currently available.

8.4 That the Board notes that it will receive further reports on the matters covered in this report at future meetings of the Board and in particular it will receive a detailed Project Plan including key milestones and forecast costs at its next meeting.

8.5 That the Board notes that, following the departure of the former Director of Urban Environment from Haringey Council that the Chair of the APPRWG is now Anne Lippitt, Interim Director of Place & Sustainability.

## **9 Legal Implications**

9.1 The Trust's Solicitor comments; "That a core use of live music is within the objects of the charity. I note that this would not rule out uses for other purposes, which is clearly appropriate."

9.2 The Acting LBH Head of Legal Services has no comments on this report.

## **10 Financial Implications**

10.1 The cost of the Options Appraisal Feasibility Study did not impact on the Trust's directly controlled budget.

10.2 A sum of approximately £65K is available to the APPRWG for the first phases of the Concept Planning stage of the process. This is subject to approval of the relevant carry forward of part of this sum from 2010-11. This sum will not impact on the Trust's directly controlled budget.

10.3 Further sums will be necessary to advance the regeneration project and further clarity on the quantum of this will arise as the next steps progress. Details of the total costs and internal resources required will be included in further reports to the Board, with advice on how they may be funded.

10.4 LBH Chief Finance Officer comments; LBH Chief Finance Officer confirms that £65k (£15k is subject to the Council's Cabinet approving a budget carry forward request) is available for the initial concept planning stages of the process. There are not currently the additional resources available that will be needed for this work as it moves through the various planning and feasibility stages, therefore the Trust needs to ensure that appropriate resources are made available and costed for the future phases of the project.

10.5 As the project moves into the market testing and procurement phases the Trust needs to ensure that resources are built into the plan for financial, procurement and contract advice.

10.6 It is important that the Trust maintains the momentum of this work and the investment already made and ensures that the market research carried out to date is not nullified by progress delays.

**10.7 Use of Appendices/Tables/Photographs**

10.7.3 Appendix 1 - Colliers International report entitled "Alexandra Palace & Park Options Appraisal" April 2011

10.7.4 Appendix 2 – Feasibility Presentation (as presented to the 'Report Back to Stakeholders meeting and to the Board on 9 May 2011.