

**Alexandra Palace & Park Board** **on 21<sup>st</sup> June 2011**

Report Title: **Governance Update**

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

**1. Purpose**

- 1.1 To report back on progress, following previous resolutions and activities of the Board in the following areas:
- a) Trustee Induction and governing documents
  - b) Structural changes to streamline processes and systems - the review of the APP Statutory Advisory Committee (APPAC) and Consultative Committee (APPCC).
  - c) Executive Restructuring and the recruitment of a Chief Executive Officer for Alexandra Park and Palace.

**2. Recommendations**

- 2.1 That the Board notes the progress to date in implementing a number of its previous resolutions on Governance and Future Vision outlined in this report.
- 2.2 That the Board notes that it will receive further reports on the matters covered in this report at future meetings of the Board.

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



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

**3. Executive Summary**

- 3.1 This report updates the Board on progress in implementing a number of its previous resolutions on Governance and Future Vision.
- 3.2 As much of the activity described in this report is work in progress by officers under delegated or specific authority, the Board is simply asked to note the contents of this report.
- 3.3 The Charity Commission has been engaged regarding the possibility of having a single Alexandra Park and Palace Statutory Advisory Committee, and Alexandra Palace and Park Consultative Committee. This report outlines the Commission's initial thoughts and seeks to interpret them in addressing the question of whether one committee is feasible.
- 3.4 The above Committees have held two joint meetings and arrangements have been made for the respective Chairs to meet to review the joint meetings and consider the recommendations of interested stakeholders.

3.5 Work is progressing on the recruitment of a Chief Executive officer and this report provides the Board with an update on the process at 6.7

3.6 Other matters arising, including the appointment of Independent Advisors to the Board and the new Finance, Audit and Human resources Working Group will be reported to the board at its meeting in July 2011.

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

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

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

5.1 N/A

### **6. Description**

6.1 At its meeting on 6 September 2010 the Board resolved to adopt an 'interim' model for structural change, including the appointment of Independent Advisors to the Board and a review of the Alexandra Park and Palace Advisory Committee and Alexandra Palace and Park Consultative Committee as the most appropriate phased approach towards the longer term aspiration of legal/financial independence.

6.2 At its meeting on 9 May 2011 the Board received an update on the remaining key tasks associated with developing the Governance of the Trust. Since that date there has been progress in implementing a number of these tasks and this is outlined in the report below.

6.3 At its meeting on 15 February 2011 the Board received a report on Executive Restructuring and the Board approved the initial process for the appointment of a new Chief Executive for Alexandra Park and Palace. Since that date there has been progress in implementing the Board's decisions.

6.4 Other matters arising, including the appointment of Independent Advisors to the Board and the new Finance, Audit and Human resources Working Group will be reported to the board at its meeting in July 2011.

#### **6.5 Trustee Induction and Governing Documents**

6.5.1 On 2 June 2011 Trustees were invited to attend the annual Induction Session for Trustees, where presentations were given by officers and the Trust's Solicitor and Trustees were given the opportunity to ask questions and to comment on matter of interest to the Board. Five of the Trustees attended, including both of those recently appointed to the Board.

6.5.2 At the Induction meeting Trustees were given the usual comprehensive suite of documents prepared by the Trust's Solicitors, including the relevant legislation and orders that pertain to the Trust, annual accounts from recent years and the guidance documents recommended for Trustees by the Charity Commission.

6.5.3 Trustees also received individual copies of the Trustee Handbook (the contents of which have previously been reported to the Board). The Trustee handbook has at its hub the NCVO Code of Governance and it also includes Haringey Council's constitution, protocols for the Trusts' relationship with Haringey Council, the role of the General Manager and a range of policy and procedure documents.

- 6.5.4 The Trustee handbook also includes the Trust's Policy on managing Conflicts of Interest (including a Declaration of Interests form) and the Board's Code of Conduct for Trustees. At the time of writing, five of the seven Trustees have completed and signed these two documents.
- 6.5.5 All of the documents that comprise the Trustee Handbook will be available to download on the Alexandra Park and Palace web site [www.alexandrapalace.com](http://www.alexandrapalace.com) so the public will be able to access them when individual documents are updated or superseded.

## 6.6 Structural changes to streamline processes and systems.

- 6.6.1 At its meeting on 15 February 2001 the Board resolved that approval be given in principle to the adoption of a two-stage process with stage one the immediate implementation of a joint Alexandra Park and Palace Statutory Advisory Committee, and Alexandra Palace and Park Consultative Committee (Model 1) and stage two a reconstituted Alexandra Park and Palace Statutory Advisory Committee (Model 2);
- 6.6.2 The Board instructed the Interim General Manager to investigate the practicalities of having a single Alexandra Park and Palace Statutory Advisory Committee, and Alexandra Palace and Park Consultative Committee and to seek legal advice and Charity Commission guidance in order to advise further on this matter.
- 6.6.3 It is recognised that whilst the APP Statutory Advisory Committee (APPSAC) is constituted in an Act of Parliament, there could be means of enhancing its current remit/membership. The Trusts' Solicitor has advised;
- 6.6.4 "That the APPSAC, as a creature of statute (the 1985 Act) can only be subject to change, either as regards membership or functions, by a change in the law. Such change could only be made in a limited way. Paragraph 14 of Schedule 1 of the 1985 Act provides as follows:

Where it appears to the trustees and to the Advisory Committee expedient for the purpose of assisting the continuation of the Advisory Committee-

(a) to make such amendments to sub paragraphs (a) to (f) of paragraph 2 of this Schedule as appear to be appropriate in the light of any alterations made or to be made in the names or areas of the wards therein mentioned or

(b) to amend the provisions of paragraphs 4 to 13 of this Schedule

then with the approval of the Charity Commission expressed in writing or of the Chancery Division of the High Court expressed by order, they may by resolution of the Trustees and of the Advisory Committee make such amendments."

