Alexandra Palace and Park

The Peoples Palace

OPTIONS APPRAISAL

APRIL 2011

FOR ALEXANDRA PALACE AND PARK REGENERATION WORKING GROUP

Accelerating success.

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EXECUTIVE SUMMARY

1.1 BACKGROUND TO THE OPTIONS APPRAISAL

- The Locum Consulting team of Colliers International were commissioned in January 2011 by the Alexandra Palace and Park Trust to undertake an Options Appraisal and Feasibility Study for Alexandra Palace and Park.
- The aim of the Options Appraisal is to identify a preferred option for the regeneration of the Palace and Park which is financially sustainable and crucially addresses the vision and mission of the Trustees, and protects and enhances the heritage status of the Palace and Park in perpetuity.
- This executive summary and the longer report provide a summary of the work undertaken through the course of the options appraisal and concludes with a recommendation for the preferred option and an indication of next steps to progress the regeneration.

(See Section 1 for further detail)

1.2 STRATEGIC DIRECTION OF ALEXANDRA PALACE & PARK

- Alexandra Palace is a cultural and heritage icon that has fallen on hard times, with a considerable proportion of the built structure in desperate need of restoration.
- The Palace and Park were created by the pioneering and philanthropic spirit of the Victorian era and provided the people of north London with a magnificent cultural and recreational centre. People came for a multitude of reasons be they walking in the open spaces of the park or attending music recitals on the Grand Willis Organ in the Great Hall or watching a show at the theatre.
- Over the years, layers of personality and character have been added starting with the original Victorian cultural uses, to being the birth place of broadcast television in the 1930s and to staging many seminal rock/pop concerts including the first recognised ‘happening’ in the 1960s. Musical heritage in particular has deep roots reaching back to classical concerts in the 1870s and still continues with live events in the modern day.
- This pioneering spirit has created a legacy of heritage assets and brand stories that provide the future of ‘The Peoples Palace’ with a tangible foundation from which to build.
- Today, the park is still a much loved community open space and people visit the Palace to ice skate or attend a multitude of events and exhibitions. However, the

Palace is in a poor state of disrepair with only about 50% of the building currently in use with high annual operational and maintenance costs.

- The regeneration agenda is led by the vision and mission of the Trust, which in turn are driven by the original purposes of the 1900 Act to create a place *'for the free use and recreation of the public forever'*.

Vision:

"To regenerate Alexandra Palace and Park, in the pioneering spirit of our founders, creating a proud, iconic London Destination with global appeal, a successful, valuable and sustainable asset for all, including the local community and stakeholders"

Mission Statement:

"To uphold, maintain and repair the Palace and to maintain the said Park and Palace as a place of public resort and recreation and for other public purposes"

(See Section 2 for further detail)

1.3 DESTINATION ANALYSIS

- In assessing the current situation, this study has analysed the physical nature of the Palace and Park; transport and access issues; the planning context and the current business operations and estimated maintenance costs. The key issues and opportunities include:
  - The Palace and Park both sit within a designated Conservation Area; the Palace is Grade II listed and the Park is Metropolitan Open Land.
  - One of the greatest assets of the site is the view over London.
  - The building is of extraordinary scale making the composite spaces flexible for re-use.
  - The unique features such as the BBC Studios, the Victorian Theatre and the Willis Organ are wonderful assets which need to be brought back into use in some form - as yet undetermined.
  - Access and public transport are poor. It is fair to say that it is not easy to reach Alexandra Palace and Park by public transport from most parts of London.
  - Use of the site is governed by an Act of Parliament. The Alexandra Park and Palace (Public Purposes) Act 1900, amended in 1913 and again in 1985, states that the Palace and Park must remain available *'for the free use and recreation of the public forever'*.

- The existing planning policy framework permits a wide range of uses within a mixed use scheme, including *'arts, culture and entertainment, educational, sport and recreation…some ancillary use for food and drink, business, residential, hotel and conference'* (UDP Policy OS4 part e). These uses would be possible provided that they complement as far as possible the function of Wood Green Metropolitan Town Centre and are subject to compliance with other national, regional and local planning policies.
- The current business operations of Alexandra Palace Trading Limited - events and exhibitions, the ice rink and the Phoenix pub - make good use of the assets in a difficult trading environment but income and profit do not cover the annual costs of the Trust.
- In 2009/10, the company generated £5.3m turnover of which circa 70% related to the events and exhibitions business. The ice rink generated £1.1m or 20% of total income. A new ice rink was built between May 2010 and January 2011 at a cost of £2.3m. The Phoenix pub has returned net losses in the last two full financial years.
- The Trust is continually reliant on the London Borough of Haringey to fund the annual deficit. Haringey Council contributed about £2m in 2010.
- The estimated restorative costs are around £29m to stabilise the building (to shell and core only).

(See Section 3 for further detail)

1.4 MARKET DEMAND

- Alexandra Palace and Park is very well positioned to take advantage of the considerable London market that exists within the M25, if the accessibility challenge can be overcome. The market is there to support a unique London destination.
- The domestic market is the important core audience. A reinvigorated Alexandra Palace and Park will be successful because friends and families in Haringey and across London will say *'Let's go to Ally Pally, let's take your friends/family when they visit next weekend'*. An offer that primarily attracts locals and Londoners is most likely to prove successful, as opposed to targeting overseas visitors as the core market, particularly given the wealth of product in central London targeted at overseas markets.
- Tourists will of course visit but they should be viewed as an upside rather than the foundation required to sustain the destination.
- There is a rich mosaic of socio-economic and cultural diversity across the residents of Haringey and London that provides wide reaching market

opportunities. The diversity of London allows a destination to consider a great spectrum of imaginative attractions and events.

(See Section 4 for further detail)

1.5 OPTIONS APPRAISAL

- The overarching objective of the options appraisal is to enable the identification of a 'preferred option' via a clear and transparent process, with a defensible rationale for eliminating options and with realistic delivery potential.
- The charitable status, history, heritage and local community associated with the Palace and Park are exactly what provide the destination with its unique character and brand. It is important to note that whatever the preferred option is moving forward, these elements will be embedded throughout.
- This options study focuses on **Strategic Concepts**, rather than specific uses for the Palace and Park. The identification of a preferred and viable strategic concept will provide the foundation for a strong brand that consumers, operators and investors can all buy into, and allows for a manageable options appraisal process at the same time. The key rationale for adopting an approach which focuses on Strategic Concepts first rather than a mix of uses is to ensure the preferred option:
  - is sufficiently differentiated and has **strength in the market** and is ultimately viable. The core use helps to define a clearer brand identity for the destination within the competitive market place;
  - can overcome the **funding and investment** challenge by focusing on the core use initially; and
  - provides a **catalyst for the complete regeneration** of Alexandra Palace and Park and enables a critical mass which will drive footfall and allow ancillary and complementary services and facilities to operate viably.
- A long list of strategic concepts has been appraised against a set of criteria out of which a short-listed and preferred option can be identified.

Figure 1: Long list of Strategic Concepts

Strategic Concept	Examples of 'core attractors'
Arts and Culture	e.g. Museum, Cultural institution, Creative quarter
Education	e.g. University, School
Conference and Exhibition	e.g. Flexible and supported venue for large format conventions, trade show exhibitions
Healthcare	e.g. Hospital, Rehabilitation centre, Care home

Strategic Concept	Examples of 'core attractors'
Industrial	e.g. Warehousing, Factory, Logistics centre
Leisure and Entertainment	e.g. Cinema, Ice rink, Activity centre, Visitor attractions, Casino, Nightclub (for sports related leisure, this would principally be focused on participating not spectating)
Offices	e.g. Government or Corporate headquarters
Place of Worship	e.g. Church, Mosque, Religious institution, public worship and gatherings
Research and Development	e.g. Business incubation, Science research centre
Residential	e.g. Primary housing and apartments, Second homes
Resort	e.g. Conference-based resort, Spa resort, Family resort
Retail	e.g. Shopping centre, Outlet centre, Market
Sports	e.g. Arena, Stadia, Home of professional club (principally focused on spectating not participating)
Transport Terminal	e.g. Coach or station, Rail terminus

- The criteria were based on the Vision and Mission statements (since non-compliance with these deem an option unfeasible), the physical compliance of an option within the Palace and Park; the strength of the market (both in supply and demand terms) and ultimately, whether the option is deliverable in terms of funding. In summary therefore:
  - Criterion 1: Does the Strategic Concept fit with the Vision and Mission?
  - Criterion 2: Is the Strategic Concept physically possible within the Palace and Park?
  - Criterion 3: Is there demand for the Strategic Concept in London and will it be sufficiently differentiated to compete within the competitive supply context?
  - Criterion 4: Is the Strategic Concept fundable?

  (See Section 5 for further detail)

1.6 PREFERRED STRATEGIC CONCEPT & POSSIBLE CONTENTS

- 'Leisure and Entertainment' emerged as the preferred strategic concept through the appraisal process. The rationale for evaluating the strategic concepts is presented in section 5.5.2.

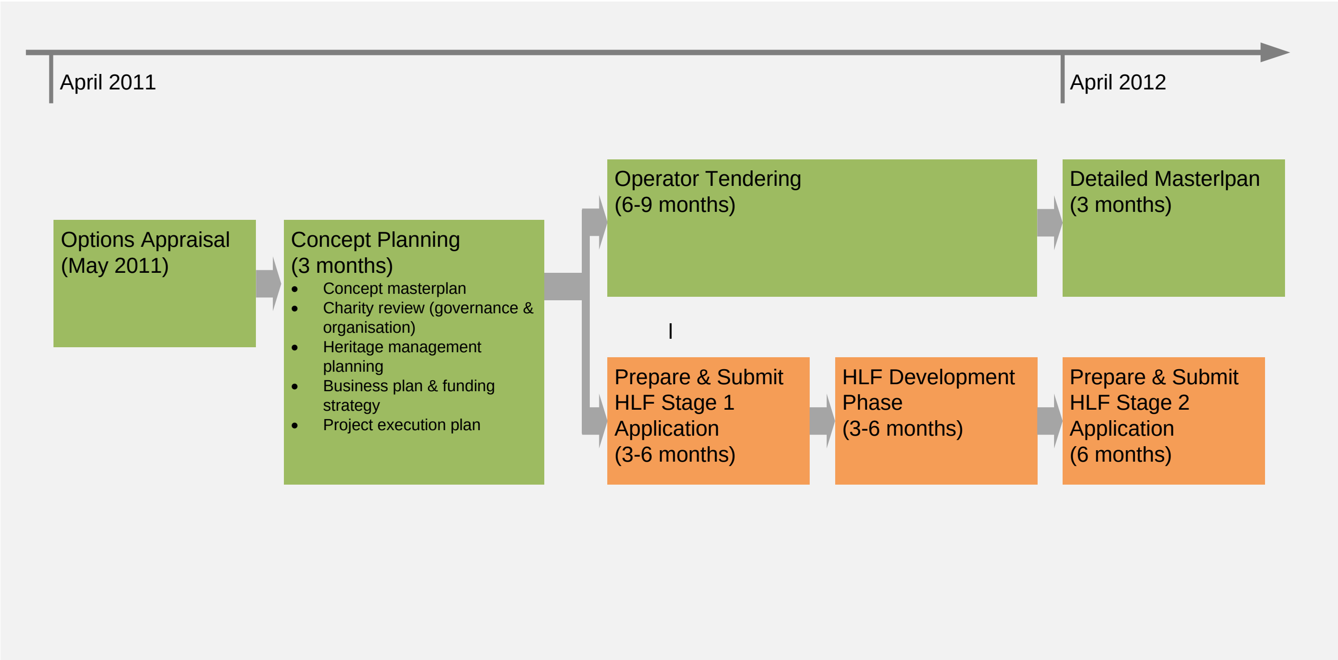
- Supported by the stakeholder consultations and feedback received, our analysis and assessment of the London market context, three potential ‘core uses’ have been identified which have formed the basis of three sub options, as follows:
  - Leisure and Entertainment – Destinations for Children (5-12 years)
  - Leisure and Entertainment – Live Music
  - Leisure and Entertainment – Sport and Active Leisure
- These sub-options have been subjected to a further iteration of appraisal (see Section 6), which combines desk based research into the market demand, supply and operator dynamics for each, as well as undertaking initial exploratory soundings from experts and operators within these fields.
- Based on the detailed appraisal and assessments undertaken, a Leisure and Entertainment offer that is anchored by live music is considered to present the greatest opportunity for catalysing the regeneration of Alexandra Palace and Park. This is founded on the basis that, irrespective of what the future regeneration holds for Alexandra Palace and Park, the value of the sites history and heritage should and must play an important and central theme in whatever is promoted or developed there, not least because of its merit and value *per se* but more importantly because of the value the history and heritage can bring to delivering a highly differentiated, unique and characterful destination.

  (See Section 6 for further detail)

1.7 RECOMMENDATION & NEXT STEPS

- The recommendation by the Locum Consulting team of Colliers International is for the Trustees 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’. This is made alongside two notes:
  - 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.
  - 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.
- The key next steps are illustrated in Figure 2 and described below.

Figure 2. Indicative Next Steps



- 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 the Trust's own house in order 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
- 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 a successful Stage 2 pass will be achieved in less than 12 months and more likely in around 18 months from start.

MAIN REPORT

1 INTRODUCTION

1.1 SCOPE OF WORK

The Locum Consulting team of Colliers International has been commissioned by the Alexandra Palace and Park Trust to undertake an Options Appraisal and Feasibility Study for Alexandra Palace and Park.

1.1.1 AIM AND PURPOSE OF THE STUDY

Essentially, the aim of the study is to provide the Trust with the tools for making the best decisions in securing a sustainable future for Alexandra Palace and Park.

The Trustees want to explore the options for creating a commercially viable business, based on market demand, which meets their vision and mission, and protects and enhances the heritage status of the palace and park.

The purpose of this study is to give an assessment of options for re-use so that the Trust can move forward with delivering the successful regeneration of the Palace and Park.

1.1.2 STUDY SCOPE OF WORK

The study was conceived as a precursor to a masterplanning exercise.

The scope of work for this study includes:

- Review of previous studies and information
- Analysis of existing business activities
- Review of the current planning, transport and development context
- Key stakeholder consultation with the local community and Council officers
- Analysis of market demand and supply
- Appraisal of options with a full, decision-making audit trail demonstrating the rationale behind the journey from a long list of options, to a short list, to recommendations for a preferred option
- Addressing both the palace and the park in an holistic manner

The study commenced in January 2011 and is anticipated to conclude in May 2011.

1.1.3 THE CONSULTANT TEAM

The consultant team has been led by the Locum Consulting team at Colliers International, with specialist input from:

- Colliers International (destination consulting, planning, property advice)
- WSP (Transport)
- Gillespies (Design and Masterplan Advice)
- Allan Dadswell (Construction Costing)

1.2 THE CLIENT BODY AND STAKEHOLDERS

1.2.1 THE CLIENT BODY

Alexandra Palace and Park are owned and managed by a charitable trust, the Alexandra Palace and Park Trust (The Trust).

The Trust was originally created by an Act of Parliament in 1900, requiring the Trustees to maintain the Palace and Park and make them *"available for the free use and recreation of the public forever"*.

Since 1980, Haringey Council has been the sole trustee of the Trust, and holds on-going responsibility for the Trust's administration.

Existing business at the Palace is managed by the operational arm of the Trust, Alexandra Palace Trading Limited (The Trading Company).

For this study, Locum has worked directly to the Alexandra Palace and Park Regeneration Working Group, a specific officer task group established by the Trustees to lead on the regeneration of Alexandra Palace and Park.

The Regeneration Working Group is composed of representatives from the Trust, the London Borough of Haringey Council and the Trading Company.

All decisions will be made by the Board of Trustees following recommendations received from the APP Regeneration Working Group.

Figure 3: Organisational structure

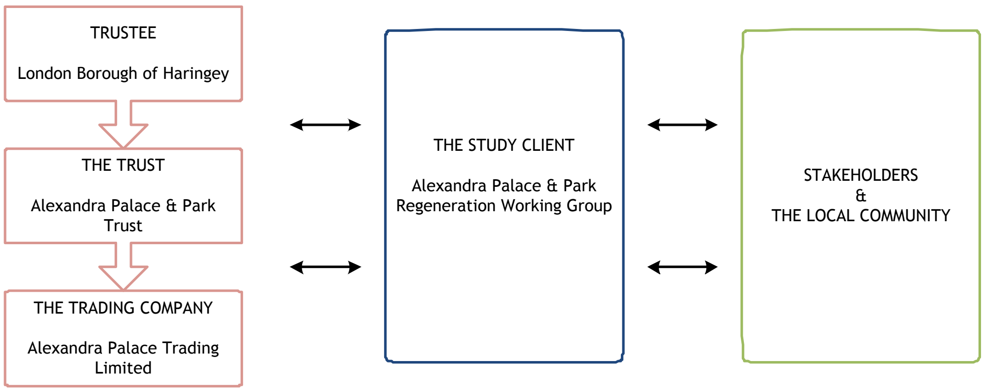


Figure 4: Alexandra Palace & Park Regeneration Working Group Membership

Name	*Position*	*Organisation*
Anne Lippitt	Chair & Interim Director of Place & Sustainability	London Borough of Haringey
Rick Wills	Vice Chairman & Non-Executive Director	Alexandra Palace Trading Limited
Andrew Gill	Interim General Manager	Alexandra Palace and Park Trust
Rebecca Kane	Managing Director	Alexandra Palace Trading Limited
Kumar Muthalagappan	Non-Executive Director	Alexandra Palace Trading Limited
Julie Parker	Director of Corporate Resources	London Borough of Haringey
Mark Hopson	Head of Strategic & Physical Regeneration	London Borough of Haringey

1.2.2 STAKEHOLDERS

The consultant team has consulted with a range of key stakeholders and local community representatives throughout the study in order to listen to and consider ideas, comments and recommendations.

Figure 5: Stakeholder consultation attendees

Name	*Organisation/Group*
Denis Heathcote	APP Statutory Advisory Committee
Ahmet Yener	Lakeside Cafe
Sally Wood	The People's Palace
James Smith	Chair of CUFOS
Peter Davies	Ice Rink user
Monica Riven	Local Resident
Lucy Zanetti	Local Resident
Ben Price	The Whole Nine Yards
Keith Faulkes Underwood	Hornsey Historical Society
Rachel MacDonald	New River Action Group/Consultative Committee, Press & Publicity Officer for Hornsey Historical Society
Jacob O'Callaghan	Save Ally Pally/Consultative Committee Member Hornsey Historical Society Member
Nigel Grimes	Alexandra Park Cricket Club
David Liebeck	APP Statutory Advisory Committee
Andrew Salmon	Twisted Thread – Knitting Exhibition Organiser
Martin Hay	Independent / Personal interest
Denise Feeney	Muswell Hill/Fortis Green Residents Association
Colin Marr	Consultation Committee / APP Conservation Area
Gordon Hutchinson	Friends of Alexandra Park Chair
Andreas Kuomi	Exposure Magazine (Manager)
Annabel Adabie	Exposure Magazine – Youth Rep
Comfort	Exposure Magazine – Youth Rep
Helen Cole	Alexandra Palace and Park Trust
Charlotte Johnson	Alexandra Palace Trading Limited
Jane Lawrence (Observer)	Direct PR

The stakeholder engagement programme was conducted in two stages:

1. **Listen and Engage** - two stakeholder sessions were held on 10th and 12th of March 2011 at Alexandra Palace with the Locum team presenting work to date on the study, followed by an open forum for discussion and feedback. Both sessions were chaired by Cllr Egan, Chairman of The Trust.

2. **Report Back** – A further session will be held on 3rd May for the Regeneration Working Group to present the findings of the study back to stakeholders.

A range of local authority officers from the London Borough of Haringey were also consulted during the course of the study.

Figure 6: Haringey officer consultees

Name	*Position*
Marc Dorfman	Assistant Director for Planning & Regeneration
Ciara Whelehan	Planning Policy Team Leader
Malcolm Smith	Transport Planning Officer
Mortimer MacSweeney	Principal Conservation Officer
Richard Truscott	Design Officer

The feedback from the stakeholder sessions and wider consultations has fed into the options appraisal process.

2 STRATEGIC DIRECTION OF ALEXANDRA PALACE AND PARK

2.1 VISION AND MISSION

The regeneration agenda at Alexandra Palace and Park is led by the vision and mission of the Trust, which in turn are driven by the original purposes of the 1900 Act to create a place *'for the free use and recreation of the public forever'*. The key wording from the Act is presented in Appendix 2. Interpretation of the Act is presented in Section 3.4.1.

We understand the Trust have adopted the vision and mission statements presented in Figure 7 following a fully engaged stakeholder process.

This vision and mission are important for the future regeneration of the Palace and Park as they help to frame its future direction and by doing so inform the criteria for appraising options.

Figure 7: Vision and Mission of Alexandra Palace and Park Trust

Vision: *"To regenerate Alexandra Palace and Park, in the pioneering spirit of our founders, creating a proud, iconic London Destination with global appeal, a successful, valuable and sustainable asset for all, including the local community and stakeholders"*
Mission Statement: *"To uphold, maintain and repair the Palace and to maintain the said Park and Palace as a place of public resort and recreation and for other public purposes"*

2.2 CHARITABLE STATUS AND HERITAGE

The charitable status of the Trust and the heritage designation of the Palace and Park are of critical importance in considering future options for use and have been taken as given in our approach and recommendations.

The Palace and Park both sit within a designated Conservation Area; the Palace is Grade II listed and the Park is Metropolitan Open Land.

Alexandra Palace is significant both in terms of its cultural history as well as its cultural heritage. It has been the birthplace of broadcast television, the home of a Victorian theatre and a legendary rock/pop music venue. The history and heritage of both the Palace and the Park will underpin any successful regeneration plans.

How the history and heritage of the site are brought alive remains in question but there is no doubt that whatever the future they will certainly form part of the brand, visitor experience and interpretation throughout the destination.

The charitable status and heritage aspects of the site also hold significance in relation to potential funding opportunities such as the Heritage Lottery Fund and the possibilities related to social enterprise.

2.3 SOME OF THE CHALLENGES AND RECENT HISTORY

Alexandra Palace is a cultural and heritage icon that has fallen on hard times.

The Palace is in a poor state of disrepair with only about 50% of the building (by area) currently in use. Annual maintenance costs are about £4m, with an estimated back log of about £29m (costed to repair and stabilise the fabric of the building).

The London Borough of Haringey currently meets the on-going operational deficit of around £2m per annum.

It is a critical situation and choosing the correct path forward has never been more important.

It is much loved by the people of Haringey, London and beyond, and presents a unique opportunity for regeneration through the creation of a reinvigorated destination.

There has been a raft of consultation work and attempted redevelopment at Alexandra Palace spanning the last 15 to 20 years.

The most recent was a proposal in 2006 to grant a 125-year lease to a developer. The original proposals were prevented as a result of a judicial review and the proposals subsequently did not progress. As such no long-term sustainable solution to the challenges that Alexandra Palace and Park face has yet been secured.

In recent years, the Trust and its Trading Company have worked hard to engage and build closer relations with the Council, key stakeholders and the local community.

The Trustees are leading the regeneration process and are committed to fulfilling the vision and mission of 'The Peoples Palace'.

2.4 THE LONG TERM OBJECTIVES AND ASPIRATIONS

The brief for the options appraisal study, and subsequent guidance from the client team, have helped to inform the long-term objectives and aspirations for Alexandra Palace and Park:

- To attain the Trust's vision and mission
- To be financial sustainable
- To eliminate the £2m annual subsidy from London Borough of Haringey
- To stabilise and protect the heritage assets
- To improve access to the Palace and Park
- To enhance local pride and sense of ownership

These provide an important backdrop to the options appraisal study and directly inform the appraisal criteria.

2.5 THE NEED FOR A STRATEGIC CONCEPT

The solution to such a situation is never simple or easy but in order to give regeneration the best chance of success an holistic and strategic approach is required.

Alexandra Palace needs to rediscover that core reason why people will be motivated to leave home and visit in significant numbers. There needs to be an 'core attractor' that drives footfall and spend, creating the gravity for ancillary uses to flourish and acts as the catalyst for a successful destination to take shape.

This study is based on an holistic approach and advocates the consideration of a **Strategic Concept** for Alexandra Palace and Park (see Section 5.3 for further explanation). The identification of a preferred and viable strategic concept will provide the foundation for a strong brand that consumers, operators and investors can all buy into, and allows for a manageable options appraisal process at the same time. The key rationale for adopting an approach which focuses on Strategic Concepts first rather than a mix of uses is to ensure the preferred option:

- is sufficiently differentiated and has **strength in the market** and is ultimately viable. The core use helps to define a clearer brand identity for the destination within the competitive market place;
- can overcome the **funding and investment** challenge by focusing on the core use initially; and
- provides a **catalyst for the complete regeneration** of Alexandra Palace and Park and enables a critical mass which will drive footfall and allow ancillary and complementary services and facilities to operate viably.

3 DESTINATION ANALYSIS

In order to understand the issues affecting Alexandra Palace it is important to analyse both the Palace and the Park within which it resides. Understanding the original purpose and function of each, and the issues they face today, provides the basis for considering future opportunities and solutions.

The Destination Analysis covers;

- the physical nature of the Park and Palace;
- transport and access issues;
- the planning context; and
- a review of current operations and maintenance costs.

3.1 THE PARK

3.1.1 PARK DESIGN

Alexandra Palace and Park were conceived in the spirit of Victorian philanthropy as a great entertainment and recreation centre. The Great Northern Palace Company initiated the idea in 1860 and opened the Park in 1863.

The location for the Park and Palace was chosen because of its prominent hilltop position. Although greatly changed from the mid-nineteenth century, the view over London from the Palace is a major feature of the site. The Palace is situated at 89 metres above sea level (almost 300 feet).

The landscape architect Alexander Mackenzie was well known and his works include Finsbury Park and the Embankment Gardens. The style chosen for Alexandra Park was one of informality, in direct response to the formal layout of the grounds at Crystal Palace in south London.

The original carriageways were formed to allow visitors to walk around the site and enjoy views of the Palace from all directions. The original entrance to the Palace was along a grand avenue to the north. Following financial difficulties, some of the northern sections of the Park were sold off for development, including the main entrance avenue. Although the avenue remains, the main focus of the palace has shifted to the southern side.

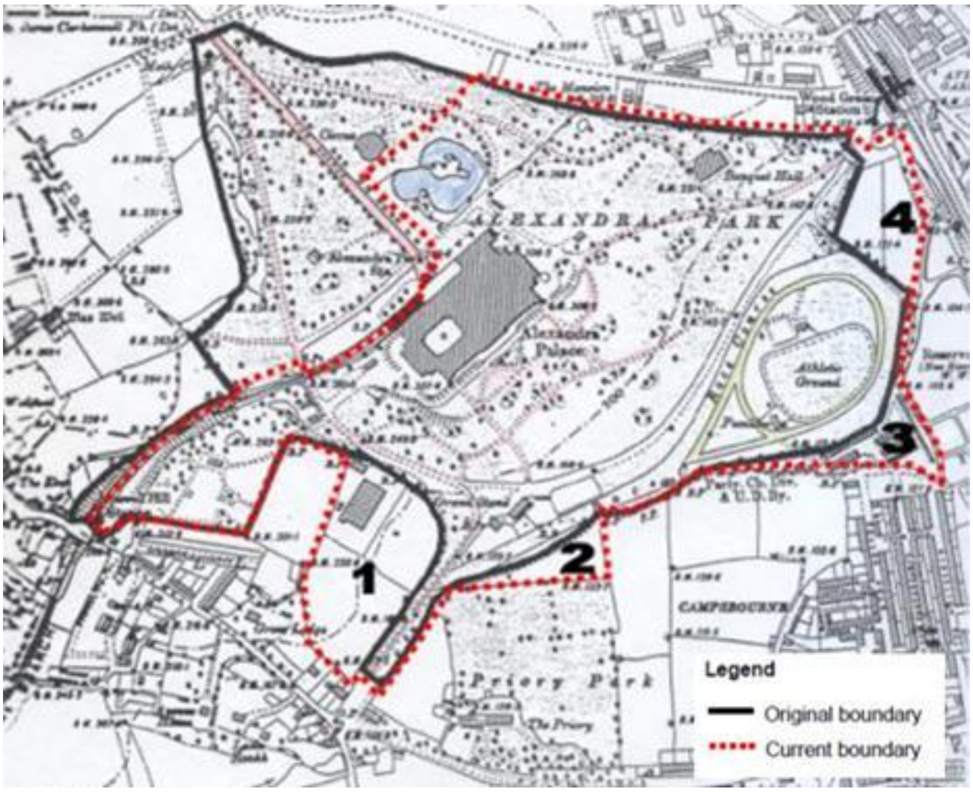
The current roadway through the Park has not always been in existence. Tram services originally terminated at each end of the building. This all changed in the 1930s when the connecting road was constructed right alongside the southern elevation of the Palace.

The open character of the lower slopes has changed since the Park was laid out. The Greater London Council planted thousands of trees during their tenure in the seventies and eighties, and as they have matured they have become a great resource for wildlife but also a barrier between the upper and lower parts of the site.

Figure 8: Park uses over years (original uses in red)

- Miniature Railway (at the boating lake)
- Railway Station
- Tennis courts: three in the grove, six at the Avenue
- Japanese village (destroyed by fire)
- Banqueting hall (destroyed by fire)
- Rifle range and cottage (now the conservation area)
- Race course, grandstand, paddocks and other buildings (demolished)
- Circus
- Athletic Ground
- Two Football pavilions (demolished)
- Bowling green (lost to the temporary events pavilion in the 1980s)
- Village on stilts (in boating lake)
- Sea Scouts facility (demolished)
- Allotments (inside the race course – now open grass)
- Plant nursery (now the garden centre)
- A Bandstand (in the Grove)
- Children's Paddling pool (now basketball area)
- Lido (edging kerbs still visible)
- Air Training Corps facility (demolished)
- Ornamental Lake
- Two further ornamental lakes (on the land sold for development)
- Dry ski slope (closed down)
- Royal Observer Corps bunker (shut down, the surface structure extant)
- BBC Gardener's world garden (on the slope below the BBC Tower)

Figure 9: Original and current park boundaries



1: Nursery/Allotments, 2: Redston Field, 3: Newland Field, 4: Conservation Area

3.1.2 THE PARK TODAY

The present Park covers 196 acres (79 ha) and is composed of various landscape and habitat types.

The Park has seen various developments, changes and improvements since opening in 1863. A Heritage Lottery Grant was awarded in 2002 to fund a landscape development project totalling £3.5m which was concluded in 2007. Green Flag Awards have been awarded to the Park and a number of designations affect it including:

- **Conservation Area**: In 1979 the Palace and Park were designated a conservation area. This is *'an area of special architectural or historic interest, the character of which it is desirable to preserve or enhance'*. It does not include the Garden Centre or allotments.
- **Metropolitan Open Land**: The whole of the Park, including the Garden Centre and allotments, is designated as Metropolitan Open Land (MOL).
- **Historic Parks and Gardens**: The Park is Grade II listed on the English Heritage 'Register of Parks and Gardens of Special Historic Interest in England'.
- **Metropolitan Park**: The Park is designated as a 'Metropolitan Park' by the local Authority.
- **Nature Conservation/Ecology**: The Nature Conservation area at the Park is designated as 'An Ecologically Valuable Site of Borough Importance Grade I', the remainder of the Park is designated Grade II.

Figure 10: Existing park uses

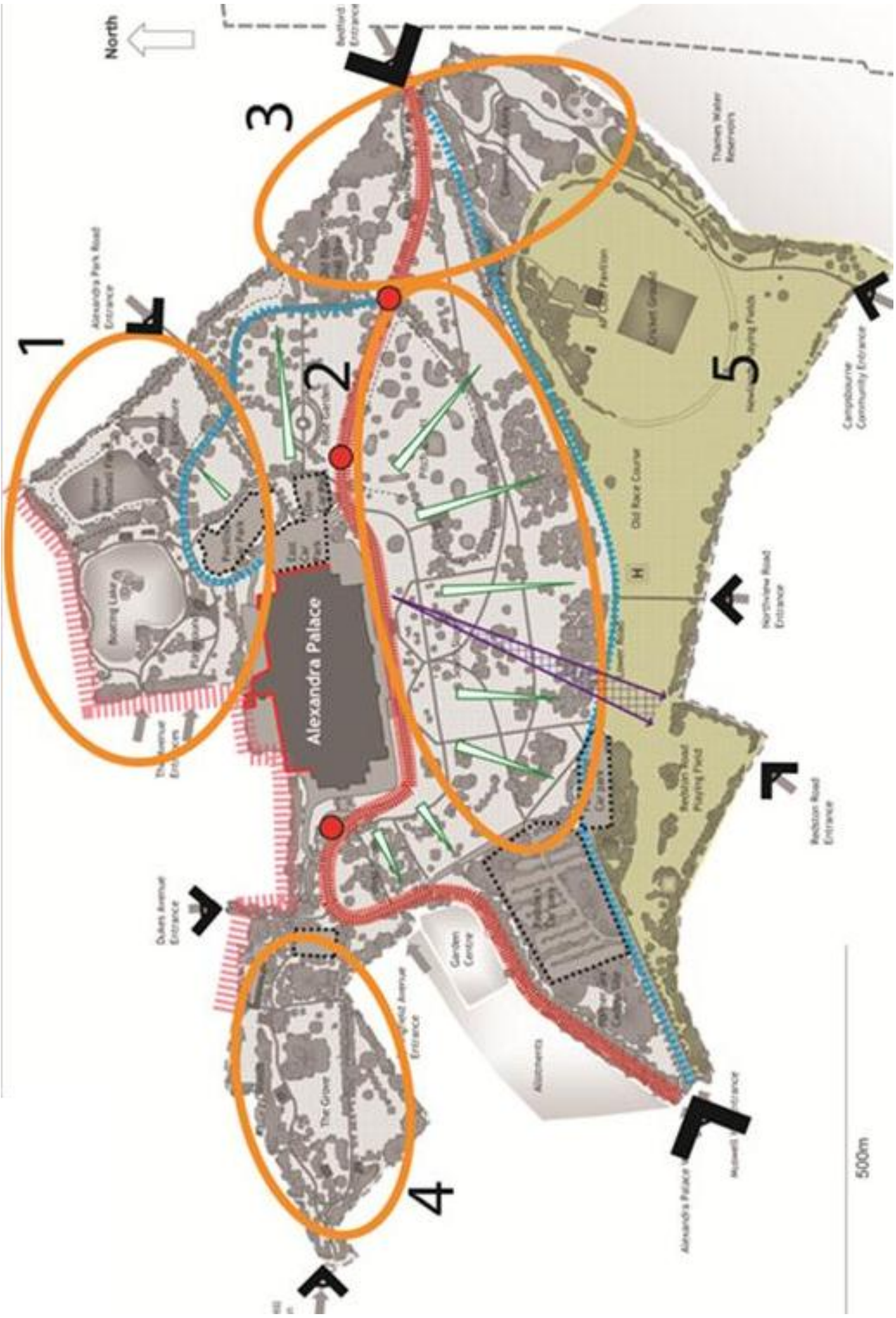
Uses	
Parkland (196 acres) Cafés – The Grove and Lakeside Information Centre Playground and Skate Park Boating Lake Deer Enclosure Garden Centre	Rose Garden Pitch and Putt Conservation Area Cricket club and Sports Pitches Events inc. Farmers Market and Fun Fair/Circus c.1,500 parking spaces

3.1.3 KEY ISSUES AND IMPLICATIONS

There are a number of key issues affecting the Park which need to be understood in the context of how people access the Park and Palace, and the relationship between the two entities.

STRENGTHS	WEAKNESSES
• The Park is a well-used green resource both aesthetically and environmentally improved through an HLF grant in 2002-2007. It also has a strong relationship with the community who use it regularly. • The Park has Green Flag status • The Trust has management plans in place for the Park, the Landscape and Conservation and Heritage. • A number of activities take place there ranging from physical activities such as pitch and putt golf, to ecological areas celebrating local flora and fauna as well as the staging of festivals and outdoor markets. • The Park affords stunning views of London due to its topographical position.	• The Park has poor legibility and understanding of where you are and where you need to go, exacerbated by weak arrival points and gateways. • It is a good local park but, through the activities that go on there, is not necessarily nationally or internationally appealing. • The Park is partially zoned but not reinforced by good signage or an ordered collection of uses. Figure 11 shows zones 1-5: 1 Local area 2 Southern Terrace 3 Ecological area 4 The Grove 5 Open green space • There is a poor experience or journey through the Park which is un-orchestrated, sometimes dominated by traffic.

Figure 11: Zonal plan of Alexandra Park



3.2 THE PALACE

3.2.1 BUILDING DESIGN

In September 1865 construction of the Palace commenced, opening in 1873, having been moved from an original site in Kensington.

Sixteen days after it opened it burnt down and was totally destroyed.

It was rebuilt (though to a different design), and reopened in May 1875. Served by a branch of the Northern Railway (now defunct, though the station house still exists off the northern side of the building), Alexandra Palace covered seven acres, was built around three great auditoria and could stage concerts, exhibitions and banquets.

A second fire affected the building in 1980, the result of which is the form of the Palace today.

The Palace is a Grade II listed building. The full listing is presented in Appendix 4.

Figure 12: Original palace in 1873 and as rebuilt in 1875

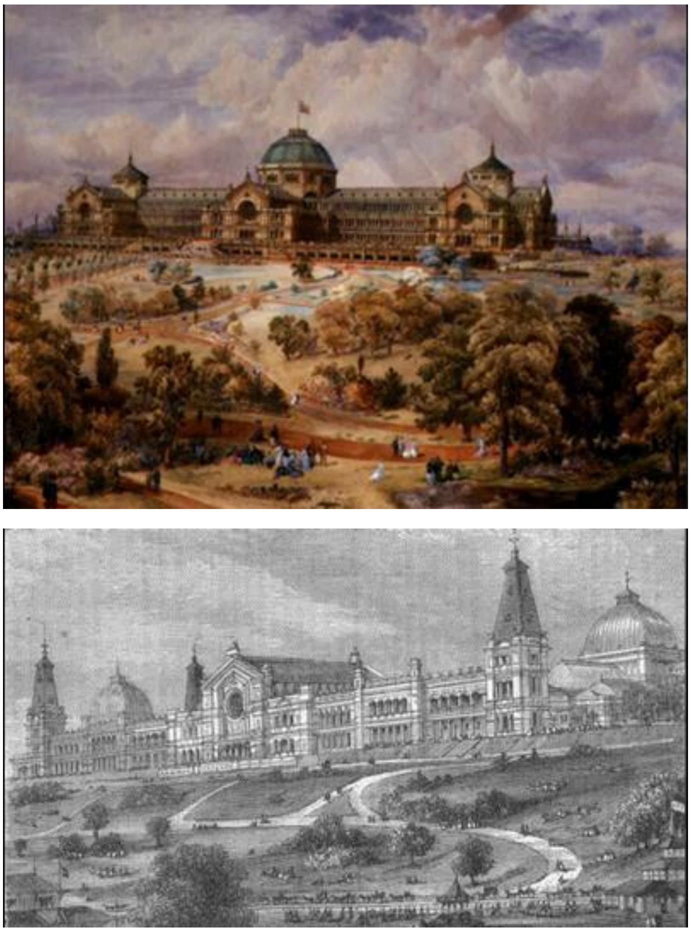


Figure 13: Main components of the original Alexandra Palace

Area	*Description*
The Central Hall	Divided the Palace into two equal halves. Provided seating for about 12,000 visitors. The orchestra rose on the north side, like an amphitheatre, and was capable of accommodating a band and choir of 2,000 performers. The now famous Organ was erected in the Great Hall by Mr. Willis.
Theatre	Original capacity c. 2,500 seated
Concert Room and Lecture Hall	Located at the north of the building and fitted out to accommodate about 3,500 visitors.
Picture Galleries	Located along the front side of the building.
Conservatories and Open Gardens	Located either side of the Great Hall.
Refreshment Department	Ground floor in the south-west and south wings, which consisted of a series of dining-rooms and buffets, with billiard and smoking rooms adjoining.

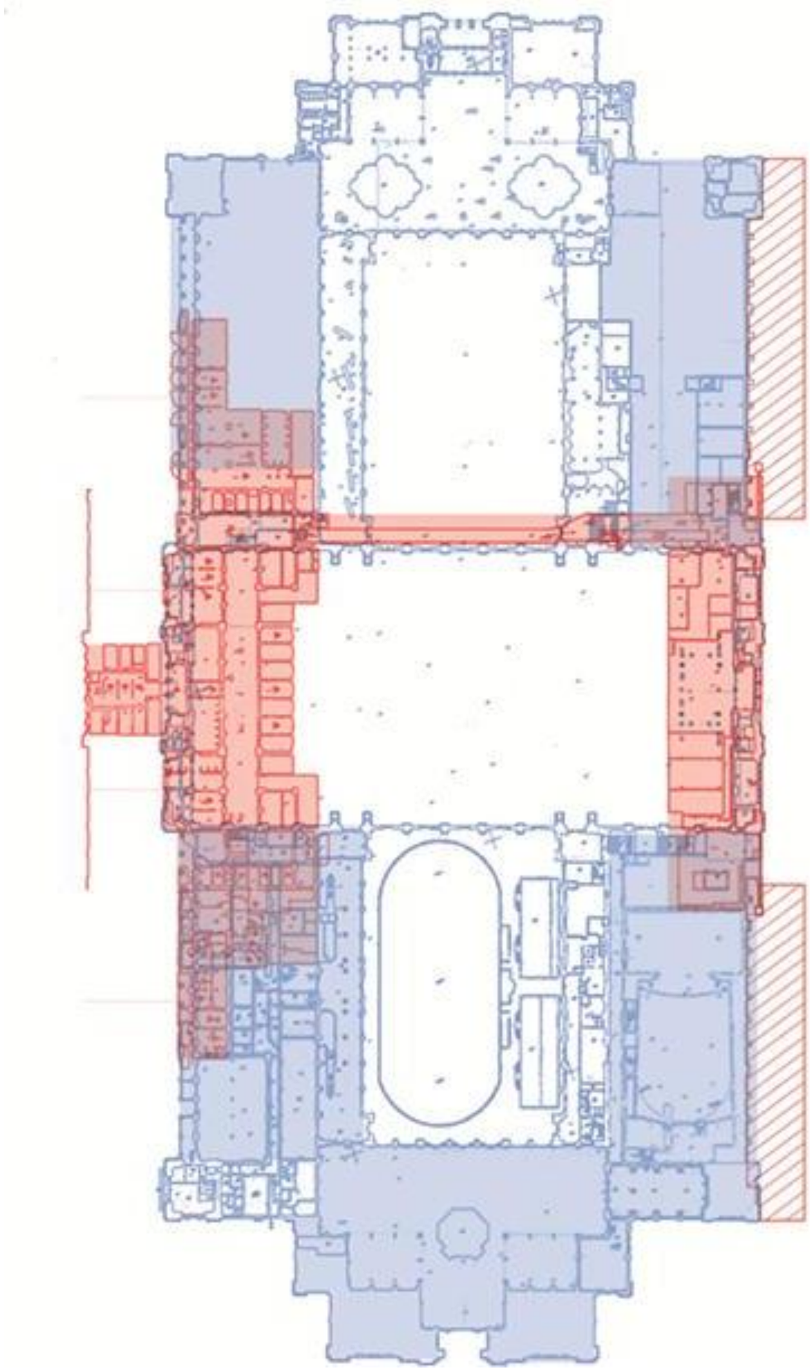
The total building footprint, including the void space currently used as a service yard adjacent to the north end of Palm Court, is approximately 30,700m^2.

Today, the main event activities take place in the Great Hall, the West Hall, the Palm Court, the Ice Rink area and the offices in the former BBC studios. These activities account for about 50% of the built fabric of the building. A full description of the current activities is presented in Section 3.5.

The significantly under-utilised areas of the building include the theatre (currently unsafe) and the basement.

Figure 14: Analysis of current building use

Generally utilised ***(Shaded white in plan)***	**Under-utilised** ***(Shaded blue/red in plan)***
Great Hall West Hall Palm Court area Ice Rink	Theatre East Foyer Basement (in red) Panorama Room External areas adjacent to the northern façade Former BBC Studios area North west extent (albeit partially for servicing)



Source: Gillespies

3.2.2 KEY ISSUES AND IMPLICATIONS

There are a number of key strengths and weaknesses affecting the Palace that need to be understood in thinking about future spatial solutions and how the building will be utilised as part of a preferred strategic concept.

STRENGTHS	WEAKNESSES
• It is a Victorian building type with valued remnants from that era and of extraordinary scale making the composite spaces flexible for re-use. • The Victorian theatre has high archaeological value but if it is to be more than a curiosity it needs serious investment, vision and versatility. • Other areas of Alexandra Palace have undergone extensive modification. The feel of the original building (1875) with the two large open courtyards is gone and original details and materials have been replaced with modern forms, sometimes inappropriate to the building, for example, the Panorama Room. The building fabric has been much adapted and has a brick wall structure (with cement stucco stone details) that can accommodate further alteration.	• Redevelopment following the 1980 fire has been piecemeal and uncoordinated leaving parts of the building unfulfilled and unfinished. • The Northern façade (formerly the main entrance to the building) has become uninviting and ‘tired’ relieved only by the central frontispiece.

3.3 ACCESS AND TRANSPORT

Alexandra Palace and Park are located in a moderately accessible area of London with a Public Transport Accessibility (PTAL) score of 2/3 (in a range 1-6 where 1 is poor). There are several bus routes and Alexandra Palace rail station but no direct Underground access.

This is an average level of accessibility to public transport. It is seen as good for residential areas (which often range from 1-3) but not as good as town centres which tend to be higher at 4-6.

Accessibility varies across the site. While the site entrances at the east and west boundaries exhibit PTAL ratings of 3 due to their proximity to rail stations and bus routes, the Palace itself has a PTAL value of 2, owing to the 750m walk to/from the site boundary.

3.3.1 BUS SERVICES AND ACCESS

There are a total of five bus routes accessible to Alexandra Palace and Park providing transport to areas across London including Finsbury Park, Edmonton, Barnet, Edgware and Northumberland Park.