In respect of the amendments above referred to, those in sub paragraphs (a) to (f) of paragraph 2 are the names of the wards to be represented and those in paragraphs 4 to 13 are essentially constitutional matters.

These provisions could permit changes to membership and constitution.

The Act does not contain any provision for amendment to the functions or terms of reference of the Committee.

If such changes were to be proposed, the Charity Commission might be prepared to permit

them by a Charities Act Scheme. This could be a slow process and will almost certainly entail wide public consultation. Details would of course be considered with the Commission in accordance with recommendation 2.5 of the Report.”

- 6.6.5 The Interim General Manager and the Trust’s Solicitors have made contact with the Charity Commission regarding this matter and initial correspondence has been exchanged, updating the Commission on recent developments in the governance of the Trust in order to give the context for the request to consider permitting changes wider than those set out in the Act by a scheme.
- 6.6.6 At the time of writing, dialogue with the Commission will resume following the Board’s consideration of the review of the Joint Meetings referred to above.
- 6.6.7 The Commission was asked whether there could be a single committee, combining the members and roles of the SAC and Consultative Committee. The Commission’s initial view of the practicalities of having a single SAC and Consultative Committee may be summarised below;
  - 6.6.7.1 For the purpose of providing their advice, the Commission sought clarification in terms of breaking the proposed single committee down into its constituent parts. These were membership and functions.
  - 6.6.7.2 The Commission in their communication have transposed the issues and dealt with them as "Scope" and "Composition." On scope, the short answer is that there is nothing to prevent the SAC widening its scope and consulting on matters beyond those upon which it is obliged to consult.
  - 6.6.7.3 On composition, the short answer is that the membership categories cannot be altered. What may be useful in the response is that the Commission no longer seems to have any objection to additional attendees at the SAC.
  - 6.6.7.4 However matters have moved on since then and the Commission now state, that there is nothing to prevent the SAC from inviting additional attendees. The SAC would of course need to be careful that this did not interfere with the statutory jurisdiction.
  - 6.6.7.5 One option for future consideration may be for the present arrangement of a single meeting of both Committee members to be formalised. This would probably require the adoption of a new constitution for the SAC and eventual abolition of the CC.
  - 6.6.7.6 It has been suggested by some stakeholders that Trustees should sit on any reconstituted Alexandra Park and Palace Statutory Advisory Committee. It is the firm view of the Interim General Manager (with which the Trust’s solicitors concurs) that this would not be appropriate. Some years ago, the Charity Commission expressed concern that there were members of the Board who were also members of the SAC. It indicated that it would be better practice for the Board members not to be members of the SAC. This was because membership of both committees would only add to the conflicts of interest faced by Board members.
  - 6.6.7.7 The Commission may alter its view on the above but in the opinion of the IGM it is unlikely to do so.
- 6.6.8 Board Members will be aware that two joint meetings of both Committees have been held on 5 April 2011 and 31 May 2011.
- 6.6.9 As requested by the Board, a review of the Joint Meeting of both Committees by the respective Chairs took place on 4 May 2011 and a second review meeting has been

arranged for 20 June. The Chair of the Board may wish to provide a verbal update to this Board meeting.

6.6.10 The Board will receive further reports on this matter at future meetings of the Board.

## **6.7 Executive Restructuring and the recruitment of a Chief Executive Officer for Alexandra Park and Palace.**

6.7.1 The Board was updated with the progress with the appointment process at the last Board meeting on the 9 May 2011 following the Executive Restructuring Report to Board on the 15 February 2011.

6.7.2 In preparing this update report, the Interim General Manager has liaised with the Council's Director of Corporate Resources to whom the Board has delegated, acting on behalf of the Council's Chief Executive in his "charity capacity", and in consultation with the Chair of the Board, the finalisation of the interview process and the documentation required to commence and finalise the search and recruitment.

6.7.3 The search process and external advertisement were completed with the closing of applications on the 11 May 2011. The various stages of the recruitment process are being undertaken during June with final interviews scheduled for the end of June.

6.7.4 The remuneration package and full job description/person specification documents were approved in accordance with 1.1.2 above. On the basis of legal advice received, the Chief Executive will be an employee of the Council.

6.7.5 The changes to the Council Constitution, so that the Trust may appoint its new Chief Executive in full accordance of The Local Authorities Standing Orders Regulations (S.I. 2001/3384), were approved at the annual Council meeting on the 23 May 2011.

## **7 Consultation**

7.1 There has been no specific consultation on this report beyond the liaison with the APP Statutory Advisory Committee and APP Consultative Committee, the reviews of the Joint Meetings mentioned above and the Stakeholder meetings described in previous reports to the Board.

## **8 Recommendations**

8.1 That the Board notes the progress to date in implementing a number of its previous resolutions on Governance and Future Vision outlined in this report.

8.2 That the Board notes that it will receive further reports on the matters covered in this report at future meetings of the Board.

## **9 Legal Implications**

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

9.2 The Council's Acting Head of Legal Services has no comments on this report.

## **10 Financial Implications**

10.1 The cost of the Chief Executive recruitment exercise will be met from the Trust's 2011-12 revenue budget.

10.2 The Chief Financial Officer has no additional comments to make on this report.

### **10.3 Use of Appendices/Tables/Photographs**

None.