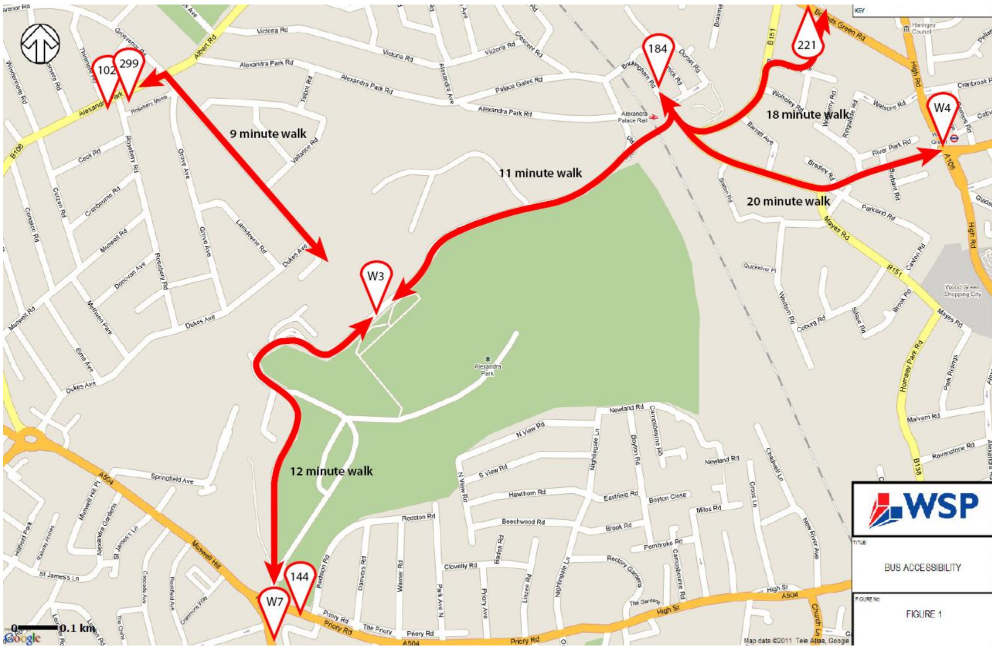
Figure 15: Local bus routes

Bus Route	***Destinations***	***Peak Hour Frequency***
102	Edmonton Green Bus Station – Green Lanes – Rosebery Road – East Finchley Station – Brent Cross Shopping Centre	7.5 mins
144	Muswell Hill Broadway – Alexandra Park – Wood Green Station – Edmonton Green	8 mins
184	Turnpike Lane Bus Station – Alexandra Palace – Amos Grove – New Barnet Station – High Barnet	8.5 mins
221	Turnpike Lane – Park Avenue – North Finchley – Mill Hill East – Edgware	6 mins
299	Cockfosters Station – Southgate Station – Bounds Green Station – Rosebery Road – Muswell Hill	15 mins
W3	Finsbury Park – Weston Park – Alexandra Park – Alexandra Palace – White Hart Lane – Northumberland Park	5 mins
W4	Mitchell Road – Wood Green Station – Wilmot Road – Stamford Road – Tottenham Town Hall – Ferry Lane	10 mins
W7	Muswell Hill Broadway – Alexandra Palace – Wolseley Road – Crouch Hill – Finsbury Park	4.5 mins

Source: WSP

There are numerous bus routes serving the site and catering for travel to a number of destinations. In addition, buses can be used to access underground and mainline rail stations for travel further afield.

Figure 16: Bus route mapping for Alexandra Palace



Source: WSP

3.3.2 UNDERGROUND SERVICES AND ACCESS

Wood Green Station is the nearest Underground station to the site, located at a distance of 900m from the site entrance (equating to an 11 minute walk), providing access to Piccadilly Line services.

The Piccadilly Line provides access to Cockfosters to the East, whilst in the west the line splits into two branches at Acton Station providing access to Uxbridge to the northwest and Heathrow Airport (Terminal 5) in the southwest.

Figure 17: Operating hours and frequency of trains to Wood Green station

	First Train	***Last Train***	***Frequency (trains per hour/one way)***
Piccadilly Line (northbound)	06:13	00:57	18
Piccadilly Line (southbound)	05:24	00:09	24

Source: WSP

The Piccadilly Line serves a number of key destinations within London which provide onward connection to additional Underground and rail services including: Finsbury Park (Victoria Line – 7 minutes journey time); Kings Cross (Hammersmith and City / Circle / Metropolitan lines, Northern Line and Victoria Line – 15 minutes);

Holborn (Central Line – 19 minutes); Piccadilly Circus (Bakerloo Line – 23 minutes) Green Park (Jubilee and Victoria Lines – 25 minutes); and South Kensington (District and Circle Lines – 31 minutes).

3.3.3 OVERGROUND SERVICES AND ACCESS

Alexandra Palace Rail is located within 100m of the Park entrance and about 10 minutes' walk to the Ice Rink entrance of the Palace. It provides good access to Highbury and Islington, Kings Cross and the rest of London and the South East to the south.

In addition, Alexandra Palace Rail forms part of the East Coast Line making further destinations such as Peterborough, Leeds, Durham, Newcastle and Edinburgh accessible.

Figure 18: Typical destinations, frequencies and peak hour journey times from the nearby railway stations

Station	***Train Operator***	***Destinations***	***Frequency (t.p.h. one way)***
Alexandra Palace Rail	First Capital Connect	Stevenage – Hertford North – Enfield Chase – Palmers Green – Alexander Palace - Moorgate	6

Source: WSP

There are numerous satellite stations that provide commuting opportunities, in particular:

- Potters Bar: 16 minute commute, 3 trains per hour, 267 space car park.
- Stevenage: 35 minute commute, 3 trains per hour, 453 space car park.
- Hitchin: 51 minute commute, 3 trains per hour, 354 space car park.
- Peterborough: 1 hour 30 minute commute, 3 trains per hour, 1065 space car park.

3.3.4 CYCLING INFRASTRUCTURE AND ACCESS

In addition to public transport provision Alexandra Palace and Park provides good infrastructure for cyclists in and around the site.

A Park route runs through the site. This route connects to the wider cycle network to the east at its junction with Bedford Road and to the west with its junction with Alexandra Palace Way.

From these junctions it is possible to navigate to many areas in the vicinity, including central London, using signposted and recommended cycle routes.

3.3.5 KEY ISSUES AND IMPLICATIONS

There are a number of transport and access issues facing the Palace and Park:

- The Palace is only directly served by the W3 bus service. If there is an intensification of use at the Palace, additional or enhanced services would be required.
- Lack of direct Underground access is a major hindrance to attracting significant visitor numbers.
- It is a long walk uphill from Alexandra Palace station.
- The main road through the Park is not adopted and is in poor condition.
- Major events cause traffic congestion. The main W3 bus service suffers as a result. Improved management of the car parks in recent years has helped to reduce the amount of congestion that takes place on major event days.
- There is no controlled parking to the north and to the west of Alexandra Palace station, and parking by visitors is often unpopular with local residents.

Any proposed regeneration plans would need to be presented with a travel plan comparing the existing scenarios and proposed activity levels on event days and non-event days. Four key junctions would need to be assessed at:

- Muswell Hill/Priory Road
- Park Avenue/Station Road
- Palace Gates/Buckingham Road
- Park Avenue/Bounds Green Road

Cycle routes should also be improved through the Park. Funding has been secured through the Local Implementation Plan for a new cycle route through the Park.

In previous years, a cable car/gondola link has been proposed to link the Palace and Alexandra Palace Station. Urban cable cars can be used to overcome physical obstacles and voids in transport infrastructure. However, rarely can they return on their investment and they typically serve as a means of transport rather than as attractions in their own right and therefore are bound to price according to local transport rather than a premium price for the experience. No detailed feasibility study for such a facility has been undertaken that we are aware of.

3.4 PLANNING CONTEXT

There are two core elements that will set the framework within which any regeneration activity at Alexandra Palace will take place:

- The Act of Parliament originally from 1900;

- And the Local Development Plan for the Borough.

Whilst the Act of Parliament is law, and the Local Development Plan is policy guidance, both of these would have to be satisfied for any regeneration plans to take place. They essentially run side of side and it is not as simple as stating that law, i.e. the Act of Parliament takes precedent.

3.4.1 ALEXANDRA PARK AND PALACE (PUBLIC PURPOSES) ACT 1900

In considering the existing and proposed planning policy situation in relation to future development proposals at Alexandra Palace and Park, it is imperative to acknowledge the Alexandra Park and Palace (Public Purposes) Act, originally from 1900 and amended in 1913 and again in 1985.

The Act states that the Palace and Park must remain available *'for the free use and recreation of the public forever'*. The key wording of the Act is presented in Appendices 2.

We understand that the reference to *'free'* in the body of the Act has been deemed to mean free as in unfettered, rather than free as in gratis.

At present it is considered that the Act, in its current form, restricts the degree to which the Palace and Park can be used for commercial uses which do not promote recreation, relaxation and enjoyment.

3.4.2 PLANNING POLICY FRAMEWORK

The planning policy framework for Alexandra Palace and Park comprises the Local Development Plan for the Borough, which is made up of the adopted London Plan 2008 (consolidated with alterations since 2004 and published in February 2008) and the London Borough of Haringey Unitary Development Plan (adopted 2006).

The following planning policy documents have been reviewed in reference to possible regeneration plans at Alexandra Palace, with full detailed analyses presented in Appendices 3:

- London Borough of Haringey Unitary Development Plan (UDP) 2006
    - OS4: Alexandra Palace and Park
- London Borough of Haringey Local Development Framework
    - Core Strategy
    - Development Management Development Plan Document (DPD)
    - Heartland and Wood Green Area Action Plan

In the UDP, Alexandra Palace and surrounding park is designated as Metropolitan Open Land (MOL) and as such is given the same level of protection as the green belt. Essential facilities for appropriate uses will only be acceptable where they do not have an adverse impact on the openness of the MOL.

The site falls within a Conservation Area and therefore any development proposals must seek to preserve and enhance the qualities of the built and historic environment.

Furthermore, Alexandra Palace itself was designated as a Grade II listed building in 1996 and therefore listed building consent would be required to demolish, extend or alter the building. Applications that affect listed buildings are required to demonstrate that the proposed development would respect the listed building's character and appearance and special architectural or historical interest.

THE RANGE OF POSSIBLE USES IS VERY OPEN

The existing policy framework for Alexandra Palace and Park permits a wide range of uses through UDP Policy OS4 part e), which would be considered acceptable as part of proposals for a mixed-use scheme. Figure 19 details the possibility for a mix of uses covering arts, culture, entertainment, sport, recreation, ancillary food and drink, business, residential and hotel/conferencing.

These uses would be possible provided that they complement as far as possible the function of Wood Green Metropolitan Town Centre and are subject to compliance with other national, regional and local planning policies.

Although at present Policy OS4 is the primary planning policy against which a development proposal should be considered, once the Core Strategy is adopted (intended to be adopted in November 2011) there will be greater pressure for an overarching policy framework either, specifically for the site, or, as part of a wider regeneration initiative.

Figure 19: London Borough of Haringey UDP site specific 'saved' Policy OS4 (e)

'Provide a range of uses for the Palace, which complement the outdoor activities in the Park and complement as far as possible the function of Wood Green Metropolitan Town Centre. It is considered that the Palace should be used primarily for a mixture of arts, cultural and entertainment, educational, sport and recreation and other uses within the D1 (non-residential institutions) and D2 (assembly and leisure) Use Classes. Within the existing curtilage of the Palace some ancillary use for food and drink (Use Class A3), Business (Use Class B1), residential, hotel and conference purposes may be acceptable as part of a mixed-use scheme'

The supporting text to the Policy states:

'The Palace's proximity to Wood Green Metropolitan Centre makes it appropriate for mixed-use schemes, primarily for arts, cultural and entertainment uses. These schemes should have no adverse impact on the Town Centre.'

AN OPPORTUNITY TO INFLUENCE EMERGING POLICY

The Core Strategy Proposed Submission Document highlights an opportunity to create a Cultural Area at Alexandra Palace which could link up with the existing Cultural Quarter at Wood Green/Haringey Heartlands centred around the Chocolate Factory. Wood Green Town Centre is viewed as a Key Growth Area within the Borough and given the proximity of Alexandra Palace there is an opportunity to assist in the area's wider regeneration.

The Development Management DPD is in early stages of preparation and is scheduled for further public consultation towards the end of 2011. There is an opportunity therefore to influence the policies, particularly Policy DMP26, through the submission of representations to Haringey Council.

Preparation of the Heartlands and Wood Green Area Action Plan is unlikely to commence until the Core Strategy has been adopted (intended as November 2011). We therefore consider that a unique opportunity exists to promote the inclusion of Alexandra Palace and Park within the Area Action Plan boundary which will bring significant benefits to both the site itself and Wood Green Metropolitan Centre.

Area Action Plans are development plan documents, which mean they carry the full weight of the planning system in determining planning applications. Their purpose is to deliver planned growth, stimulate regeneration, protect areas sensitive to change through conservation policies, make proposals for enhancement and resolve conflicting objectives in areas where there is significant development pressure.

The Area Action Plan would consider the physical, economic and social opportunities, which can be exploited by major investment in both Alexandra Palace Wood Green Metropolitan Centre and the significant benefits that can be delivered by bringing forward the development of Alexandra Palace as part of a wider regeneration initiative. The key objective should be to secure a comprehensive development and regeneration strategy for the area that will deliver for the long term.

3.5 REVIEW OF CURRENT OPERATION

3.5.1 A CHALLENGING ENVIRONMENT

The business operations at Alexandra Palace and Park take place within very challenging circumstances which are important to bear in mind when considering the current situation. Essentially, the existing operation makes good use of its assets in a difficult trading environment.

Key considerations include:

- The scale and enormity of the building and site

- The fact that the building is partially dilapidated and in constant need of repair
- The required revenue subsidy from Haringey Council, currently at c.£2m
- A reliance on a multitude of disparate and unconnected uses
- Access to the Palace and Park is a major issue which limits footfall

3.5.2 CURRENT BUSINESS PERFORMANCE

Alexandra Palace Trading Limited operates three core businesses in events and exhibitions, the ice rink and the Phoenix pub.

EVENTS AND EXHIBITIONS

The events and exhibitions business is the natural means to make best use of the large halls and is the primary business at Alexandra Palace.

In 2009/10, the company generated £5.3m turnover of which circa 70% related to the events and exhibitions business. Event catering generated circa £1.3m or 36% of total events income.

In 2009/2010, the Palace held 135 events, with 56 in the Great Hall and West Hall. The hire of the main halls creates a diverse programme of consumer exhibitions, sports and music events, banqueting and weddings. They are also hired as film locations and exam halls.

Figure 20: Event Highlights 2009/2010

Event	Type
World Darts Championships	Sport
Make Up Artist Trade Show	Consumer exhibition
Spirit of London Awards	Award Show/Banquet
Royal Mail Awards	Award Show/Banquet
The Wedding Show	Consumer exhibition
Anandustav Indian Festival (Bollywood)	Live Music
Jay-Z	Live Music
Nike Indoor Football	Sport
ACCA Exams	Exams
Fire Works	Community

Alexandra Palace attracted a total of 22 Consumer events in 2009/2010, representing about 35% of total annual income.

Live Events/Live Concerts represented 13% of total income with Exams and Community events 12% and 11% respectively. The majority of sport is represented by 1 event - the World Darts Championships.

The consumer events market in particular is increasingly competitive and, in general, demand is trending away. Of particular concern is a shrinking industry with high competition from various purpose built venues in more accessible locations across London. As a result, business tends to rely on low value/high volume events which, although low risk and stable, do not present a growing market opportunity.

ICE RINK AND PHOENIX PUB

The ice rink is a popular local leisure facility, particularly for the teenage audience in Haringey. Historically the ice rink has been a core contributor to income and profit.

In 2009/2010 the ice rink generated £1.1m or 20% of total income (net profit c.£175,000). Typically, the ice rink attracts about 170,000 annual visits. A new ice rink was built between May 2010 and January 2011 at a cost of £2.3m.

The Phoenix pub operates as a food and beverage business adjacent to the Palm Court. The limited footfall potential of the current situation has resulted in net losses in the last two full financial years, with a marked improvement anticipated for 2010/2011.

Both the ice rink and the pub typically attract single purpose visits with limited cross sell to the rest of the destination. Ideally a mixed leisure offer at the Palace and Park would aim to encourage greater cross selling opportunities.

The accessibility challenges in particular lead to low footfall and subsequent passing trade needed to support ancillary facilities on non-event days.

3.5.3 THE CHALLENGE OF BREAKING THE SUBSIDY REQUIREMENT

In the current situation, the income and profit produced by the Trading Company and other activities is not sufficient to cover the expenditure required to maintain the Palace and Park.

Consequently, the Trust is continually reliant on the London Borough of Haringey (as the ultimate Trustee) to subsidise the annual deficit. Haringey Council contributed about £1.8m in 2006, £2.9m in 2008 and £2m in 2010.

The ambition of the Trust and Haringey Council is to create a financially independent Alexandra Palace and Park. However, to achieve this is not straightforward since on the one hand the Council need the Palace and Park to be financially self-sufficient before granting it independence, while on the other hand, to achieve a financially sustainable solution the Palace and Park ideally need to be independent from the Council.

The purpose of the options appraisal is to break this cycle by identifying a financially viable way forward to allow the Council to grant the Palace and Park its independence in the knowledge that as the current Trustee it is adequately discharging its obligations and financial responsibilities.

Figure 21: Trust Expenditure and Funding 2006, 2008 and 2010

	2006		2008		2010	
Trust Expenditure	£	% of total	£	% of total	£	% of total
Community events	£121,020	2%	£136,254	3%	£153,944	5%
Leases and concessions	£78,899	1%	£213,048	5%	£12,218	0.4%
Park and Palace running costs	£3,947,351	72%	£2,399,643	56%	£1,954,673	62%
Security of the site	£626,615	11%	£785,965	18%	£873,879	28%
Governance costs	£47,993	1%	£65,792	2%	£158,775	5%
Ice rink	£687,014	12%	£669,534	16%	n.a	n.a
Total	**£5,508,892**	**100%**	**£4,270,236**	**100%**	**£3,153,489**	**100%**
Funded by						
Voluntary income	£1,374,248	25%	£306,638	7%	£332,603	11%
APTL gift aid	£1,000,000	18%	£713,000	17%	£399,928	13%
APTL licence fee	£255,000	5%	£0	0%	£150,000	5%
Ice rink	£842,982	15%	£108,426	3%	£0	0%
Community events income	£70,181	1%	£47,139	1%	£68,803	2%
Lease income	£101,365	2%	£130,355	3%	£169,478	5%
Other	£4,803	0.1%	£80	0%	£535	0.02%
Council deficit funding	£1,860,313	34%	£2,964,598	69%	£2,032,142	64%
Total	**£5,508,892**	**100%**	**£4,270,236**	**100%**	**£3,153,489**	**100%**

Source: Alexandra Palace and Park Trust

3.6 REVIEW OF RESTORATIVE COST ESTIMATES

The consultant team’s cost advisor has reviewed the estimated refurbishment costs for Alexandra Palace and provided a high level sense check of the figures. Set out below is an overview of the findings.

The cost estimate is based on a review of documents prepared by King Sturge in 2005:

- Alexandra Palace Refurbishment Cost Overview, King Sturge April 2005
- Alexandra Palace Refurbishment Cost Overview, King Sturge September 2005

The King Sturge reports are quite detailed but the level of pricing is such that allowances for large items, rather than individual rates, have been used. Hence the review can only provide a relatively high level ‘sense check’.

The headline figure for the appropriate refurbishment of the Palace is c. £29m. This is dependent on the following key points:

- Refurbishment should be to a condition referred to as a ‘developers shell’, with upgraded mechanical and electrical services and improvement of adjacent external areas

- Costs have been used from King Sturge's September 2005 report as it is the most recent and most detailed study.
- Figures have been updated to reflect inflation and prices in Q1 2011

The review indicates that £29m is an appropriate upper level order of cost and would suggest it would be possible to refurbish the old kitchen area and basement areas within this sum.

However, this is dependent upon the structural, M&E and other allowances being sufficient and this will only be known once further investigations have been done.

These refurbishment costs concentrate on the built fabric and do not take into account landlord services. Aside from this study, the Trust have been advised that to refurbish to a basic shell an additional estimated £10m would be required to cover landlord services such as heating, fire alarms, hot and cold water services, ventilation and extraction, emergency lighting and carbon management and controls. This figure is purely indicative and based on a professional opinion and interpreted as such.

4 MARKET DEMAND ANALYSIS

There are two core visitor markets for Alexandra Palace and Park:

- **Day visitors** – including local residents and anyone who may visit London for the day
- **Tourists** – including both overseas and domestic staying visitors

In the following sections these markets are explored to understand their segmentation, scale and potential to visit Alexandra Palace and Park.

4.1 DAY VISITOR MARKET

A layered approach, beginning with the immediate local authorities and working out, has been used to assess the resident population which will make up the day visitor market to Alexandra Palace and Park. This results in the following population doughnuts:

- Level 1: London Borough of Haringey
- Level 2: The neighbouring boroughs surrounding Haringey (i.e. Barnet, Camden, Enfield, Islington, Hackney and Waltham Forest)
- Level 3: Rest of London
- Level 4: Rest of UK

Figure 22: Day visitor populations

		Population
Level 1	Haringey	226,000
Level 2	Neighbouring boroughs	1,497,000
Level 3	Rest of London	5,449,000
Level 4	Rest of UK	54,628,000

Source: Office for National Statistics 2001 census

4.1.1 LEVEL 1: LONDON BOROUGH OF HARINGEY

Haringey had a population of about 216,000 at the 2001 census, with a projected population estimate of 226,000 for 2009[1].

ONS data shows that the proportion of the population in Haringey that is economically active is slightly lower than London and national averages.

[1] Haringey Town Report – Experian March 2011

Figure 23: Economic activity of working age population

	Haringey	*London*	*England*
Working age population	162,727	5,300,332	35,532,091
Economically active	65%	68%	67%
Economically inactive	35%	32%	33%

Source: Office for National Statistics 2001 census

The ABC1 socio-economic groupings show an over-representation when compared to the UK average. Skilled manual workers are low and those on benefits or unemployed are in line with UK averages.

Figure 24: Social grade

Group	*% of Haringey*	*% of UK*	*Index Av=100*
AB. Higher/intermediate managerial/admin/professional	26%	22%	121
C1. Supervisory, clerical, junior managerial/admin/professional	32%	29%	109
C2. Skilled manual workers	9%	15%	62
D. Semi-skilled and unskilled manual workers	15%	17%	86
E. On state benefit, unemployed, lowest grade workers	18%	17%	105

Source: Office for National Statistics 2001 census

MOSAIC CONSUMER PROFILING

The **MOSAIC** Consumer Classification is a socio demographic/lifestyle segmentation model derived from data from the 2001 Census. It categorises people according to their socio-demographic profile, lifestyles, culture and behaviour.

According to the Mosaic profiling, Haringey has four very well represented groups when compared to the UK average. This clearly demonstrates the diversity of the Borough's population and the distinction between lower income areas in the east of the Borough and the wealthier village communities like Crouch End and Muswell Hill to the west.

- **'Terraced Melting Pot' (36%)** described as 'people who work in relatively menial, routine occupations and are poorly educated'
- **'Upper Floor Living' (25%)** described as 'people who are on limited incomes and rent small flats from local councils or housing associations. Typically these people are young single people or young adults sharing a flat'.
- **'Liberal Opinions' (25%)** described as 'young, professional, well educated people, cosmopolitan in their tastes, liberal in their views, who enjoy the vibrancy and diversity of inner city living'.
- **'Alpha Territory' (7%)** described as 'the most wealthy and influential individuals in the UK, an increasingly large proportion of this group are wealthy foreign nationals'.

Figure 25: Mosaic breakdown for Haringey compared to the UK

#	Group	% of Haringey	% of UK	Index Av=100
A	Alpha Territory	7.2%	3.5%	206
B	Professional Rewards	0.0%	8.6%	0
C	Rural Solitude	0.0%	4.3%	0
D	Small Town Diversity	0.0%	8.6%	0
E	Active Retirement	0.3%	3.6%	9
F	Suburban Mindsets	3.0%	12.0%	25
G	Careers and Kids	0.0%	5.8%	0
H	New Homemakers	0.8%	4.6%	17
I	Ex-Council Community	0.0%	9.7%	0
J	Claimant Culture	0.6%	5.8%	10
K	Upper Floor Living	26.1%	5.0%	525
L	Elderly Needs	0.8%	4.3%	19
M	Industrial Heritage	0.0%	7.7%	0
N	Terraced Melting Pot	35.9%	7.6%	472
O	Liberal Opinions	24.8%	8.3%	299
U	Unclassified	0.3%	0.7%	52

Source: Office for National Statistics 2001 census

DAY VISITORS TO HARINGEY

The Local Area Tourism Impact Model (LATI) provides a dataset that estimates the number of day visitors to each of the London boroughs.

The LATI model takes London-level data from the major national surveys (International Passenger Survey and UK Tourism Survey) and new data on day visitors from an omnibus survey, and distributes it across the London boroughs. Bear in mind, the results are still only indicative of tourism volume and value.

According to the latest LATI data, Haringey received 2.3 million day visitors in 2007 (excluding business travellers), spending a total of £158m.

Figure 26: Estimated volume and value of Haringey day visitors 2007

	Day visitors
Day visits (3+ hours)	2.35m
Spending (£ millions)	£158m
Average expenditure	£67

Source: Local Area Tourism Impact Model - Haringey July 2009

4.1.2 LEVEL 2: THE NEIGHBOURING BOROUGHS

The six neighbouring boroughs around Haringey have a population of about 1.5 million.

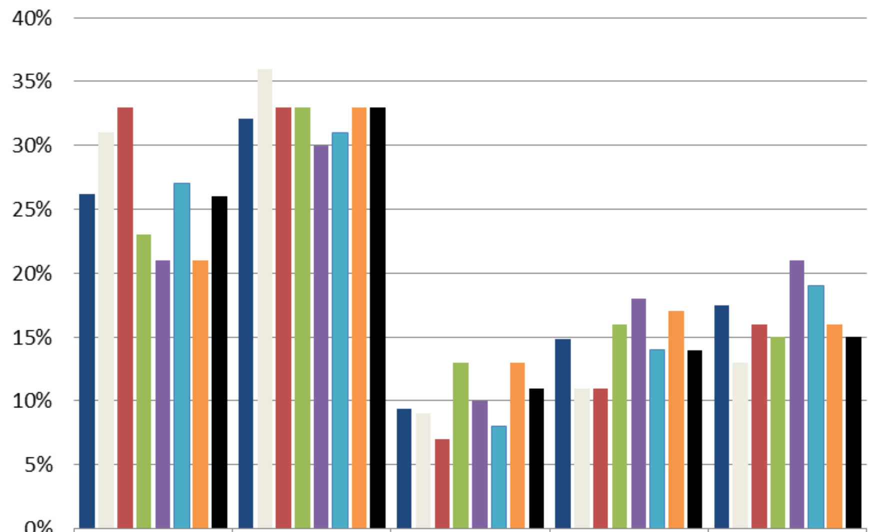
In general, the neighbouring area is characterised by a population with a similar socio-economic profile to the London average, with a slight lean to towards the lower income groups.

The AB groups (representing those in higher and intermediate managerial/ administrative/ professional positions), are particularly well represented in Barnet, Camden and Islington. Waltham Forest and Hackney have fewer.

The C1 group (skilled manual labour) is fairly comparative to the London average across each of the Boroughs.

Groups D and E (which are characterized by semi- and unskilled manual workers, unemployed and those claiming benefits) are generally higher than the London average, especially across Hackney and Waltham Forest.

Figure 27: Socio-economic profile of neighbouring boroughs



	AB	C1	C2	D	E
Haringey	26%	32%	9%	15%	18%
Barnet	31%	36%	9%	11%	13%
Camden	33%	33%	7%	11%	16%
Enfield	23%	33%	13%	16%	15%
Hackney	21%	30%	10%	18%	21%
Islington	27%	31%	8%	14%	19%
Waltham Forest	21%	33%	13%	17%	16%
London	26%	33%	11%	14%	15%

Source: Office for National Statistics 2001 census

According to LATI data published by the LDA in 2009, Haringey's six neighbouring boroughs received bout 31m day visitors in 2007 (excluding business travellers), spending around £2.1bn.

Camden is the strongest day visitor market in the area with just less than 40% of visitors and spending, displaying the popularity of the Camden Lock Market as a day visit destination.

Figure 28: Volume and value of day visits to neighbouring boroughs

	Day Visitors		*Spend*	
	Total	*% of total*	*Total*	*% of total*
Haringey	2.3m	7%	£158m	8%
Barnet	6.7m	21%	£451m	21%
Camden	11.6m	37%	£782m	37%
Enfield	2.9m	9%	£192m	9%
Hackney	1.9m	6%	£125m	6%
Islington	3.9m	12%	£256m	12%
Waltham Forest	2.0m	6%	£136m	6%
Total	**31.3m**	**100%**	**2,100m**	**100%**

Source: Local Area Tourism Impact Model -LDA July 2009

4.1.3 LEVEL 3: REST OF LONDON

The rest of London, excluding Haringey and the neighbouring boroughs, has a population of about 5.5 million.

The London Development Agency[2] report that UK residents make an estimated 181m day trips to London each year, spending a total of £12bn whilst in the capital.

When compared to the other London boroughs, Haringey ranks 24th out of 33 in terms of total day visitors.

[2] London Development Agency (July 2009), *Local Area Tourism Impact Model – based on 2007 data*

Figure 29: London boroughs ranked by total day visitors 2007

#	London Boroughs	Total Day Visitors	Total Spend
1	Westminster	46,600k	£3,136m
2	Kensington & Chelsea	12,900k	£866m
3	Camden	11,600k	£782m
4	Southwark	7,300k	£490m
5	Hammersmith & Fulham	6,900k	£465m
6	Barnet	6,700k	£451m
7	Lambeth	6,400k	£433m
8	Ealing	5,800k	£392m
9	Tower Hamlets	5,800k	£392m
10	City of London	5,600k	£378m
11	Croydon	5,100k	£342m
12	Hillingdon	4,300k	£290m
13	Wandsworth	4,185k	£282m
14	Bromley	3,978k	£268m
15	Islington	3,900k	£256m
16	Merton	3,650k	£246m
17	Kingston-upon-Thames	3,335k	£224m
18	Hounslow	3,245k	£218m
19	Havering	3,041k	£205m
20	Greenwich	2,999k	£202m
21	Enfield	2,850k	£192m
22	Brent	2,711k	£182m
23	Richmond-upon-Thames	2,609k	£176m
24	Haringey	2,345k	£158m
25	Newham	2,286k	£154m
26	Bexley	2,237k	£151m
27	Redbridge	2,183k	£147m
28	Waltham Forest	2,017k	£136m
29	Harrow	1,993k	£134m
30	Sutton	1,904k	£128m
31	Hackney	1,864k	£125m
32	Lewisham	1,701k	£114m
33	Barking & Dagenham	1,029k	£69m
	London Total	**181m**	**£12,184m**

Source: Local Area Tourism Impact Model -LDA July

NB Does not include business travellers.

4.1.4 LEVEL 4: REST OF UK

The UK, excluding London, has a potential day visitor market of about 55m people.

According to the latest VisitEngland day visitor survey from 2005, the total number of day visits made in England is 872m trips per year, of which 674m are taken in towns and cities. May was the most popular month with 90m trips.

Average expenditure per trip was about £43 across England and £46 for inland towns and cities. For town/city visits people travelled an average distance of 28 miles and spend, on average, 3.4 hours at the destination.

Figure 30: England day visitor market

Item		
Total trips		872m
	To towns/cities	674m
Total expenditure		£37,432m
Average spend per trip		£43
Average trip duration at destination (hrs)		3.4

Source: England Leisure Visits Survey 2005, VisitEngland

4.2 TOURIST MARKET

Tourists are a major visitor market for both London and Haringey. In this analysis, the tourist market has been divided into three sections:

- Overseas tourists to the UK and London
- Domestic tourists to the UK and London
- Tourism in Haringey

In 2009, the total tourism market in the UK was estimated at 156m visits, with 30m overseas visits and 126m domestic. Tourism value is estimated at £17m for overseas tourists and about £21 billion for domestic spend.

In London, the total market is estimated at about 25m visits and £10.5 billion spend, with a greater representation from overseas visitors.

Figure 31: Tourism market volume and value 2009

	UK		*London*	
	Volume	*Value*	*Volume*	*Value*
Overseas	30m	£17m	14m	£8,300m
Domestic	126m	£21,881m	11m	£2,200m
Total	156m	£21,898m	25m	£10,500m

Source: VisitBritain / VisitEngland 2009

4.2.1 OVERSEAS TOURISTS TO THE UK AND LONDON

TO THE UK

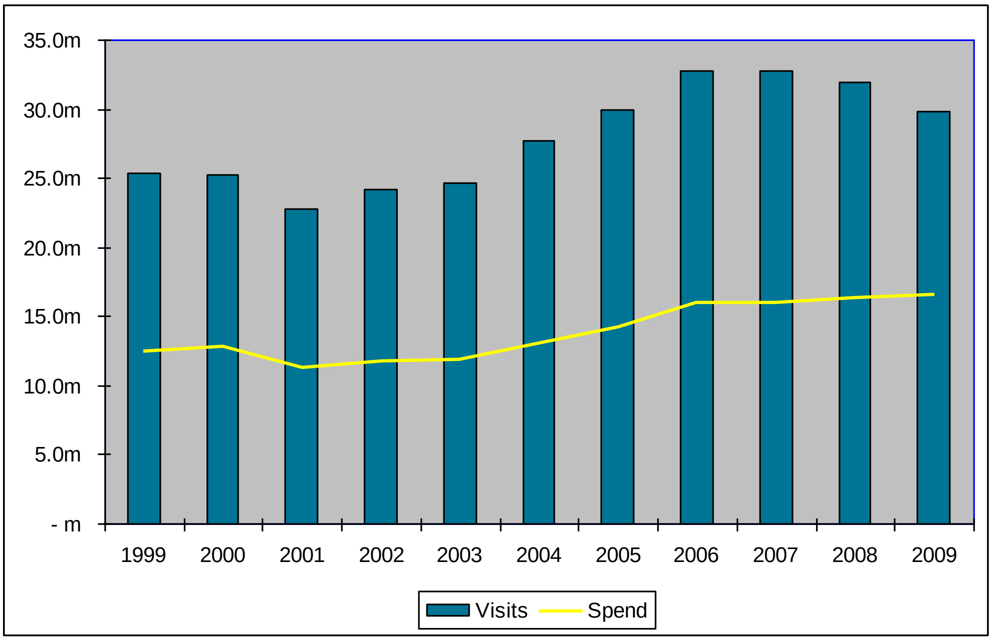
Inbound tourism has been affected by the global economic downturn, more so in relation to total visits rather than actual spending. According to the Office of National Statistics, the number of visits to the UK fell in 2008 for the first time since 2001, and dropped again in 2009.

Overseas residents made 29.9 million visits to the UK in 2009, compared with 32.8 million in 2007, a fall of 9%.

However, despite the decline in the number of visits, spending on trips to the UK reached record levels during 2009. Overseas residents coming to the UK spent a total of £16.6 billion, an increase of 4 % on the 2007 figure.

Regionally, London remained by far the most-visited city or town in the UK by overseas residents, with a total of 14.2 million visits (down 3.7% from 2008), followed by Edinburgh (1.3m) and Manchester (0.8m).

Figure 32: UK Inbound tourism visits and spend 1998-2009



Source: Office of National Statistics 'Travel Trends 2009'

Overall, visits by residents of the USA fell sharply in 2008 and 2009, resulting in the USA slipping from first to third in the table of countries whose residents make most visits to the UK.

France took over the top spot followed by Ireland. France, Ireland, USA and Germany are the most significant markets by volume, all contributing over 2.7m annual visits.

Spending in the UK by residents of the USA has fallen since 2008, but despite this, they remain the highest spending overseas visitors to the UK, constituting 13% of the total amount spent by overseas residents in the UK. Other major spending countries were Germany, France, Ireland, Spain, Italy and Australia.

Figure 33: Visits and spend to the UK by country of origin 2009

#	*Market*	*Visits*	% total	*Spend*	% total
1	France	3.78m	13%	£1,151m	7%
2	Ireland	2.95m	10%	£1,038m	6%
3	USA	2.88m	10%	£2,173m	13%
4	Germany	2.78m	9%	£1,167m	7%
5	Spain	2.16m	7%	£1,001m	6%
6	Netherlands	1.72m	6%	£599m	4%
7	Italy	1.22m	4%	£591m	4%
8	Poland	1.04m	4%	£362m	2%
9	Australia	0.91m	3%	£856m	5%
10	Belgium	0.90m	3%	£255m	2%

Source: International Passenger Survey 2009

TO LONDON

The International Passenger Survey estimates that there are about 14 million visits to London annually by people from overseas, 50% of which are on holiday and 23% visiting friends and relatives.

Figure 34: Overseas visits to London, 2009

Purpose	*Visits*	%
Holiday	7.1m	50%
Business	2.5m	18%
VFR	3.2m	23%
Study	0.1m	1%
Misc	1.1m	8%
Total	14.1m	100%

Source: International Passengers Survey

Total spend from overseas tourists in London was £8.3 billion for 2009. Overseas holiday visits to London stay for an average of about 6 days, spending about £100 per day.

About 50% of overseas visitors to London originate from Europe. The USA is the largest single country market by volume and value.

Figure 35: Overseas 'holiday' visits to London, 2009

Item	
Spend	£8,300m
Visits	14.1m
Nights	86m
Days per trip	6
Spend per trip	£590
Spend per day	£98

Source: International Passengers Survey

4.2.2 DOMESTIC TOURISTS WITHIN THE UK AND LONDON

TO THE UK

The UK Tourism Survey is a national survey, carried out on a continuous basis, which monitors the number of trips made by UK residents, to UK destinations, involving one night or more away from home.

In 2009, there were 126m trips made, a 7% increased from 2008. Just under 50% were holidays and 35% were staying with friends and relatives (VFR).

Total domestic tourism spend in the UK was about £28.8 billion in 2009, about 80% of which was from people on holiday and visiting friends and relatives.

Figure 36: Domestic tourism in the UK 2009

	Trips	% total	Spend	% total
Holidays	61m	48%	£12,612m	58%
VFR	44m	35%	£4,509m	21%
Business	18m	14%	£4,336m	20%
Other	3m	2%	£424m	2%
Total	126m	100%	£21,881m	100%

Source: UK Tourism Survey 2009

TO LONDON

According the UKTS, there were about 10.8 million domestic trips to London in 2009, a 5% decline from 2008. Total spend was £2.23 billion.

The most likely people to visit an attraction are those on holiday or staying with friends and family, about 70% of the total domestic market. That leaves a 'core' domestic tourism market of about 7.7 million trips a year in London.

Figure 37: Domestic visits to London 2009

	Trips	% total	Spend	% total
Holidays	3.5m	32%	£951m	43%
VFR	4.2m	39%	£434m	19%
Business	2.7m	25%	£789m	35%
Other	0.3m	3%	£55m	2%
Total	10.8m	100%	£2,230m	100%

Source: UK Tourism Survey 2009

4.2.3 TOURISM IN HARINGEY (STAYING VISITORS)

The most recent available data estimates there are about 222,000 staying tourists in Haringey per year, spending about £92m. Overseas visitors accounted for 63% of all visitors and over 80% of spend.

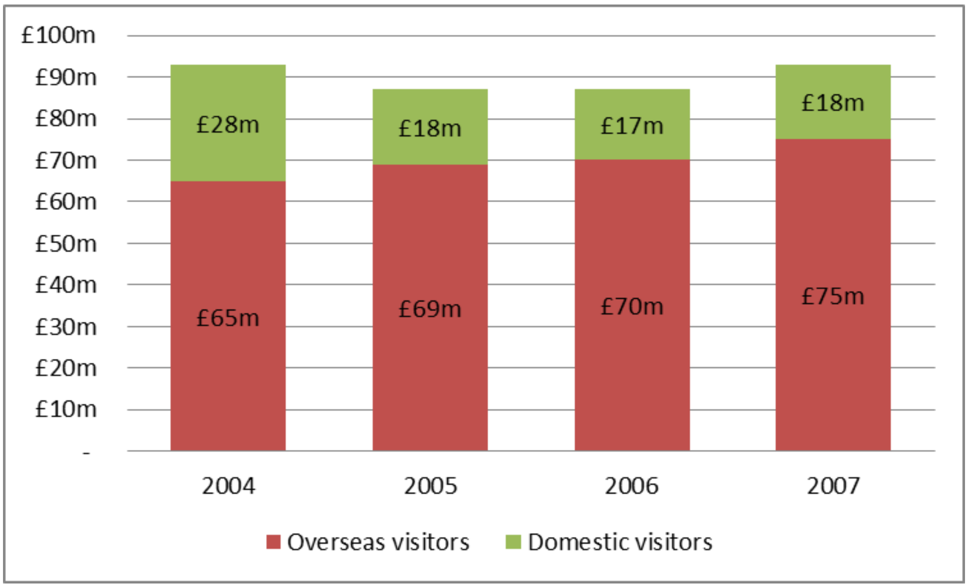
Figure 38: Volume and value of tourism in Haringey 2007

	Overseas visitors	*% of total*	*Domestic visitors*	*% of total*	*Total Staying Visitors*
Visitors	140,000	63%	82,000	37%	222,000
Spending	£75m	81%	£18m	19%	£92m
Average expenditure	£533	-	£217	-	-

Source: Local Area Tourism Impact Model - Haringey July 2009

In the period from 2004 -2007, total tourism expenditure was fairly consistent around £90m, with the contribution from overseas visitors showing a gradual increase.

Figure 39: Estimated tourism expenditure in Haringey 2004-2007



Source: Local Area Tourism Impact Model - Haringey July 2009

When compared to other London boroughs, Haringey ranks 27th of 33 for both staying visitors and spend. Westminster, Kensington and Chelsea and Camden are the most popular tourist destinations.

Figure 40: London Boroughs ranked by total visitors

#	*London Boroughs*	*Total Staying Visitors*	*Total Spend*
1	Westminster	9,000k	£3,689m
2	Kensington & Chelsea	2,900k	£1,226m
3	Camden	1,800k	£751m
4	Hillingdon	1,000k	£406m
5	City of London	700k	£304m
6	Ealing	600k	£233m
7	Hammersmith & Fulham	600k	£245m
8	Lambeth	600k	£213m
9	Southwark	600k	£217m
10	Tower Hamlets	600k	£252m
11	Barnet	500k	£199m
12	Croydon	500k	£204m
13	Islington	500k	£189m
14	Newham	463k	£179m
15	Enfield	428k	£173m
16	Bromley	386k	£161m
17	Havering	377k	£153m
18	Wandsworth	344k	£143m
19	Kingston-upon-Thames	322k	£136m
20	Hounslow	319k	£135m
21	Brent	296k	£122m
22	Richmond-upon-Thames	291k	£116m
23	Harrow	268k	£112m
24	Bexley	253k	£103m
25	Redbridge	246k	£102m
26	Greenwich	241k	£98m
27	Haringey	222k	£92m
28	Merton	207k	£86m
29	Hackney	202k	£82m
30	Lewisham	192k	£78m
31	Sutton	185k	£77m
32	Waltham Forest	178k	£73m
33	Barking & Dagenham	111k	£45m
	London Total	**£25m**	**£2,203m**

Source: Local Area Tourism Impact Model - Haringey July 2009

4.3 IMPLICATIONS FOR ALEXANDRA PALACE & PARK

- Alexandra Palace and Park is well positioned to take advantage of the considerable London market that exists within the M25, if the accessibility challenge can be overcome. The market is there to create a unique London destination.
  - There are about 226,000 people living in Haringey

- Haringey receives around 2.3m day visitors, spending £158m (2007)
- The six neighbouring boroughs around Haringey have a population of about 1.5m and attract about 31m day visitors, spending around £2.1 billion (2007)
- The rest of London, excluding Haringey and the neighbouring boroughs, has a population of about 5.5m
- UK residents make an estimated 181m day trips to London each year, spending a total of £12bn whilst in the capital (LDA 2007).

- The domestic market is the important core audience. A reinvigorated Alexandra Palace and Park will be successful because friends and families in Haringey and across London will say *'Let's go to Ally Pally, let's take your friends/family when they visit next weekend'*. An offer that primarily attracts locals and Londoners is most likely to prove successful, as opposed to targeting overseas visitors as the core market.
- Tourists will of course visit but they are likely to be an additional market, rather than the foundation.
  - There are about 14m visits to London annually by people from overseas, 50% of which are on holiday and 23% visiting friends and relatives.
  - Total spend from overseas tourists in London was £8.3 billion for 2009. Overseas holiday visits to London stay for an average of about 6 days, spending about £100 per day.
  - About 50% of overseas visitors to London originate from Europe. The USA is the largest single country market by volume and value.
- There is a rich mosaic of socioeconomic and cultural diversity across the residents of Haringey and London that provides wide reaching market opportunities. The diversity of London allows a destination to consider a great spectrum of imaginative attractions and events.

5 OPTIONS APPRAISAL

5.1 SUMMARY AND OBJECTIVE OF PROCESS

The following section describes the key stages of the options appraisal process, the structure of which has been informed by HM Treasury's Green Book guidance.

The overarching objective of the options appraisal is to enable the identification of a 'preferred option' and by doing so ensure that:

- the overall process is clear, transparent and understandable;
- the rationale for eliminating options through the various stages is clear and defensible;
- and the preferred option has a realistic 'delivery' potential.

It is accepted that the approach taken to appraise options must be an iterative one in order to allow for the gradual discounting of options that fall short of the regeneration aims and the refinement of options which express potential.

This iterative process has involved a series of consultation rounds covering the Trustees, Employees of the Trust and Trading Company, The Regeneration Working Group, Local Residents and Stakeholder Groups. Their feedback has been used to refine the process and aid the progressive discounting of options and identification of preferred options.

5.2 BALANCING COMMERCIAL, CULTURAL AND COMMUNITY OBJECTIVES

The history and heritage associated with the Palace and Park are rich and valuable, and irrespective of what the future holds in terms of its regeneration and future uses, it is fully acknowledged that these fundamental stories must be embedded through everything that is promoted and developed on the site in partnership with the local community.

In particular, the unique assets such as the original BBC Studios, the Victorian Theatre and the Willis Organ are valuable assets which need to be brought back into use in some form.

The story of 'Ally Pally - the Peoples Palace' and the involvement of the local community provides the destination with unique character and brand value and it is fully recognised and accepted that this will need to continue in the future. It is important to note therefore that whatever preferred option is identified, the following will continue to play an integral role in the future of the Palace and Park:

- Community involvement and social enterprise e.g. the CUFOS community centre

- Celebrating the history and heritage of the Palace and Park with imaginative interpretation and events e.g. the story of the BBC studios and broadcast television or the first rave in 1967 with the 14 Hour Technicolour Dream event
- Environmental best practice and stewardship both in the Park and the Palace e.g. building on the Conservation and Landscape Management Plans and Green Flag park status
- Accessibility for all with a network of more legible routes through the park that link key entrances and arrival points, as well as fully accessible changing places and toilets
- Educational and learning programmes for the community, visitors and staff related and tied into the core destination concept
- A commitment to high quality design, improved public realm, quality green spaces and outdoor seating areas attractive both by day and night.

Importantly, while each of the above has the potential to add significant value to the future regeneration of the Palace and Park none of them in isolation have the ability to solve the regeneration conundrum.

The challenge is to ensure that the commercial, cultural and community aspects of the Palace and Park post-regeneration are suitably balanced so that the collective objectives of the Trust and the stakeholders can be met and that through their combination added value is achieved.

Figure 41: Balancing Commercial, Cultural and Community Aspects

	Key Issue
Commercial	"**Need it**…" e.g. commercial operator(s) which deliver(s) high quality product and experiences in the Palace and Park and positive financial returns to maintain the Palace and Park buildings, infrastructure and wider services and enables the Trust to deliver on its charitable objectives.
Cultural	"**Have it**…" e.g. exploit the rich heritage and culture associated with the Palace and Park by embedding and interpreting it throughout the future uses and programming to add value to the overall offer and differentiate it within the London marketplace.
Community	"**Want it**…" e.g. deliver positive local benefits such as community programming, improved accessibility, improved local amenities and employment opportunities by embracing and involving the community throughout the Palace and Park

We return to this table in Section 5.6 to consider how the Commercial, Cultural and Community aspects might practically work in relation to the preferred option identified and potential ‘offers’ being considered for the Palace and Park’s future.

5.3 INTRODUCING THE IDEA OF STRATEGIC CONCEPTS

5.3.1 WHY STRATEGIC CONCEPTS?

Alexandra Palace needs to rediscover that core reason why people will be motivated to leave home and visit in significant numbers. There needs to be an core attractor that drives footfall and spend, creating the gravity for ancillary uses to flourish and acts as the catalyst for a successful destination to take shape.

This study is based on an holistic approach and advocates the consideration of a **Strategic Concept** for Alexandra Palace and Park.

The identification of a preferred and viable strategic concept will provide the foundation for a strong brand that consumers, operators and investors can all buy into, and allows for a manageable options appraisal process at the same time. The key rationale for adopting an approach which focuses on Strategic Concepts first rather than a mix of uses is to ensure the preferred option:

- is sufficiently differentiated and has **strength in the market** and is ultimately viable. The core use helps to define a clearer brand identity for the destination within the competitive market place;
- can overcome the **funding and investment** challenge by focusing on the core use initially; and
- provides a **catalyst for the complete regeneration** of Alexandra Palace and Park and enables a critical mass which will drive footfall and allow ancillary and complementary services and facilities to operate viably.

Figure 42: Three core reasons for the Strategic Concept approach

5.3.2 STRATEGIC CONCEPTS – AN ALTERNATIVE TO APPRAISING USES

For large scale regeneration challenges like Alexandra Palace and Park, whereby one is not starting from a blank sheet of canvas, and the situation is complicated by issues such as:

- multiple stakeholder interests, tenancy and leasehold agreements;
- a variety of existing uses which may or may not remain in the future and many of which are unrelated to one another;
- significant accumulated debt and on-going liabilities;
- listed buildings or value historic assets, many of which are in a very poor state of repair;

…a standard appraisal process which seeks to appraise the future use of the property tends to be overly simplistic and will invariably be unable to respond to the complexity of the situation.

Ultimately, one will find that the number of permutations for a mix of 'uses' across a variety of options will quickly become unmanageable. It also becomes hard to make relative judgements between options because of the considerable overlap of uses between them.

An alternative approach which seeks to overcome this and has a proven record, is to focus not on individual uses *per se*, but to initially appraise different options in terms of Strategic Concepts and only later, once a single Strategic Concept has been arrived at should this then be exploded into specific uses.

Hence, for this appraisal we are initially focused on appraising possible **Strategic Concepts** rather than individual uses for the Alexandra Place and Park.

5.3.3 WHAT IS THE STRATEGIC CONCEPT AT ALEXANDRA PALACE?

Alexandra Palace and Park is, for a number of reasons, widely recognised as an iconic and highly valued landmark in London.

Over the years it has played host to a range of different uses, attracting a range of audiences from the local area, more widely across the UK and on occasion from overseas.

Its reputation, and essentially, what it is known for as a destination, is interpreted differently by many of these audiences.

It began life in 1873 as north London's response to Crystal Palace in the south and a place to exhibit and showcase the latest in knowledge, technology and culture.

This was anchored by the programming of the central hall and various performance venues and supported by a range of ancillary facilities.

From its opening its Strategic Concept was about 'Culture and Exhibitions'. To the majority of audiences, this is what Alexandra Palace and Park was known for. This was what underpinned its functional reputation.

More recently, as considerable elements of the Palace remain in disrepair and the majority of its attractions operate independently from one another, as a whole, the Palace and Park have no overarching Strategic Concept.

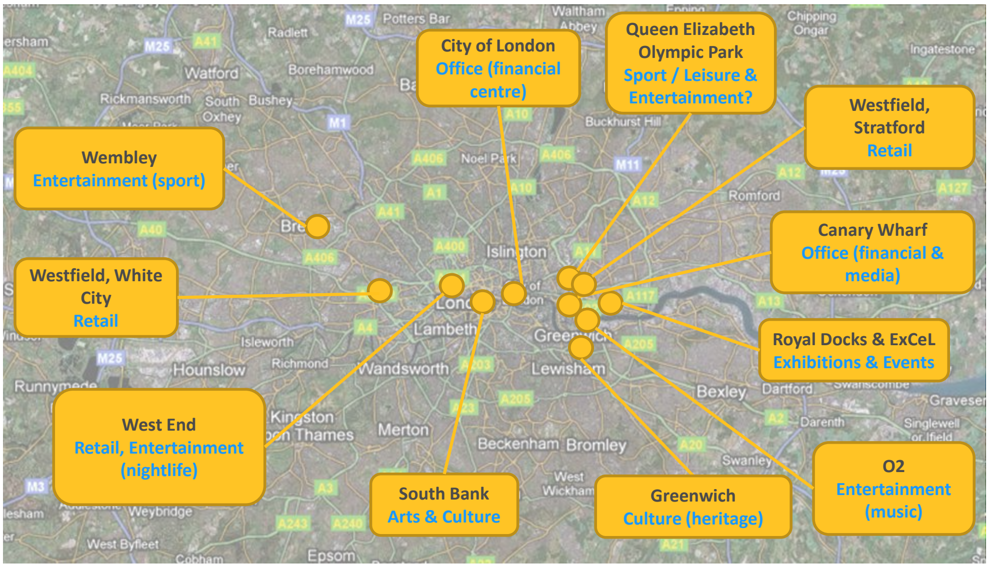
As a single entity it represents a destination that has lost its identify and has no Strategic Concept.

5.3.4 SOME EXAMPLES OF STRATEGIC CONCEPTS

London is made up of a complex mosaic of places and destinations. Within it there are many well defined destinations which have a strong reputation beyond the local area and this serves to attract people and investment.

Figure 43 illustrates a selection of these well-known destinations and makes reference to their Strategic Concept i.e. what they are singularly widely known for.

Figure 43: London destinations and their Strategic Concepts



Importantly, many of the building blocks which make up these highly differentiated and unique destinations are actually very similar. Many contain a mix of residential, office and leisure facilities. Many include hotels and guest accommodation. All of them have to include transport connections to enable people to get there seamlessly but some are served more by public methods than private and *vice versa*.

What makes each of the destinations unique is not these basic and relatively consistent building blocks, but instead the core 'attractors' which create a high degree of differentiation for each place.

THE SOUTHBANK: ARTS AND CULTURE

In the case of the Southbank, it is the quality of the cultural programming and the concentration of cultural and arts facilities which defines its' Strategic Concept.

Importantly though, it does not preclude the Southbank having some of the highest office rents achieved across London, nor does it stop there being commercial and more mainstream attractions like the London Eye and the London Aquarium, or the branded hotels, cafes and bars which one would see in many other places across London.

Importantly though, the Southbank is known to the outside world as a destination underpinned by Arts and Culture and it uses this to its advantage to differentiate itself, raise its profile and ultimately attract higher numbers of footfall, accommodation, spending and investment to help sustain it.

THE O2: LEISURE AND ENTERTAINMENT (MUSIC)

The O2 began life as the Millennium Dome. A government sponsored celebration of the millennium which attracted the highest number of paid visitors to a UK attraction ever in a single year. Despite this, the scale of investment and the continued operational and political problems dogged the scheme and it closed at the end of 2000 to enormous criticism.

Significant further investment transformed the maligned project into Anschutz Entertainment Group's O2 to become one of the world's most successful music based event venues. Currently, only part of the original dome has been refurbished and further phases of development both inside and surrounding it are planned. The reputation of the O2 is firmly reinforced by its widely recognised Strategic Concept as a music based 'Leisure and Entertainment' venue.

However, the 02 Arena and small Indigo venues are supported by a range of food and beverage outlets, corporate showcases, touring exhibitions and the permanent British Music Experience within the building. In the wider destination there is already considerable residential and office development and a major hotel in development. Despite the scale of this wider development, the O2 destination will always be known as a music-based Leisure and Entertainment venue.

VINOPOLIS: LEISURE, CULTURE AND EVENTS (WINE THEME)

Vinopolis began its life in the spectacularly redeveloped railway arches on London's Southbank. Its initial aim was to showcase wine from around the world focused around a core visitor attraction with a variety of ancillary services. Quickly after launching it soon become evident that the attraction was in far less demand than the themed and characterful venue for business events, parties, product launches and wedding receptions. The business model changed and rather than relying on admission revenues to the attraction, the business relied far more heavily on the venue hire business and commercialisation of the spaces for corporate showcases, retail, food and beverage, as well as playing host to the local tourist information centre.

Interestingly the destination has embraced a cleverly disguised and chameleon character. Most visitors know Vinopolis for having attended an event there, but its reputation is strongly reinforced by the wine theme and the fact that visitors not only attend events but are immersed in the wine experience.

The Strategic Concept is therefore harder to define and is a good example of where a couple of concepts have merged together be they, 'Events' and 'Leisure and Entertainment' all themed around the story and 'Culture' of wine.

5.3.5 EXCEL: EXHIBITIONS AND CONFERENCE

ExCeL in the Royal Docks in London hosts a varied programme of large scale trade exhibitions and conferences. The recent extension and related development has delivered an array of smaller format flexible spaces, hotel and ancillary facilities supporting the main exhibition and conference halls.

The wider area of the Royal Docks represents one of London's largest and most challenging regeneration opportunities. In the wider destination, considerable hotel stock and residential has been developed and with the new Siemen's showcase in development and the possibility of a Cable Car linking to Greenwich Peninsula, the reputation of the area is set to change.

However, the Strategic Concept of the destination now is firmly related to ExCeL's 'Exhibition and Conference' business, despite the wider ancillary uses.

Interestingly, the large format exhibitions, the like of which the original ExCeL halls satisfy, is understood to be a shrinking market in the UK and one fully expects in the longer term, reinforced by the wider regeneration, that the area's overarching reputation or Strategic Concept will almost certainly shift.

5.4 LONG LISTING

5.4.1 AN EXHAUSTIVE AND SUPPLY-SIDE LIST

The purpose of generating a long list is to be as exhaustive as possible and ensure that all possible options have, at minimum, been considered and appraised to some degree during the course of the appraisal.

As a reminder, the long list is based on Strategic Concepts and NOT uses.

Furthermore, it is important to note that the Strategic Concepts listed below are based on 'supply side' concepts rather than 'demand side' concepts (such as tourism or community).

It is without question understood and accepted that throughout all of the Strategic Concepts, the charitable status, community, history and heritage associated with the Palace and Park should, and will, always play an important role in its regeneration and future state. For example, the fact that Television was first broadcast from the Palace in 1936 should and must be interpreted through the physical uses, facilities, services activities and programmes that take place in the Palace and Park in the future.

Furthermore, recognising the strong 'public' agenda that the Charitable Trust serves, it is inconceivable to imagine that the Palace and Park will not in the future include a considerable degree of public and community provision.

5.4.2 THE LONG LIST

The list of Strategic Concepts below represents the starting point for the appraisal.

As noted above, the formation of the Strategic Concepts is based on supply side concepts.

A series of examples have been given against the long list to illustrate how each Strategic Concept may be represented in terms of potential uses and have been considered in relation to the scale and nature of the Palace and Park. For example, against Office, given the prestigious heritage, design and character of the Palace, it would really only be suitable for a major headquarters rather than a run of the mill office space.

Figure 44: Long list of Strategic Concepts

Strategic Concept	Examples of 'core attractors'
Arts and Culture	e.g. Museum, Cultural institution, Creative quarter
Education	e.g. University, School
Conference and Exhibition	e.g. Flexible and supported venue for large format conventions, trade show exhibitions
Healthcare	e.g. Hospital, Rehabilitation centre, Care home
Industrial	e.g. Warehousing, Factory, Logistics centre
Leisure and Entertainment	e.g. Cinema, Ice rink, Activity centre, Visitor attractions, Casino, Nightclub (for sports related leisure, this would principally be focused on participating not spectating)
Offices	e.g. Government or Corporate headquarters

Place of Worship	e.g. Church, Mosque, Religious institution, public worship and gatherings
Research and Development	e.g. Business incubation, Science research centre
Residential	e.g. Primary housing and apartments, Second homes
Resort	e.g. Conference-based resort, Spa resort, Family resort
Retail	e.g. Shopping centre, Outlet centre, Market
Sports	e.g. Arena, Stadia, Home of professional club (principally focused on spectating not participating)
Transport Terminal	e.g. Coach or station, Rail terminus

5.5 SHORTLISTING

In order to short-list the Strategic Concepts we first need to develop suitable criteria against which the options can be appraised and either discounted or short-listed.

5.5.1 APPRAISAL CRITERIA

The short-listing criteria developed have been based on the Vision and Mission statement, since non-compliance with these deem an option unfeasible and on criteria covering the physical compliance of an option within the Palace and Park, the strength of the market, both in supply and demand terms and ultimately, whether the option is deliverable in terms of funding. In summary therefore:

- **Criterion 1:** Does the Strategic Concept fit with APP vision and mission?
- **Criterion 2:** Is the Strategic Concept physically possible within the Palace and Park?
- **Criterion 3:** Is there demand for the Strategic Concept in London and will be sufficiently differentiated to compete within the competitive supply context?
- **Criterion 4:** Is the Strategic Concept fundable?

5.5.2 SHORT-LISTING OPTIONS

The following table summarises the application of the appraisal criteria against each Strategic Concept and the rationale for short-listing or not.

Arts and Culture	• Certainly would meet the Vision and Mission and nothing to say it would not be physically achievable. • Arts and culture could certainly also address ‘access’, although this might be in conflict with its financial sustainability (note – arts and culture organisations generally require subsidy in operation). • There is no ‘collection’ on which to base a museum or collections based attraction. • The funding climate for arts and culture presents significant challenges. • The ability to achieve financial sustainability and address the LBH’s revenue subsidy is highly unlikely. • The central London honeypot destinations for arts and culture present exceptional competition in a relatively crowded market place. The ability to meet the ‘global appeal’ and ‘iconic’ references of the Vision would be very hard in the face of this competition. • **Conclusion:** Not short-listed

Education	• Could potentially address the ‘pioneering spirit’ referenced within the Vision. • Access would almost certainly be exclusive and therefore non-conformance with the Mission of ‘public purposes’, unless addressed through subsidy which would place its financial sustainability in question. • Education does not align with ‘public resort and recreation’ and again therefore, non-conformance with the Mission. • The scale of the Palace and the Park and its setting certainly has the potential to be accommodating. • Likely to require either significant public capital and revenue or rely on a branded institution (Harvard, Yale, Princeton etc.) - for which there is little known market interest to suggest this would be forthcoming. • **Conclusion:** Not short-listed

Conference and Exhibition	• Conference and Exhibition conforms with the original (and to a certain extent the current) purpose of the Palace and one therefore assumes it must conform (at least broadly) to the Vision and Mission. • While the scale and volume of the Palace is suitable for large format events, there are certainly limitations in terms of the historic nature of the fabric, its flexibility and event-specific issues such as the acoustics. • Most importantly however, the market for conference and exhibition is trending away, meaning that it is becoming increasingly competitive and challenging to be financially sustainable. There are far more ‘fit for purpose’ venues which seek to deliver regional and national standard conference and exhibitions but which themselves struggle to be financially sustainable. • **Conclusion:** Not short-listed

Healthcare	• Healthcare could potentially address the ‘public purposes’ reference of the Vision. • While the physical nature of the Palace represents a massive challenge, it is not inconceivable to imagine its repurposing for Healthcare although its flexibility would present limitations. • The scale of the Palace and the Park and its setting certainly has the potential to be accommodating however. • Healthcare would not align with ‘public resort and recreation’ and therefore does not conform to the Mission. • Overall there is considered to be considerable non-compliance with the Vision and Mission. • **Conclusion:** Not short-listed

Industrial	• In conflict with much of the Vision and Mission irrespective of whether or not there is a market or funding. • The historic and heritage aspects of the Palace and Park certainly do not support Industrial. • **Conclusion:** Not short-listed

Leisure and Entertainment	• Has potential to comply with all of the Vision and Mission, in particular references to 'public resort and recreation' and 'public purpose'. • The ability to meet the Vision and Mission's references to 'global appeal', 'iconic London destination' and 'sustainable' depend on specific uses, but there are many examples which have achieved this successfully. • The spatial demands from Leisure and Entertainment can vary considerably but there are certainly options within this category which would comply with the Palace and Park in scale and capacity terms, and respect their historic nature and be sympathetic to the heritage. • While the market is highly competitive there are certainly gaps in the supply-side which have the potential to be delivered at the Palace which could address local, regional and national audiences. • **Conclusion:** Short-listed

Offices	• The exclusive nature of Offices means that elements of the Vision and Mission could not be met, in particular the 'public resort' and accessibility. • Despite many parts of the Palace being capable of meeting the needs of an Offices based concept, a considerable proportion would require substantive redevelopment, and overall, the Palace itself is not considered fit for office purpose as the Strategic Concept. • Furthermore, the concept would not be compliant in planning terms. • **Conclusion:** Not short-listed

Place of Worship	• Despite there probably being a market for Place of Worship, and the Palace, particularly the main halls provide such large flat format space, representing a fair degree of spatial compliance, it is not considered to conform with the Vision and Mission on the basis of accessibility and public resort and recreation particularly. • **Conclusion:** Not short-listed

Research and Development	• In conflict with much of the Vision and Mission irrespective of whether or not there is a market or funding. • The Palace and the Park are not considered to be fit for purpose for Research and Development as the Strategic Concept. • **Conclusion:** Not short-listed

Residential	• A residential led development, whilst probably capable of attracting demand and funding, in most cases does not conform to the Vision and Mission. In particular, against the accessibility, 'public resort and recreation' and 'public purpose' references. • Furthermore, the concept would not be compliant in planning terms. • **Conclusion:** Not short-listed

Resort	• Whilst the term Resort appears twice in the Mission statement, one needs to clear about their interpretation which is understood not to be the same. • For a Resort, which would be based around a 'staying' offer and visitors primary motivation for visiting and staying would be to exploit the experiences and activities on site at the Palace and Park. This is where the market for resorts in London is limited since visitors are far less interested in staying in one location and much more interested in exploring the rich and diverse cultural, historical, leisure and tourism offer all around. • Fundamentally the concept of Resort falls down on its exclusivity and therefore non-compliance with the accessibility and public references of the Vision and Mission. • **Conclusion:** Not short-listed

Retail	• A retail led development, whilst possibly capable of attracting demand and funding, in most cases does not conform to the Vision and Mission. In particular against the 'public resort and recreation' reference. • Furthermore, the concept would almost certainly not be compliant in planning terms. • **Conclusion:** Not short-listed

Sports	• For clarity, this concept relates to sports spectating rather than participation in the main – hence, professional clubs and sports competition being staged at the Palace and Park. • In the main there could be reasonable compliance with the Vision and Mission, however, the reference to 'public resort and recreation' emphasises the participatory objectives of APP which is of less significance for this concept. • More importantly, the physical nature and historic fabric of the Palace and Park present greater challenges for re-purposing. • Judgement about the market potential is relatively hard but one needs to accept that a reactive rather than proactive approach would need to be taken and this would place considerable risk and uncertainty on the future of the Palace and Park. • **Conclusion:** Not short-listed

Transport Terminal	• This would be non-compliant with the Vision and Mission. • **Conclusion:** Not short-listed

5.6 PREFERRED STRATEGIC CONCEPT

As summarised above, and based on the detailed appraisal undertaken, the Strategic Concept – Leisure and Entertainment – has been shortlisted.

Theoretically this Strategic Concept covers a fairly wide range of potential 'core uses' which could conceivable be delivered under the Leisure and Entertainment banner. However, by applying this Strategic Concept to Alexandra Palace and Park itself, and by considering the London market context and what may or may not be fundable and deliverable, certainly for the foreseeable future, the scope of potential 'core uses' narrows sharply.

Supported by the stakeholder consultation feedback, our market analysis and assessment of the London market context, we have identified three potential 'core uses' which have formed the basis of three sub options, as follows:

- **Leisure and Entertainment – Destinations for Children (5-12 years)**
- **Leisure and Entertainment – Live Music**
- **Leisure and Entertainment – Sport and Active Leisure**

These sub-options have been subjected to a further iteration of appraisal (see Section 6), which combines desk based research into the market demand, supply and operator dynamics for each, as well as undertaking initial exploratory soundings from experts and operators within these fields.

Importantly, for each of these three sub options there are a multitude of secondary functions and services which may be deliverable and market worthy. It is not to say that they may not form an integral part of the future of Alexandra Palace and Park, but to avoid confusion and an unmanageable appraisal process, at this stage they cannot be the focus of the appraisal.

Figure 45: Examples of addressing the three C's

	Key Issue	Destinations for Children (5-12 years)	Live Music	Sport and Active Leisure
Commercial	"**APP Needs it**…" e.g. commercial operator(s) which deliver high quality product and experiences in the Palace and Park and positive financial returns to maintain the Palace and Park's buildings, infrastructure and wider services and enables the Trust to deliver on its charitable objectives.	An anchor visitor attraction which targets the 5-12yr old market. For example • City Theme Park (e.g. Kidzania, Wannado City, Micropolix) • Legoland	A live music venue which includes a main auditorium and range of more intimate performance venues. For example: • Brixton Academy (AMG/Live Nation) • O2 Arena and Indigo (AEG) • HMV Forum (MAMA Group)	A collection of multiple mainstream and/or action sports offered through a single united destination umbrella. For example: • Chelsea Piers, NYC • The Castle at Manor House, Finsbury Park • Bay Sixty6 Skate Park, London
Cultural	"**APP Has it**…" e.g. exploit the rich heritage and culture associated with the Palace and Park by embedding and interpreting it throughout the future uses and programming to add value to the overall offer and differentiate it within the London marketplace.	Use the television and broadcast heritage of APP in a way that is sympathetic to use of the Palace and Park. For example: • A Teletubies or Bob the Builder themed exhibition or live event within the former TV studios	Sympathetic programming of the outdoor spaces for music events which relate to the music and television broadcast heritage. For example: • BBC Electric Proms Live	Programming of indoor and outdoor spaces which relate to the historic 'recreation' theme of APP and are broadcast through multiple media channels and therefore relate to the television broadcast heritage. For example: • X-Games
Community	"**APP Wants it**…" e.g. deliver positive local benefits such as community programming, improved accessibility, improved local amenities and employment opportunities by embracing and involving the community throughout the Palace and Park	Community themed use of a modern and up to date playground and activity space. For example: • Princess Diana memorial playground, Hyde Park	Use of indoor and outdoor spaces to programme community music workshops and programmes. For example: • In Harmony (Liverpool Royal Philharmonic community programming) • Totally Talented Community Music Workshops (Birkenhead)	Community programmes and access either within the multi-sports and activity centre or making sensitive use of the wider Park. For example: • Multisports2Midnight (Milton Rovers FC, funding from 'It's Your Community') • SAFC Foundation Community Programmes (Sunderland FC)

6 POTENTIAL CONTENTS AND INITIAL MARKET SOUNDINGS

This section presents a market overview and initial market soundings for three potential core attractors in:

- A destination for children (5-12 years old)
- Live music
- Sport and active leisure

6.1 DESTINATIONS FOR CHILDREN (5-12 YEARS)

6.1.1 TARGETING A SPECIFIC DEMOGRAPHIC

In understanding any product offering focused on children as the core market it is important to consider specific age groups or demographics.

The most successful attractions and destinations that cater to children well specifically target children between the ages of 5-12 years old.

Legoland and Centre Parcs are prime examples of successful strategies aiming for this targeted demographic. They understand that even when a family has a child in the ‘13 and above’ age range then they are far less likely to want to visit and thus do not market proactively to these families.

Older children in their early teens and later teens also represent specific demographic groups that are interested in specific consumer and leisure experiences, ones that obviously differ considerably from when they were younger.

Destinations or products that try and cater to both children and teenagers often result in doing two things badly, rather than one well.

6.1.2 MARKET OVERVIEW

This focused 5-12 year old market is thus dominated by the family and an understanding of the family leisure market is crucial.

According to Mintel[3], families are a high spending market segment with a growing core of AB type consumers, i.e. those more likely to spend. Family structure is also set to shift as the number of children aged under 10 increases by 8% over the next five years and 10-19s decline.

[3] Family Leisure, Mintel Intelligence December 2009

However, on the down side families are more likely than any other life-stage groups to cut back on leisure activities, especially when consumer expenditure in real terms is expected to remain low in the short to medium term.

The largest family leisure markets by spending are holidays (c.£35m) and eating out (c.£32m) the value of which grew by a fifth and a quarter respectively between 2003 and 2008.

In-home leisure, internet use and the rise of the video/computer game market are the major competition to day trips and family spending outside of the home. Spending on computer games showed the greatest % increase between 2003 and 2008 at 40%.

Visitor attractions are also a key component of the family leisure market. With the exception of theme parks, overall spend in this sector is difficult to calculate owing to problems of data collection and the mix of free and paid attractions. According to these data, spending on theme parks dropped by 17% in the five years to 2008.

Figure 46: Total estimated consumer spending on selected leisure sectors

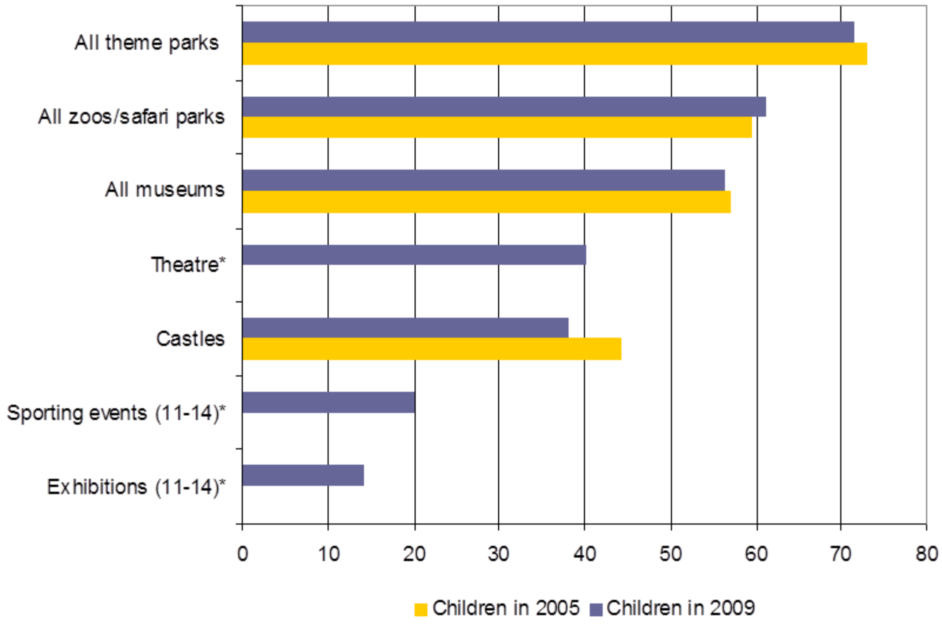
Sector	*2003*	*2008*	*% Change*
Holidays (Domestic & Overseas)	£28,707m	£34,692m	17%
Eating Out	£25,251m	£31,795m	21%
Sports Participation	£3,483m	£4,375m	20%
Book sales	£3,200m	£3,450m	7%
DVD rentals/sales	£2,694m	£2,705m	0%
Computer Games	£1,614m	£2,700m	40%
Health & Fitness Clubs	£1,934m	£2,520m	23%
Cinema	£1,045m	£1,210m	14%
Music Sales	£1,177m	£1,013m	-16%
Spectator sports	£743m	£760m	2%
Theatre (London only)	£322m	£481m	33%
Ten pin bowling	£255m	£283m	10%
Theme parks	£270m	£230m	-17%
Experience Days Out	£85m	£109m	22%

Source: Family Leisure 2009, Mintel Intelligence

Amongst juniors and 'tweens'/early teens theme parks are perennially popular with around seven out of ten kids having visited at least one in the last 12 months.

However, along with other (generally) paid attractions such as sporting events, exhibitions and castles, theme park participation has been affected by the recession.

Figure 47: Children's participation in selected leisure trips 2005-09



Source: Family Leisure 2009, Mintel Intelligence. Base: Youths aged 7-14

6.1.3 THE SUPPLY IN LONDON

The top paid and free entry attractions in London give a good overview of the current visitor attraction market and its demographic orientation. For all the diverse leisure activities and attractions in London, the market is not that well supplied for this niche child demographic.

The most popular free entry attractions are dominated by the national museums and galleries, typically with an adult, cultural offer. The Natural History Museum and Science Museum are the stand out attractions for children, both with exceptional school friendly programming. The ever popular dinosaurs at the Natural History Museum and the interactive play opportunities at the Science Museum combine to form a cluster of international calibre experiences.

Competing with that education/entertainment market would be very difficult given the high capital cost required for quality exhibition fit out, the locational advantage of Kensington and the established brand pedigree of the national museums.

Figure 48: Top 10 London free entry attractions 2009

Rank	*Attraction*	*Total Visitors*
1	British Museum	5.57m
2	National Gallery	4.78m
3	Tate Modern	4.75m
4	Natural History Museum	4.11m
5	Science Museum	2.79m
6	Victoria & Albert Museum	2.27m
7	National Portrait Gallery	1.96m
8	Royal Observatory	1.58m
9	Tate Britain	1.50m
10	British Library Exhibition Galleries	1.38m

Source: Visit England, Visit London, ALVA 2009 data

Of the core central London paid attractions, London Zoo best fits the picture since wildlife is a proven family favourite. Kew Gardens also has a decent children's play offer, albeit relatively unknown and local in scale.

The Merlin Entertainment Groups stable of brands such as London Eye, Madam Tussauds and London Dungeon are exceptionally popular and well located but offer a more general family experience appreciated by young teens and above and are not that well suited for the youngest audiences.

Figure 49: Top 10 London paid entry attractions 2009

Rank	*Attraction*	*Total Visitors*	*Adult Fee*
1	London Eye	3,750,000	£17.95
2	Madam Tussauds	2,700,000	£28.00
3	Tower of London	2,390,000	£17.00
4	St Pauls Cathedral	1,821,000	£12.50
5	Westminster Abbey	1,450,000	£15.00
6	Kew Gardens	1,301,000	£13.50
7	London Zoo	1,059,000	£15.40
8	Houses of Parliament	800,000	£12.00
9	London Aquarium	750,000	£17.50
10	London Dungeons	700,000	£22.50

Source: Visit England, Visit London, ALVA 2009 data

6.1.4 COMPARATORS AND CASE STUDIES

LEGOLAND

Legoland, another Merlin brand based in Windsor, is the market leading children's theme park in the UK and are a good comparator in terms of target audience and peripheral London location.

Legoland have a growing range of parks across Europe and the USA and have launched an alternative experience called Legoland Discovery Centre better suited for city centre locations, often based in high footfall shopping centres.

Legoland Discovery Centres are open in Berlin, Duisberg, Chicago, Atlanta, Dallas Fort Worth and at the Trafford Centre in Manchester. The experience typically includes building lego, 4D cinema, rides and lego models of the local city.

Figure 50: Legoland, Windsor

CHILDREN CITY THEME PARKS

Lessons from elsewhere in the world demonstrate a growing core market for children focused destinations that are under supplied in the UK. Of particular note are children city theme parks where children role play at adult professions and jobs.

There are three main brands at the moment:

- **Kidzania** – Mexico City, Monterrey (Mexico), Lisbon, Dubai, Tokyo, Koshien, Jakarta, Seoul

  Under construction - Cairo, India, Santiago, Shanghai, Bangkok, Kuala Lumpur, Sao Paulo
- **Micropolix** – Bogota, Madrid
- **Wannado City** – Fort Lauderdale. $40m. 11,000m2. 700,000 admissions

As well as being very popular with children, children city theme parks have a delivery advantage in being highly sponsorable. Typically companies - say a bank - may pay for fit-out costs and annual operating costs of the bank zone in return for sponsorship.

They usually aim to locate in capital cities with large catchment areas, where sponsors have greatest reach and there is not one in the London market yet.

Figure 51: Typical role playing activities at children city theme parks

6.2 LIVE MUSIC

6.2.1 MARKET OVERVIEW

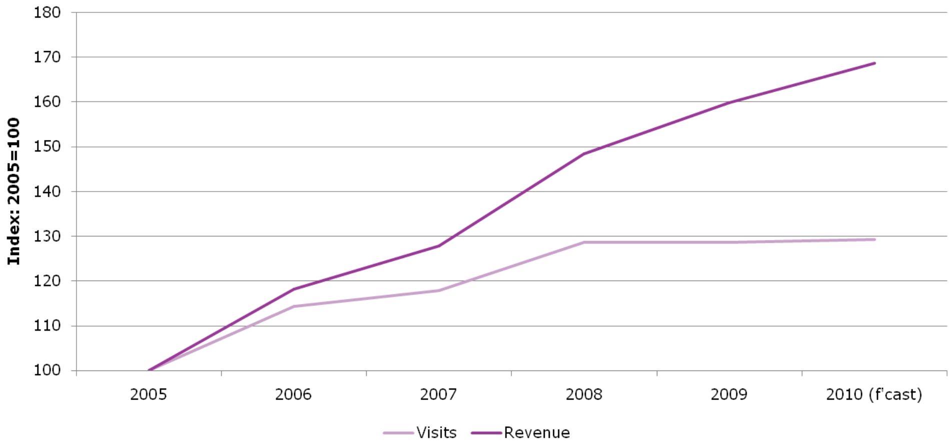
The music concerts and festivals market has grown faster than any other sector of the leisure industry in the UK during the past five years, reflecting its appeal as a form of affordable escapism.

The live music market has grown with large numbers of new concert goers and a boom in new venues and events across the UK, which is in stark contrast to depressed record sales. However, certain factors such as waning consumer confidence, high ticket prices and high youth unemployment could dampen demand going forward.

According to Mintel, the live music market in the UK is predicted to be worth £2.4 billion by the end of 2010[4]. Mintel report both revenues and visitor numbers have grown since 2005. Revenues in particular have continued to grow, up 69% from 2005. Number of visits has plateaued off in the last two years but grew 29% from 2005.

[4] Music Concerts and Festivals August 2010, Mintel Intelligence

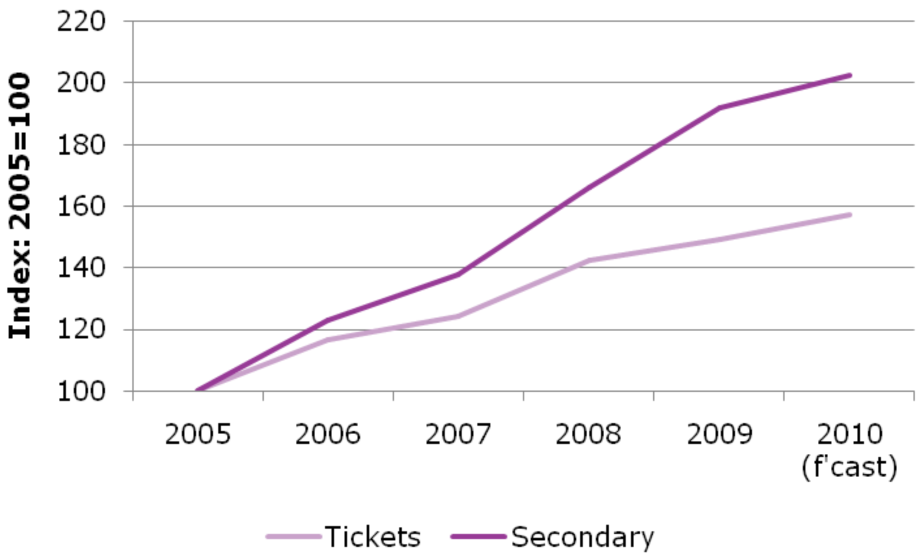
Figure 52: Live music revenues and visits 2005-2010



Source: Music Concerts and Festivals August 2010, Mintel Intelligence

Growth in secondary spend on areas such as food, drink and merchandise (+102%) has outstripped spend on tickets (+57%). People are most likely to spend on drink and most spend less than £10 per head.

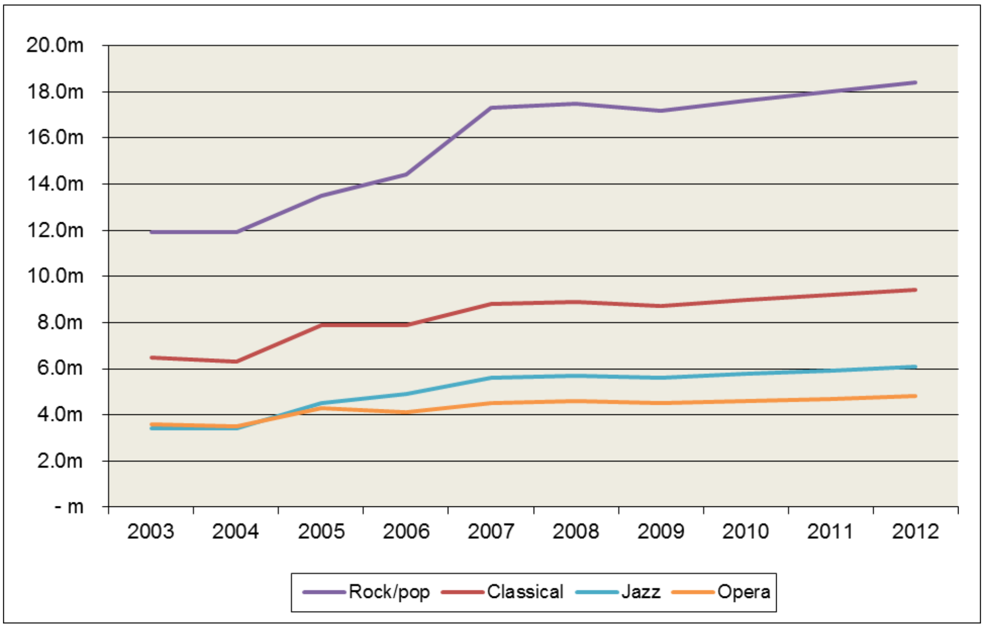
Figure 53: Indexed growth in revenue by type 2005-2010



Source: Music Concerts and Festivals August 2010, Mintel Intelligence

Pop/Rock music has seen the highest level of growth and is the most popular type of live music. 62% of total visits in 2009 were rock and pop up from 52% in 2005. Classical music has lost market share from 33% to 24%, whilst Jazz has lost only slightly.

Figure 54: Estimated music concert attendance by genre



Source: Mintel Leisure Pursuits 2009

The most recent data for the market sizes by music type is not available but Mintel estimated about 23m people went to a live music concert in 2008, 70% of which went to pop/rock.

This growth has impacted on people of all ages. Although younger people are increasingly using the internet to access music, this is not seen as a replacement for 'the real thing'. With it being difficult to make money from record sales, bands are now looking to make money from live performance. Meanwhile, a return to the stage of many classic rock bands has brought an older market, not traditionally a big consumer of live music, back into venues across the country.

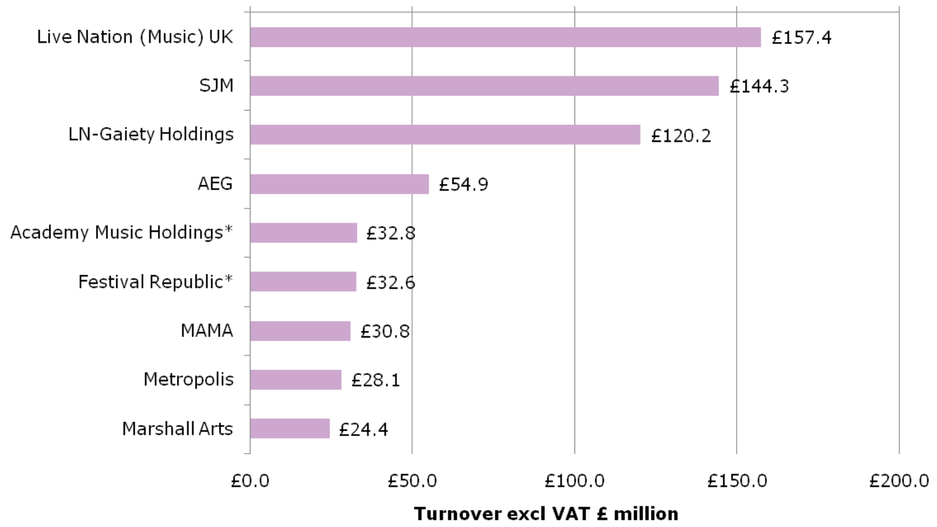
6.2.2 KEY OPERATORS

The UK live music sector is extremely diverse in terms of the companies competing for a slice of revenue, with promoters and operators ranging from individual entrepreneurs to major global multimillion-dollar enterprises. Key players in the market all differ in terms of what they do, where they do it and at what scale they operate.

According to Mintel, Live Nation are the UK market leader with shareholdings and ownership of a number of the leading promotion, ticket sales, venues and events businesses. Live Nation own LN-Gaitety Holdings, Academy Music Holdings (referred to as Academy Music Group) and Festival Republic. SJM focus on concert promotion rather than venue ownership/operation.

The key operators with the most diverse portfolios of live music venues, especially in London, are AEG, the Academy Music Group and MAMA Group.

Figure 55: Leading operators in the UK live music market



Source: Music Concerts and Festivals August 2010, Mintel Intelligence

Anschutz Entertainment Group (AEG)

AEG, an American based international organisation, are one of the world's largest entertainment organisers and providers specialising in sports and music. AEG own and operate various stadia, arenas and major venues across the USA, Germany and London. They are also one of the world's largest sports and music promoters running world tours for major music acts like Bon Jovi, festivals like Coachella, cultural touring exhibitions like Tutankhamun and have a major presence programming the artists in Las Vegas. The also own numerous sports team across the USA.

AEG are the operator behind the success of the 02 arena on Greenwich Peninsula. The 02 arena is now the UK and European market leader as a large scale, live entertainment venue.

Academy Music Group (AMG)

AMG currently own and operate 13 venues across the UK with a total customer through put of about 3.5m people per year.

Major shareholders include three of the UK's largest music promotion companies – Live Nation, SJM Concerts and Metropolis Music – which demonstrates the close relationship between the concert promoters and venues. At the start of 2009, AMG and Live Nation signed O2 as the strategic sponsorship partner for the AMG venues.

The venues are typically spread across the major university cities of the UK, with three locations in London – Sheperds Bush, Brixton and Islington. Both Sheperds Bush and Brixton are among the leading venues in the UK and are converted

1920/30s theatres. The 02 Academy Islington has a main room capacity of 800, and a secondary venue of 250. It is located at the southern end of Upper Street, close to Angel tube station in the N1 Centre.

AMG have proceeded with a strategy of developing most of their venues into a multi-room format. The primary venues typically have a standing capacity of 1,000-3,000 people and are used for large, established touring bands. The secondary venue, with capacities around 300-400, are used for local and up-and-coming bands to create a more intimate atmosphere.

Figure 56: AMG Venue Capacities 2010

		Capacity	
#	*Name*	*Venue 1*	*Venue 2*
1	02 ABC Glasgow	1,362	350
2	02 Academy Birmingham	3,009	600
3	02 Academy Bournemouth	1,800	-
4	02 Academy Bristol	1,600	350
5	02 Academy Brixton	4,921	-
6	02 Academy Glasgow	2,500	250
7	02 Academy Islington	800	250
8	02 Academy Leeds	2,300	400
9	02 Academy Liverpool	1,200	500
10	02 Academy Newcastle	2,000	400
11	02 Academy Oxford	1,020	436
12	02 Academy Sheffield	2,350	500
13	02 Sheperds Bush Empire	2,000	-

Source: AMG

MAMA Group

The MAMA Group was founded in 2002 and is now owned by HMV Group Plc following a successful takeover in early 2010 for £46m.

There are three core businesses; the ownership and operation of live music venues and events; artists services including management, music publishing and the recording business; and commercial services such as media, marketing and branding.

The live music stable includes 11 venue locations across the UK, as well as five festival events. Seven of the venues are in London, four in north London. The live music division includes the Mean Fiddler Group.

The majority of the venues are night club type environments hosting rock, dance and pop bands with standing capacities between 300 and 600. The Hammersmith Apollo and The Forum are converted theatres with seated capacities between 2,000-3,000. These venues have a more diverse programme showing a broad range of music, comedy and performance shows.

In the MAMA 2009 accounts[5], they report a strong period of growth from 2008-2009. The Apollo is reported to have had its strongest trading year for the year ending July 2009.

In 2009, live music accounted for £30.7m in revenue for the group, about 78% of the Groups total revenue and £4m in operating profit, about 72% of total operating profit. Live music revenue increased 8.5% from 2008.

Figure 57: MAMA Group Venues 2010

#	*Name*	*Type*	*Location*	*Capacity*
1	HMV Hammersmith Apollo	Venue	Hammersmith, London	5000
2	HMV Forum	Venue	Kentish Town, London	2350
3	Heaven/G-A-Y	Venue	Charing Cross, London	1625
4	Relentless Garage	Venue	Highbury & Islington, London	800
5	Jazz Café	Venue	Camden, London	350
6	The Borderline	Venue	Charing Cross, London	275
7	Barfly	Venue	Camden, London	200
8	HMV Picturehouse	Venue	Edinburgh	1500
9	Warehouse	Venue	Aberdeen	650
10	HMV Institute	Venue	Birmingham	2400
11	Barfly	Venue	Cardiff	200
12	Lovebox	Festival	London	25,000
13	Great Escape	Festival	Brighton	-
14	Escape into the Park	Festival	Sweansea	15,000
15	Global Gathering	Festival	Stratford upon Avon	50,000
16	High Voltage	Festival	London	25,000

Source: MAMA Group

6.2.3 THE SUPPLY IN LONDON

London has a diverse music venue supply.

The larger club type venues typically hold 500-1000 people standing with the major venues holding 2000-4000 standing. Brixton Academy and Hammersmith Apollo are the market leaders for the 4000-5000 capacity events, typical of major current UK pop/rock acts. The Royal Albert Hall occupies more of a niche position in the market at the same 5000 capacity level with a more culturally diverse programme.

The 02 and Wembley compete at the arena end of the market for large scale seated events c.10,000 plus for the largest international acts and shows.

Alexandra Palace currently occupies the market position for largest standing venue in London at 10,400. Camden/Islington/Kentish Town provide a cluster for pop/rock venues and are generally recognised as the London heartland for the live music scene. This is likely to have positive implications for a modernised, large scale venue further north at Alexandra Palace.

[5] MAMA Group Plc. Annual Report and Accounts 2009

Figure 58: Top 30 music venues in London 2010

#	*Venue*	*Location*	*Max. Capacity*
1	O2 Arena	Greenwich	20,000
2	Wembley Arena & Wembley Stadium	Brent	12,500
3	Alexandra Palace	Haringey	10,400
4	Royal Albert Hall	Knightsbridge	5,200
5	HMV Hammersmith Apollo	Hammersmith	5,000
6	O2 Academy Brixton	Brixton	4,921
7	The Roundhouse	Camden	3,000
8	Ocean	Hackney	2,700
9	The Troxy	Limehouse	2,600
10	Royal Festival Hall	South Bank	2,500
11	Debut London	London Bridge	2,500
12	Indigo O2	Greenwich	2,350
13	Forum	Kentish Town	2,110
14	O2 Empire Shepherd's Bush	Shepherd's Bush	2,000
15	Barbican	City of London	1,943
16	Cafe Koko	Camden	1,500
17	Scala	King's Cross	1,145
18	The Metro Club	Soho	1,000
19	The Marquee Club	Soho	900
20	Queen Elizabeth Hall	South Bank	900
21	Cadogan Hall	Chelsea	900
22	O2 Academy Islington	Islington	800
23	93 Feet East	Brick Lane	800
24	Cargo EC2	Shoreditch	800
25	Union Chapel	Islington	800
26	XOYO	Shoreditch	800
27	The Garage	Islington	800
28	Brixton Jamm	Stockwell	600
29	The Roadhouse	Covent Garden	575
30	Underworld	Camden	500

6.3 SPORT AND ACTIVE LEISURE

6.3.1 MARKET OVERVIEW

Sports and active leisure pursuits present a broad range of opportunities appealing to a broad range of participants.

Converging wider trends are favourable in promoting growth in this area. Concerns over health and obesity, the growing experience economy and activity holiday markets and more adventurous tastes in the growing ‘grey’ market are all relevant factors in the increasing popularity of active leisure pursuits.

Other factors such as the need for all-weather venues and the social nature of sport are also supportive.

According to the Department of Culture, Media and Sport, sports and exercise are a popular free time activity for about 50% of people in England. Generally speaking, sports and active leisure pursuits are more popular with men, than women.

Figure 59: Most popular free time activities 2007

Men		Women	
Watching television	84%	Watching television	85%
Spending time with friends/family	75%	Spending time with friends/family	82%
Listening to music	70%	Shopping	75%
Eating out at restaurants	59%	Reading	73%
Sport/exercise	58%	Listening to music	71%
Reading	56%	Eating out at restaurants	64%
Days out	56%	Days out	61%
Shopping	53%	Gardening	47%
Going to pubs/bars/clubs	50%	Going to the cinema	43%
Internet/emailing	49%	Sport/exercise	43%
DIY	46%	Internet/emailing	40%
Gardening	45%	Attending theatre/music concerts	40%
Going to the cinema	42%	Going to pubs/bars/clubs	40%
Attending theatre/music concerts	34%	Visiting museums and galleries	28%
Playing computer games	27%	DIY	26%

Source: Taking Part: The National Survey of Culture, Leisure and Sport, DCMS. 2007 is the last available data set for this particular comparative leisure time survey.

In the 2009/2010 survey[6], over half (53%) of adults had done active sport in the last four weeks and almost 7% of adults do sport every day. Sports participation varies widely by age, more than halving between those aged 25-44 (66%) and those aged 65-74 (32%). Unlike cultural participation, there is no significant variation by deprivation, between regions, or between rural and urban areas.

In terms of the most popular individual sports, general fitness, swimming and cycling come top when assessing regular participation.

Figure 60: Top 10 most popular sports based on monthly participation

#	*Activity*	*2009/10 (%)*
1	Health, fitness, gym or conditioning activities	15.1%
2	Swimming or diving [indoors]	14.7%
3	Cycling [health, recreation, training, competition]	10.5%
4	Football (include 5-a-side and 6-a-side) [outdoors]	6.7%
5	Jogging, cross-country, road running	6.6%
6	Snooker, pool, billiards (exclude bar billiards)	5.8%
7	Keepfit, aerobics, dance exercise (include exercise bike)	5.7%
8	Cycling [to get to places, i.e. work, shops]12	4.4%
9	Golf, pitch and putt, putting	4.1%
10	Swimming or diving [outdoors]	3.6%

[6] Taking Part: The National Survey of Culture, Leisure and Sport, DCMS 2010

Source: Taking Part: The National Survey of Culture, Leisure and Sport, DCMS 2010

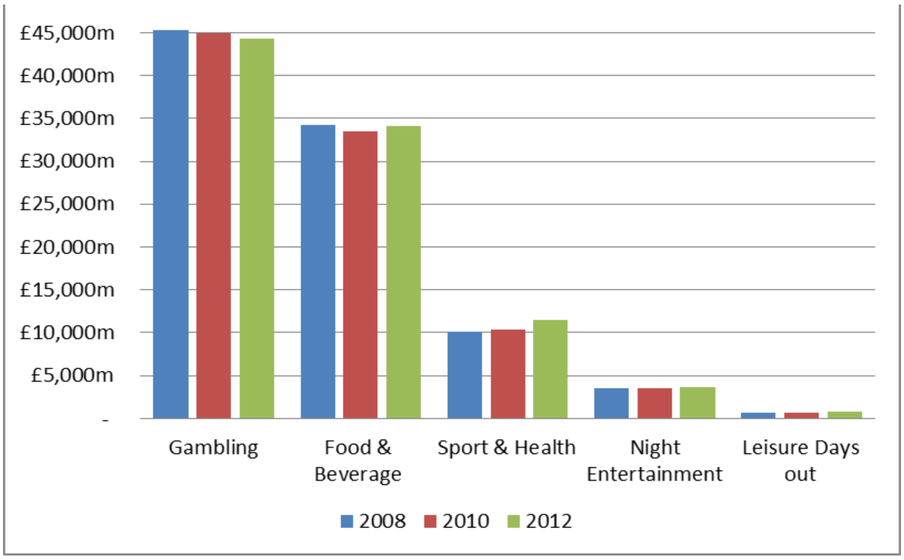
How people spend their leisure time and money is very diverse and so sport and active leisure pursuits are exposed to wide ranging competition.

In terms of spending, Mintel provide data from 2008[7], with forecasts until 2012, for the total estimated spending on various leisure pursuits in England.

When grouped into categories, sport and health activities, including gym and club membership, sports participation and health and beauty, had an estimated market value of £10 billion in 2008. Mintel forecast this to grow by 12% in 2012.

Gambling (including lottery, bingo, casino and betting shops) and food and drink in pubs and bars show the greatest spend but are not forecast to grow by 2012. Leisure days out, albeit with a relatively small total market value at around £622m in 2008 were forecast to grow by 15% in 2012.

Figure 61: Estimated leisure spend 2008-2012



Category	*Including*	*% Change 2008-2012*
Gambling	Bingo, casino, betting shops, lottery	-2%
Food & Beverage	Pubs & bars, excl. cafes & restaurants	0%
Sport & Health	Gyms, clubs, sports particpation, spa, beauty	12%
Night Entertainment	Cinema, theatre, concerts	4%
Leisure Days Out	Theme attractions, experience days, bowling	15%

Source: Leisure Pursuits, Mintel Intelligence 2009

Many pursuits are well-established in the market place such as gym membership, tennis or football but an ever increasing number of new pursuits provide newer opportunities as they become established in the mainstream such as skateboarding, bmx and climbing.

[7] Leisure Pursuits, Mintel Intelligence 2009

Mintel[8] report that significant numbers of people have experience of active leisure pursuits but the sector's main challenge is to turn occasional participants into regular ones. Overall market size is difficult to gauge but available estimates suggest that occasional participation numbers may be up to ten times that of regular participation in these pursuits.

Active leisure pursuits benefit from having a strong presence in the experience day out, corporate and party markets, and participation in this way is considered a significant driver of overall market volumes. Although this group business provides core income streams for pursuits such as paintball, go-karting and high ropes courses, these are increasingly at risk of being associated only with this type of one-off participation.

Figure 62: Participation in active leisure pursuits February 2008

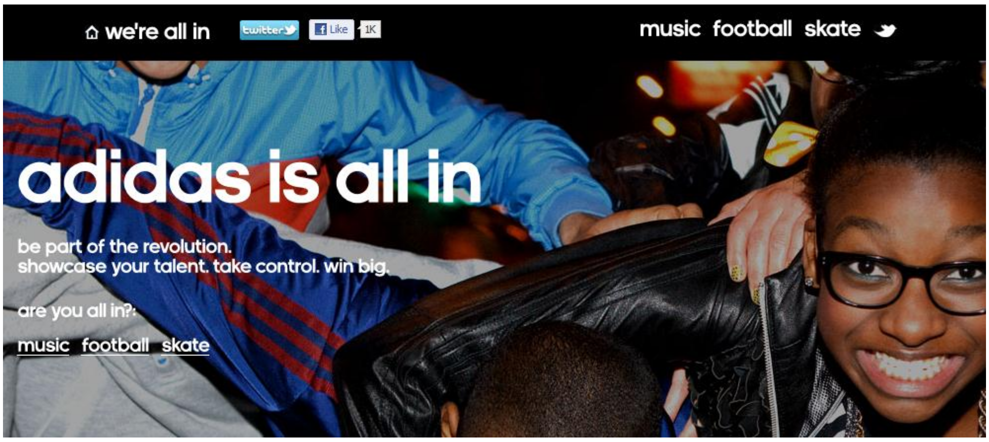
Activity	*Participated*	*Have not participated but the idea appeals to me*	*Have not participated and am not interested in trying*
Ice skating	51%	15%	34%
Horse riding	39%	15%	46%
Roller skating/roller blading	38%	15%	46%
Go karting	34%	24%	42%
Water sports	33%	22%	45%
Climbing	27%	20%	54%
Sailing/motor boating	25%	30%	46%
Shooting	24%	25%	50%
Paintballing	20%	31%	48%
Motor-based activities	19%	30%	51%
Skydiving	6%	28%	66%
Bungee jumping	6%	21%	73%

Source: Active Leisure Survey, Mintel. 2000 participants aged 16+

The cultural impact of sports goes beyond participation levels. Action sports in particular like skateboarding, bmx and surfing all have close ties with fashion, music and media. Even at a more mainstream level this lifestyle dimension is a key ingredient to commercial success. For instance, the current marketing campaign from Adidas, called 'Are you all in?', sells football, music and skateboarding simultaneously, demonstrating the trend towards total lifestyle rather than just a participating in one single sport. This creates an opportunity for brand extension, cross selling and multiple income streams.

[8] Active Leisure, Mintel Intelligence 2008

Figure 63: Adidas Music: Football: Skate campaign



6.3.2 THE SUPPLY IN LONDON

Sport and active leisure in London, and across the UK, is typically provided by local authority leisure centres, private health and fitness clubs and branded operators of ice skating and bowling complexes.

With the ambition of creating a major London level destination at Alexandra Palace, there are very few direct comparators currently operating significant active leisure destinations in the London market. There are of course many leisure centres, clubs and leisure operators but few that combine to meet the destination potential of what Alexandra Palace could provide.

The ambition would not be to create another homogenous leisure park type offer with ice rink, bowling etc but something that is truly unique - with a proven market demand to support on-going sustainability.

The major sports destinations that do exist in London are generally spectator based such as the premier league football clubs, Wembley and the Olympic Park. For clarity, this type of spectator destination is not under consideration here.

At the health club end of the spectrum for example, the David Lloyd Leisure Group operate a concept that is *'more than a gym'* focusing on health, fitness, racquet sports, spa/beauty and family facilities like crèche. They operate 79 clubs across the UK, with 20 inside the M25 and one at Finchley. This type of offer is a quality local facility but is not a major destination attractor in itself.

In the action sports market, there is no singular destination that has a critical mass of active leisure such as the indoor ski slope developments in Milton Keynes, Leeds, Manchester and Glasgow. It is worth noting that the indoor-ski model would not be appropriate at Alexandra Palace for numerous reasons. The development would not be compatible with the heritage status of the building and the commercial viability would be reliant on a major retail offer comparative with a town centre.

For action sports, Bay Sixty6 is the most advanced indoor skate/bmx facility in London. Bay Sixty6 is a skate and BMX park near Portobello Road located under the West Way fly over in west London. The park is paid entry (c. £6 per person) and sponsored by Xbox, with an extensive range of events and competitions.

Figure 64: Bay Sixty6 Skate Park, Westbourne Park

For indoor climbing, the Castle Climbing Centre in Manor House is a good example of a successful niche active leisure offer in a heritage building. It is based in a converted Water Board Pumping Station.

A key ingredient to its success is the culture of improvement and regular return visits. When delivered well this is manifested in a community spirit centred around quality staff helping to support and train people of all levels.

Figure 65: The Castle Climbing Centre, Manor House

These types of offer could potentially make up part of an active leisure mix both in the Palace and the Park, in support of the current ice rink, pitch and putt, boating lake and existing skate park.

6.3.3 COMPARATORS AND CASE STUDIES

CHELSEA PIERS, NEW YORK

Chelsea Piers in New York demonstrates a comparative scale for a major, mixed sports and entertainment destination that was redeveloped in a challenging area.

Following the decline of the industrial waterways and use of the Hudson river as the main economic gateway, the Chelsea Piers area was run down and derelict by the mid-1980s. In 1992, the site was sold by the state Department of Transportation to the Chelsea Piers Management Company to lease and operate the site as a sports and entertainment led regeneration initiative.

After $100m private investment, the site opened in 1995 to include:

- A health and fitness centre
- A field sports centre for indoor football, basketball, athletics and climbing
- A golf driving range
- A sports training centre
- An ice rink
- A spa
- Bowling
- Clubhouse, restaurant and bar.

Chelsea Piers have a long established community outreach programme designed to give children from all backgrounds the opportunity to get into sports via scholarship funding for ice hockey training and summer camp placements.

Figure 66: Chelsea Piers, New York

VENTURE EXTREME, UK

Venture Extreme offer an example of an all-inclusive action sports destination concept. It is a useful illustration of a potential idea but must be stressed has not yet been developed.

Venture Extreme is a mixed action sport and leisure concept looking to wrap as many as 40 different sports with specialist retail, restaurants and hotels in urban locations in the UK. The vision for the full concept includes four zones including Vertical, Water, Wheels and Kids as shown in Figure 67.

At Alexandra Palace, the Water element is unlikely to be viable but a concept built around the remaining three could be an interesting proposition, supported by retail, food and beverage, hotel accommodation, corporate hospitality and educational/training services.

Figure 67: Indicative sport zones and features at Venture Extreme

Zone	Features
Vertical	Climbing tower, abseiling, high-ropes course, ice wall, sky diving
Water	Surf centre, white water course, scuba diving
Wheels	Skate park, bmx/mountain biking
Kids	Adventure play, snow room, toboggan runs, zorbing

6.4 INITIAL MARKET SOUNDINGS

Whilst the market summary above provides some theoretical comfort that this type of content could work at Alexandra Palace, we consider it important – particularly in the current market and financial climate – to test these ideas through some direct market soundings with potential tenants/operators.

These consultations included sports facility operators, live music venue operators and promoters, hoteliers, retailers, developers of ‘next generation’ family attractions and operators of existing visitor attractions. We have also consulted with in-house experts in hotels, sport, tourism and leisure, as well as key contacts with expertise in corporate sponsorship and fundraising.

We must stress that to avoid compromising the negotiating position of the client, all we have carried out at this stage is some exploratory discussions about the ‘realms of the possible’. We have not probed too deeply into issues such as potential deal structures, rental levels or similar commercial terms. Our primary objective was to test whether there is an appetite for this type of development in London and whether Alexandra Palace would face any insurmountable ‘first hurdle’ obstacles in their evaluation of the opportunity. As a consequence, it is impossible at this stage to reach a definitive conclusion in advance of detailed financial modelling and formal marketing of the opportunity.

All of that notwithstanding, these market soundings did reveal that there is probably a greater opportunity to re-establish the site as a landmark live music venue, complemented by ancillary retail, catering, hospitality and entertainment facilities.

Significantly, there would also appear to be greater synergy between live music and sport than there is between either of these offers and a child-friendly family attraction.

6.5 IMPLICATIONS FOR ALEXANDRA PALACE & PARK

Having considered these three core attractor elements, and given the initial market soundings, it is worth highlighting the key points of each to understand the possible implications for Alexandra Palace and Park.

In reference to the Park, these ideas are not being presented as a commercially dominant use of the outdoor space but refer to possible ways of enhancing the offer so as to make best combined use of the Palace and Park together. The Park is a community green space and will continue to be so.

Figure 68: Key points of suggested leisure and entertainment contents

Offer	Key Points
Destination for Children	London is currently under supplied and operators are looking for sites Families are a growing leisure market but are vulnerable to trends of tightening disposable income For the Children City concept, a funding advantage may exist through corporate sponsorship Children’s activities are likely to have good integration possibilities with the park uses The market soundings reinforced the relatively small number of large operators which would present lower risk and be capable of catalysing the wider regeneration
Live Music	Strong heritage connection with the current and historical uses at Alexandra Palace. Strong market demand for live music, especially rock

	and pop genres London has a competitive supply of venues with possible capacity in the larger 4000+ size Operators have shown a specific interest in Alexandra Palace as a location Good cross over potential to combine with sports and active leisure offers
Sport and Active Leisure	Steady market demand for mainstream sports participation and growing interest in niche action sports Limited London supply for a major participatory sport and active leisure destination, although competition will exist from the Olympic Park legacy in Stratford. Challenging funding scenario in a post-Olympic London Good integration potential with the outdoor spaces of the Park Good cross over potential to combine with live music offers Good cross selling potential with associated lifestyle brands diversifying into fashion, music and media The market is typified by a diverse and disparate range of operators and the market soundings illustrated the challenge to attract an operator of sufficient pedigree and scale to catalyse the wider regeneration

6.6 PREFERRED 'CORE USE' OPTION

Based on the above, a leisure and entertainment offer that is anchored by live music is considered to present the greatest opportunity for catalysing the regeneration of Alexandra Palace and Park.

All of the above is founded on the basis that, irrespective of what the future regeneration holds for Alexandra Palace and Park, the value of the sites history and heritage should and must play an important and central theme in whatever is promoted or developed there, not least because of its merit and value *per se* but more importantly because of the value the history and heritage can bring to delivering a highly differentiated, unique and characterful destination.

7 RECOMMENDATIONS & NEXT STEPS

This section is separated into two 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.

7.1 RECOMMENDATION OF THE PREFERRED STRATEGIC CONCEPT AND CORE USE

The 'Leisure and Entertainment' Strategic Concept was identified as the preferred option through the options appraisal process.

Three 'core uses' were then considered under the 'Leisure and Entertainment' Strategic Concept and informed by a detailed market assessment and through initial market and expert soundings.

The recommendation by the Locum Consulting team of Colliers International is for the Trustees 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'.

Importantly, two notes are made alongside this recommendation:

- 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.
- 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.

7.2 NEXT STEPS

This section outlines the recommended next steps and phases of work required to progress the regeneration of APP.

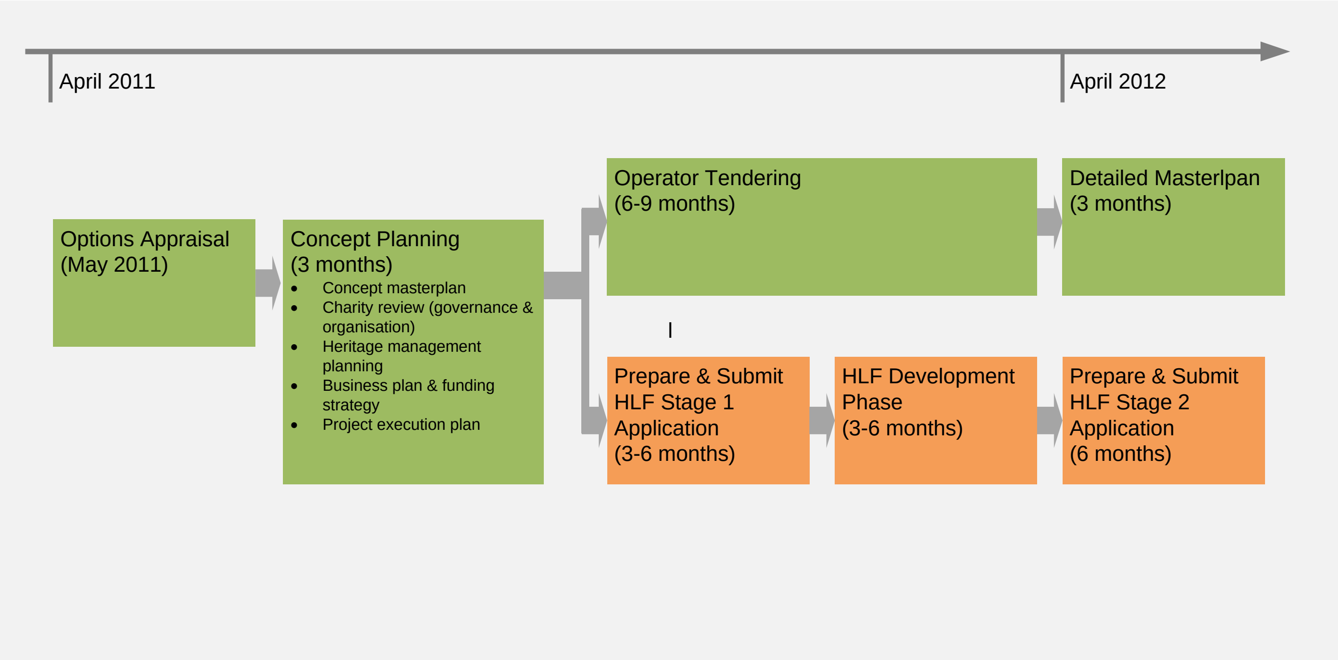
Against each element of work we have indicated a sensible timescale. This should be treated as preliminary at this stage and subjected to further scrutiny.

This is illustrated in Figure 69.

In summary:

- 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 the Trust's own house in order 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
- 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.

Figure 69. Indicative Next Steps



7.2.1 OPTIONS APPRAISAL (MAY 2011)

Task
• Conclude options appraisal reports
• Trustee meeting on 9th May to consider recommendation from APPRWG and take decision on whether or not to adopt the preferred option and proceed
• Definition and mobilisation of resources for future phases and development planning
• Procurement of external advisors and design team

7.2.2 CONCEPT PLANNING (3 MONTHS)

CONCEPT MASTERPLAN

Task
• Review of access and transport options
• Undertake building surveys
• Prepare up to date cost estimates
• Confirm areas within the Palace and Park that are in play

(i.e. “the white space”)
• Property review (status of all leaseholds, tenants, etc.)
• Consultations (e.g. planning authority, English Heritage, other statutory and advisory bodies)

CHARITY REVIEW (GOVERNANCE & MANAGEMENT)

Task
• Consultation with stakeholders (local residents and groups, advisory groups etc.)
• Compliance with Charity Commission protocols (e.g. consultation)
• Review of legal issues relating to Act, governance and emerging procurement strategy
• Define minimum requirements of the Trust (“must haves”) and additional preferences (“nice to haves”)
• Define options for Trust’s governance and management role and responsibility

HERITAGE MANAGEMENT PLANNING

Task
• Heritage statement, defining the significance of the heritage asset (if not already prepared)
• Conservation management plan (if not already prepared – this could be developed later, but without such documents in place one places greater risk on the HLF application process)

BUSINESS PLAN & FUNDING STRATEGY

Task
• High level business plan
• Refinement of funding strategy (identifying all funding opportunities, timescale and actions)
• High level economic impact study based on preferred option and emerging concept masterplan
• Consultations with key potential funding partners (Heritage

Lottery Fund etc.)

PROJECT EXECUTION PLAN

Task
• Develop a preliminary Project Execution Plan containing for example:
◦ Summary project definition, objectives and quality statements
◦ Policies and procedures
◦ Project team structure and resources, roles and responsibilities
◦ Project cost plan and cost management procedures
◦ Procurement strategy
◦ Risk assessment
◦ Delivery programme

7.2.3 OPERATOR TENDER & ENGAGEMENT (6-9 MONTHS)

Task
• Compile draft descriptive document (key document which dictates the whole procurement strategy and service being purchased)
• OJEU Notice (potentially preceded by Prior Information Notice)
• Pre-participation-questionnaire
• Select participants
• Invitation to participate
• Dialogue and tender (number of participants may be reduced)
• Final tenders (which includes detailed masterplan)
• Tender evaluation (seek clarification, specification and fine tuning, from tenderers as necessary)
• Discussion with selected tenderer (establishing heads of terms prepared and signed)

7.2.4 DETAILED MASTERPLAN (3 MONTHS)

Task
• Refine masterplan (Trust and Operator in collaboration)

7.2.5 HLF STAGE 1 APPLICATION (3-6 MONTHS)

Task
• Two stage process, depending on size of grant application assessment is as follows:
◦ £1m-£5m grants – assessed 6 times a year at board meetings and submission should be discussed with regional HLF office (3 month assessment period i.e. submitted by 16th October 2011 will be considered at the board meeting on 24th January 2012)
◦ Over £5m grants – assessed in a competitive batch once a year. First stage application to be submitted in November 2011 for decision to be made within 6 months (i.e. before April 2012)
• Consult with HLF regional office and liaise closely with case officer
• Complete and submit stage 1 application form and stage 1 checklist items:
◦ Organisation's constitution
◦ Signed agreement
◦ Copy of accounts for last year
◦ Copies of deeds, leases, mortgages and proof of ownership of assets
◦ Selection of visuals (masterplan, sketch designs, photographs etc.)
◦ Signed copy of declaration

7.2.6 HLF DEVELOPMENT PHASE

Task
• Checklist:
◦ Detailed timetable for the development period

◦ Briefs for development work
◦ Job descriptions for new posts to be filled during development phase
◦ Conservation statement

7.2.7 HLF STAGE 2 APPLICATION

Task
• Activity plan
• Selection of visuals (masterplan, sketch designs, photographs etc. – sufficiently development from stage 1 application)
• Detailed project costs
• Project cashflow
• Delivery programme
• Project management structure
• Income and spending forecasts (detailed business plan)
• Design specification
• 10 year management and maintenance plan
• Conservation management plan

APPENDICES

1 PARK MAP

Figure 70: Plan map of current layout of Alexandra Park

2 ALEXANDRA PARK AND PALACE (PUBLIC PURPOSES) ACT 1900

In considering the existing and proposed planning policy situation in relation to future development proposals at Alexandra Palace and Park, it is also important to acknowledge the Alexandra Park and Palace (Public Purposes) Act 1900, amended in 1913 and again in 1985.

The Act states that:

> The Trustees shall have the entire control and management of the park and palace and other lands acquired by them as such trustees together with all buildings now existing or hereafter erected thereon and they may excise the following (that is to say):-
>
> i) They shall uphold maintain and repair the palace and other brick and stone buildings and may improve and extend the park lands and buildings and lay out form fence and maintain grounds for cricket and other games sports meetings assemblies and other purposes and also gardens roads walks fences plantations ornamental lakes and spaces for military drill and exercise;
>
> ii) They may erect provide equip furnish and maintain conservatories refreshment rooms shelters and convenience necessary or desirable for the use and enjoyment of the park as an open space and also in or contiguous to the buildings libraries reading rooms museums concert rooms and other buildings for the use and enjoyment of the public and shall thereafter uphold maintain and repair the same or where they are no longer necessary or desirable remove the same;
>
> iii) They may maintain uphold and improve the existing theatre in the palace primarily for use or uses as a theatre, concert hall, recording studio or cinema and secondarily for use or uses for any of the purposes (save as an hotel) for which they may use any other part of the palace;
>
> iv)They may set apart and appropriate any portion of the palace and other buildings for such purposes of public utility instruction or benefit for such periods and on such terms and conditions as they may think fit consistent with the objects of this Act;
>
> v) They may let or licence at the best rent that can reasonably be obtained regard being had to the purposes of the Alexandra Park and Palace Acts and Order 1900 to 1985 and for such term not exceeding twenty-two years (or with the prior approval in writing of the Charity Commissioners for England and Wales for such term not exceeding one hundred and twenty-five years) and

subject to such covenants and conditions as they may think fit any portion of the palace (other than the parts of the palace shown edged red or blue on the Palace plan detailed in section 2 of the Alexandra Park and Palace Act 1985) or other buildings and the right of supplying and selling refreshments in any part or parts of the park and palace and may authorise the lessees or licensees to make charges for admission to any building or portion of a building demised or licenced to them.

vi) They may close any part of the palace and park for not more than fourteen days in any one year to the exclusion of the public except on payment of such admission fee as shall be fixed by the Trustees and they may let any part of the park and palace respectively during any day or days on which the same may be closed as aforesaid. Public notice of the day or days on which any part of the palace and park will be so closed shall be affixed to the principal entrances to the park at Bedford Road and Muswell Hill and the entrances at the Grove, the Avenue, North View Road and Alexandra Park Road, and shall be kept so affixed for at least two weeks before such day or days and the said notice shall during the month before such day or days be advertised once in each of two successive weeks in a London daily newspaper;

Provided that the Trustees may not under this paragraph close any part of the park or palace which is for the time being let or licences under any other provision of the Alexandra Park and Palace Acts and Order 1900 to 1985 or restrict access to any such part, unless provision for such closure is made in the lease or licence of that part.

vii) They may provide free of charge reasonable accommodation for volunteer forces and educational purposes having regard to the purposes of this Act;

viii) They may generally do any act or thing which may in the judgment of the Trustees appear calculated to promote the use and enjoyment of the park and palace by the public.

ix) They may, if they consider it desirable in relation to their management of the park and palace and with the prior approval in writing of the Charity commissioners for England and Wales, 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 Alexandra Park and Palace Act 1985, together with any building or buildings erected thereon for the best consideration that can reasonably be obtained and on such other terms and conditions (whether with or without provisions relating to building or other operations) as they think fit.

Subject to the foregoing provision the park and other lands shall be maintained as an open space and the park palace and other lands shall be available for the free use and recreation of the public for ever.

3 PLANNING POLICY

It should be noted The Mayor of London is currently in the process of replacing the London Plan. A draft Replacement London Plan was published for consultation in October 2009 and an EIP has since taken place in autumn 2010. Adoption is expected in late 2011.

Under the Planning and Compulsory Purchase Act 2004, the policies contained within Haringey Council's UDP were saved for 3 years until 17 July 2009. However, the Act also allows for the extension of policies beyond this date, and further to a Direction from the Secretary of State, a number of the UDP policies have been saved until the Council replaces them with Development Plan Documents in their Local Development Framework. The Proposed Submission version of the Core Strategy was published for formal consultation in May 2010 and it is intended to be adopted in November 2011. Although not currently an adopted document the policies contained within the Core Strategy Proposed Submission document will be a material consideration in the determination of a planning application.

National planning guidance, emerging development plan documents, and supplementary planning guidance, among other matters, are also relevant material considerations and should also be considered in relation to the detailed planning application for the Site.

3.1 LONDON BOROUGH OF HARINGEY UNITARY DEVELOPMENT PLAN 2006

In the UDP Alexandra Palace and surrounding park is designated as Metropolitan Open Land (MOL) and as such is given the same level of protection as the green belt. Essential facilities for appropriate uses will only be acceptable where they do not have an adverse impact on the openness of the MOL.

The area falls within a Conservation Area and therefore any development proposals must seek to preserve and enhance the qualities of the built and historic environment.

Furthermore, Alexandra Palace was designated as a Grade II listed building in 1996 and therefore listed building consent would be required to demolish, extend or alter the building.

The key policy in the UDP for assessing development proposals at Alexandra Park and Palace is the site specific 'saved' Policy OS4, which states:

OS4: ALEXANDRA PARK AND PALACE

Alexandra Park and Palace represents MOL of a unique character, which will be safeguarded in accordance with the above policy MOL (referring to

UDP Policy OS2). In addition Alexandra Palace was designated as a listed building in 1996. Proposals for Alexandra Park and Palace should:

a) Conserve and enhance the habitat and ecological value of the Park.

b) Preserve and enhance the special architectural and historic interest and setting of the Palace and the historic form and layout of the park land.

c) Facilitate the restoration of the fabric of the building.

d) Enhance the outdoor recreational, leisure and sports opportunities within the Park, having regard to the needs of a wide range of users including the need for passive recreation.

e) Provide a range of uses for the Palace, which complement the outdoor activities in the Park and complement as far as possible the function of Wood Green Metropolitan Town Centre. It is considered that the Palace should be used primarily for a mixture of arts, cultural and entertainment, educational, sport and recreation and other uses within the D1 (non-residential institutions) and D2 (assembly and leisure) Use Classes. Within the existing curtilage of the Palace some ancillary use for food and drink (Use Class A3), Business (Use Class B1), residential, hotel and conference purposes may be acceptable as part of a mixed-use scheme.

f) Not involve unacceptable levels of traffic that cannot be accommodated on site.

g) Protect the amenity of local residential properties.

Development proposals involving limited infilling of or extensions to, the palace should:

a) Not result in any greater impact on the purposes of including Alexandra Park and Palace within the MOL;

b) Not result in the height of the existing main ridge line of the roof of the Palace being exceeded;

c) Not result in any significant increase in the developed extent of Alexandra Palace;

d) Ensure the special architectural and historic setting of the Palace is preserved;

e) Ensure the effects on the setting of Alexandra Palace are acceptable;

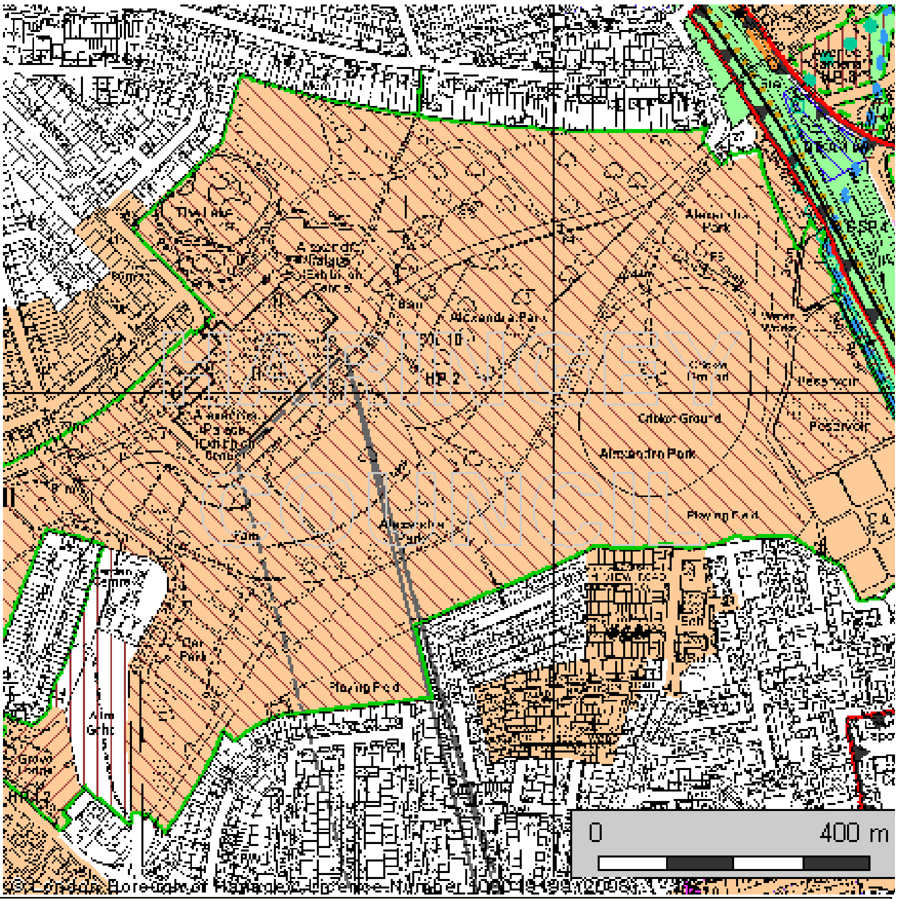
f) Be necessary to secure the restoration and future viable use of the Palace; and

g) Not adversely impact on the strategic views to St Paul's Cathedral and the City.

The supporting text to the Policy states:

> 'The Palace's proximity to Wood Green Metropolitan Centre makes it appropriate for mixed-use schemes, primarily for arts, cultural and entertainment uses. These schemes should have no adverse impact on the Town Centre.'

Proposals Map



Key	
	Strategic Views of St Pauls Cathedral (UD5)– The Viewing Corridor
	Ecologically Valuable Site (OS6) – Borough Grade 1
HP 1	Historic Park (OS7)
CA 1	Conservation Area (CSV1)
	Strategic Views of St Pauls Cathedral (UD5)– The Wider Setting
	Metropolitan Open Land (OS2)

3.2 LONDON BOROUGH OF HARINGEY LOCAL DEVELOPMENT FRAMEWORK

Haringey Council has started preparing the Borough's Local Development Framework (LDF) which, with the London Plan, will eventually supersede the London Borough of Haringey UDP and be the new Borough Development Plan.

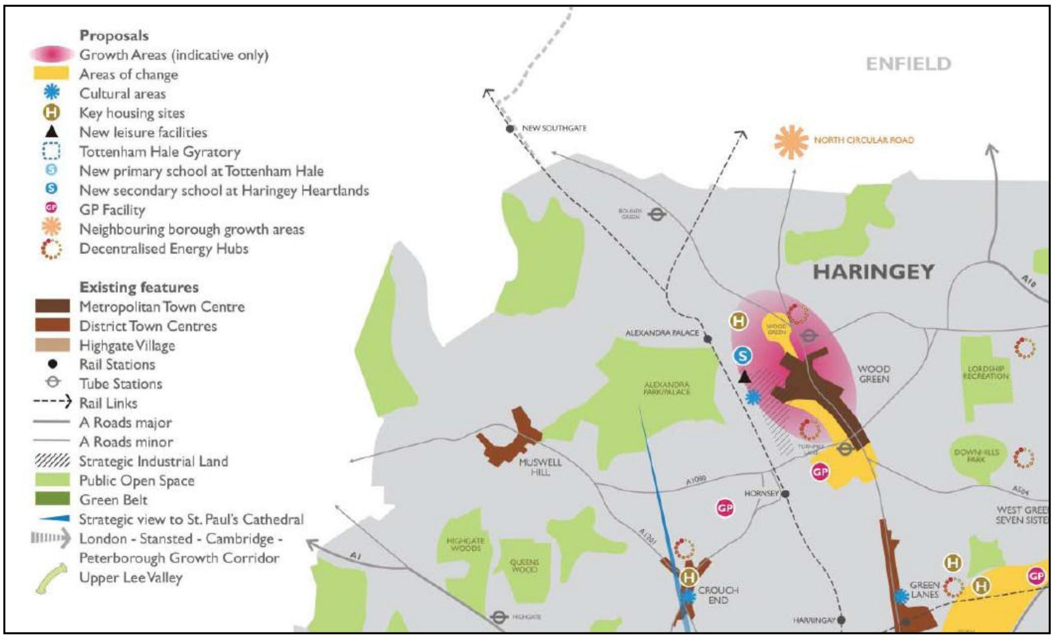
3.2.1 CORE STRATEGY

One of the LDF documents will be the Core Strategy to which all planning policies must relate. It will set out the spatial vision for Haringey, through strategic policies that cover the whole of the borough. The Core Strategy is the key policy document in Haringey's LDF and will bring together strategies relating to land use in an integrated manner to provide a long term spatial vision.

The Proposed Submission version of the Core Strategy was considered by Full Council on 24th February 2011 with a resolution for the document to be submitted to the Secretary of State for an examination by an independent Planning Inspector. The Core Strategy was submitted to the Secretary of State on Wednesday 9th March 2011.

An Examination in Public (EiP) is due to take place in May 2011 and the target date for adoption of the Core Strategy is November 2011 subject to approval by the Secretary of State.

Figure 71: Haringey Core Strategy Key Diagram



The Core Strategy Proposed Submission Document highlights the opportunity to create a 'Cultural Area' at Alexandra Palace to link up with the existing Cultural Quarter at Wood Green/Haringey Heartlands.

Policy SP15 states that the Council will safeguard and foster the borough's cultural heritage and promote cultural industries and activities through:

1. The development of the following cultural areas across the borough:
    - Tottenham Green;
    - Tottenham Hotspur;
    - Hornsey Town Hall;
    - Wood Green/Haringey Heartlands/Alexandra Palace; and
    - Haringey Green Lanes.
2. Supporting the provision of new work spaces and cultural venues that support cultural businesses particularly in cultural areas;
3. Protecting and enhancing, where feasible, existing cultural facilities throughout the borough.

The Council will safeguard and foster the borough's existing recreational and sporting facilities through:

- The protection and enhancement of sporting facilities in areas of deficiencies; and
- The dual use of the borough's cultural assets, such as land and buildings to meet the needs of local communities, for example meeting space, arts and leisure activities, opportunities for recreation and sport.

With reference to the Wood Green Cultural Area/Haringey Heartlands/Alexandra Palace, the Core Strategy states that further detail will be provided on the development of the Cultural Area through the Wood Green Area Action Plan.

3.2.2 DEVELOPMENT MANAGEMENT DPD

The Development Management DPD will provide a policy framework for development management functions and to determine development proposals. Once adopted, along with the Core Strategy, it will set out the key planning policies used in the determination of planning applications.

Haringey Council consulted on the DPD in May/June 2010 and are now collating and processing the responses in order to inform the next draft of this DPD, which is expected autumn 2011.

Policy DM26 of the draft Development Management DPD (2010) relates specifically to Alexandra Palace. At present, there is no change between the adopted UDP Policy OS4 and draft Policy DM26, with exception to the removal of reference to the Park, which is addressed in other draft policies.

3.2.3 HEARTLAND AND WOOD GREEN AREA ACTION PLAN

The Area Action Plan will provide an opportunity to assess the future potential of the centre to promote and expand retail, leisure and commercial uses and to contribute to the future regeneration of the area that will provide growth opportunities for housing.

It is intended that the Area Action Plan can also explore opportunities to improve access and connectivity to the adjoining cultural and heritage areas and landmarks.

The preparation and scoping of this document has yet to begin and we understand that the programme set out in the Local Development Scheme Second Revision September 2010 has slipped. We have been informed that work is likely to commence on the preparation of this document in 2012.

4 LISTING NOTICE

From English Heritage

Building Name: ALEXANDRA PALACE
Parish: HORNSEY
District: HARINGEY
County: GREATER LONDON
Postcode:

LBS Number: 462017
Grade: II
Date Listed: 01/10/1996
Date Delisted:
NGR: TQ2953389973

Listing Text:
TQ 2989 MUSWELL HILL, N22
800-/22/10031 Alexandra Palace

Former International Exhibition Hall and 'People's Palace'. Rebuilt 1873-5 by John Johnson and Alfred Meeson following fire damage to the first building of 1868-73 by the same architects. Built by Kelk and Lucas. Restored 1980-88, following second fire in 1980, by the Alexandra Palace Development team led by Dr Peter Smith. Cast-Iron and steel columns with walls of white Huntingdon and yellow stock brick embellished with patterned red brickwork in the Italianate style. Classical mouldings and ornaments such as cornices, volutes, keystones, lions' heads etc. made of Portland cement.

PLAN: symmetrical about a great central hall which corresponded with the central transept of the original building and runs between the north and south frontispieces which survived from that building. Flanking the great hall were open courtyard areas leading to domed and glazed spaces. Most of the internal walls defining this plan survive. On the west side, the concert hall to the north and refreshment rooms to the south have gone. On the east side, the theatre auditorium to the north and the former refreshment rooms adapted for studios by the BBC in 1935 survive.

EXTERIOR: North elevation: Least fire-damaged area. Central frontispiece with pedimented gable and large recessed rose window, now blocked, above entrance porch which connected to the approach from the former railway station. East and west elevation: entrance fronts and vestibules behind largely rebuilt 1980-88 in original form and reusing structural ironwork in part. South elevation: Central pedimented and gabled frontispiece with large recessed window above entrance porch. Patterned brickwork in gable. Arch flanked by tall 3-light windows separated by half columns with segmental pediment above. Two storey, 15-bay colonnade either side, divided into 3 sections and terminating in square towers. The upper colonnade is arched with stone columns, the lower has flat arches resting on brick piers. The tower at the south-east corner was adapted in 1935 to house offices and studios for the BBC with metal canted bays and the addition of a tall steel latticed girder mast on top.

INTERIOR: Survival of the original interior is patchy. The principal areas of interest lie in the eastern part of the building: the auditorium in the north east and the television studios in the BBC wing in the south-east corner. The auditorium has fittings of interest which date from 1875. These include a balcony to the rear, a large raked stage, a proscenium with niches and, below the stage, a complete set of Victorian stage machinery designed by Messrs Grieve and Son. The machinery comprises a series of wooden bridges, traps, pulleys and levers to enable large scene transformations in pantomime and melodrama, and the projection of props and actors onto the stage. It is the most pristine example in the country. Neoclassical decoration on either side of the auditorium dates from the 1920s when W. Macqueen-Pope was manager. The BBC studios 'A' and 'B' have historic rather than architectural interest. A significant feature in studio 'A' is the glazed control room or 'gallery'. Some original doors to the studios with brass porthole windows survive. To the west of the studios the original staircase survives with ramped wooden handrail, turned balusters and chamfered newel posts. Some original cast-iron columns with capitals survive on the ground floor in this part of the building. Some areas of the Palace have been demolished and are therefore of no interest; these are the unroofed spaces at the south-west and north-west corners. The central hall and west end (Palm Court) have been renewed sympathetically following the fire of 1980 and follow the original spatial form; it is the overall spatial qualities of these interiors, and that of the west hall, rather than their individual details, which are of interest.

HISTORY. The Palace was conceived by Owen Jones in 1858 to rival the Crystal Palace, which was built in Hyde Park for the Great Exhibition of 1851 and subsequently rebuilt at Sydenham Hill. Work did not actually begin until 1868 when parts of the recently dismantled Second Exhibition building in the Cromwell Road designed by Captain Fowke were reused in the new Palace designed by Alfred Meeson and John Johnson. It was opened in 1873 but closed within days following the fire. The second Palace, rebuilt in a different form and extended, was opened in 1875 for the use of north Londoners for exhibitions, lectures, concerts, theatrical performances and refreshment. In 1936, the BBC broadcast the world's first television programme from the Alexandra Palace, the beginning of a regular service of high-definition television broadcasting. The Palace is a renowned London landmark, a rare survival of a building type, and it has a unique price in the history of British popular education and entertainment.
Alexandra Park is on the English Heritage Register of Parks and Gardens.

SOURCES: Peter Smith: Alexandra Palace and Park Hornsey Historical Bulletin No.24; Ken Gay: Palace on the Hill, 1992; Iain Mackintosh (ed) Curtains!, 1982.
Listing NGR: TQ2953389973

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