

Report Title: **Report of the Director of Property & Regeneration, Alexandra Park and Palace**

Report of: Kerri Farnsworth, Director of Property & Regeneration, Alexandra Park and Palace

1. Purpose

1.1 To update the Board on recent developments and activities, in particular:-

- i) Fabric Conservation (incl Theatre)
- ii) HLF Project Progress
- iii) Commercial Development Opportunities
- iv) Regeneration Programme governance & team restructure
- v) Forward 12-mth Programme for Property & Regeneration

2. Recommendations

2.1 That the Board notes the contents of the report and expresses its views as appropriate.

Report Authorised by: **Duncan Wilson, Chief Executive Alexandra Palace and Park**



Contact Officer: Kerri Farnsworth, Director of Property & Regeneration, Alexandra Park and Palace, Alexandra Palace Way, London N22 7AY Tel: 0208 465 4316

3. Executive Summary

- 3.1 Fabric Conservation & Facilities Maintenance
- 3.2 HLF Project Progress
- 3.3 Commercial Development
- 3.4 Regeneration Programme governance & team restructure
- 3.5 Forward 12-mth Programme for Property & Regeneration

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

4.1 N/A

5. Local Government (Access to Information) Act 1985

5.1 N/A

6. Fabric Conservation & Facilities Maintenance

English Heritage Fabric Repair project

- 6.1 Works to both the SE pavilion and the Southern Colonnade have now achieved practical completion in line with agreed programme and budget, with only minor site clearance remaining.
- 6.2 English Heritage have been pleased with both the quality of the works carried out by the contractor and the management of the works by the Trust. They have indicated a willingness to work with APPCT again, subject to a longer-term fabric maintenance strategy being put in place (see item 6.6 below).

Interim repairs - Theatre and North Wall

- 6.3 A decision was taken to undertake interim repairs to the Theatre auditorium ceiling roof in advance of the main HLF project. The reason for this was that by securing the ceiling and enabling public usage of the space, APPCT would have a 'window' of 12-18 months (dependent upon when the HLF works physically commence onsite) in which to test the programming and the actual in-house operations aspects of events in the Theatre auditorium - both of which are fundamental to its long-term success.
- 6.4 After initial investigations it was discovered that the access arrangements from above the auditorium ceiling, which had been assumed to be in place to enable the repairs to be undertaken, were in need of improvement. Works are hence now underway to permanently improve above-ceiling access and then to carry out the ceiling repair works (consisting mainly of re-fixing and reinforcing previous interventions). These works will be completed by end of November 2013.
- 6.5 Urgent repairs are also being carried out to the North Wall to secure and/or remove loose cement render and vegetation (ivy). These works should be complete by November 2013. To take advantage of the temporary access structures, a structural survey was also undertaken which has identified a number of potential additional remedial works.

Surveyor to the Fabric

- 6.6 Following an external competitive tender process, the conservation architects Purcell have been invited to take up the role of Surveyor to the Fabric. Their first task will be to complete by the end of the year a 'Fabric Maintenance Plan' (FMP) which sets out a prioritised strategy for fabric repairs & maintenance for the Palace for the next 10 years.

Victorian Theatre Stage Machinery

- 6.7 Following discussions with English Heritage we have agreed to take a number of key stage machinery components, which they are disposing of, as a gift. They came originally from the pre-WWII stage machinery at the Savoy Theatre, and comprise a 35 foot long shaft and 10 foot diameter drum. We are in discussions with the eminent Victorian theatre historian, David Wilmore, who we hope will advise us as to how we might incorporate this equipment to make the stage machinery at least partly functional.

6.8 We are working with a specialist theatre digital technology company (set up by a member of the Friends of the Theatre) on the potential to develop a virtual reality iPad app that will enable visitors to better understand how the sub-stage machinery worked and the effects it was capable of producing on the stage. It is thought that this would be the first time that virtual reality technology has been used in this way. The company have applied for funding support from the Arts Council for the technical development of the software as a pilot at Alexandra Palace. A decision from the Art Council is due imminently. If successful it is hoped that the first version of pilot app will be ready by the end of the year. APPCT is not financing the project, which is at the technology company's risk.

6.9 Facilities Maintenance

Significant progress has been made on capital investment to maintain the Palace in 2013/14, with 78% of the budget having already been expended or committed. There has been positive feedback from staff within both the Trust and the Trading company, notably on the helpfulness & effectiveness of the new Estate & Facilities Manager, and the positive impact this is having upon operational matters. Whilst capital budgets remain tight for a building the age, scale and condition of Alexandra Palace, a modest budget has identified to deliver a number of 'invest to save' items have been identified for delivery this year, notably on reduced maintenance and energy efficiency - for example the new Great Hall amenity lighting system. Many of these items have a 'return on investment' of only 2-3 years - ie. that is the timescales over which the amounts that they will save will be equal to the cost of the initial investment.

In addition measures have been put in place with the Palace's third party facilities maintenance & security provider, Europa, to drive improved performance and generate cost efficiencies.

7. HLF Project Progress

7.1 A good deal of progress has been made on the HLF project. Discussions are underway with a number of key external organisations, including the BBC, BFI and National Media Museum, on strategic partnerships/alliances. The team has also collated a considerable amount of historic information about the BBC and the Victorian Theatre, both from proactive research and from direct approaches from third parties.

7.2 A new 2-year post of Fundraising Manager for the HLF project is being recruited, with a key focus on funding opportunities from the likes of trusts, foundations and major bodies such as the GLA and Arts Council. We are now reviewing the scope and remuneration of post with the advice of specialists in this field, since the initial response was disappointing.

7.3 As reported at the last Board meeting in July, we have been progressing a number of major procurements for the required professional consultant team. The table below sets out the detail and status of these procurements:-

	Procurement route	Current procurement status
Design-led multi-disciplinary team	OJEU (2-stage open)	ongoing - 60% complete. Special Board meeting arranged of 19 Nov to approve recommendation or appointment. LBH Cabinet confirmation to follow at their meeting on 17 Dec.

Quantity Surveyor/Cost Consultant	GPS Framework	complete - Mott McDonald appointed in June 2013
Project Manager	CRCS Framework	ongoing - appointment to be made imminently
Interpretation Planner	APPCT direct tender	brief being finalised for issue by mid-Oct 2013

HLF reporting

7.4 The first regular progress report was submitted to HLF in September, and accepted without comment. Informal feedback from the HLF is that they are very happy with the progress made to date, and the planned forward programme.

8. Commercial Development

8.1 'Soft market testing' (ie. informal market testing) for the potential hotel development site and event spaces/business at the western end of the Palace has been undertaken with a focused range of hotel chains, real estate investors, event & visitor attraction operators/managers and property developers.

8.2 The timing of the soft market testing (over the summer period) did impact upon the level of responses, but the responses received were on the whole very considered and detailed. However there are a number of points of clarification that need to be resolved prior to being able to go out to the market in formal developer appointment process.

9. Regeneration Programme governance and team restructure

9.1 All actions arising from the spring Audit of AP Regeneration Programme Governance by LB Haringey's Internal Audit section have now been completed.

9.2 Following the approval of the new Terms of Reference for the Regeneration Working Group (RWG) by the Board at its meeting in July, discussions are ongoing regarding the introduction of new members to RWG. Our advisory Board member Bob Kidby, with considerable commercial property experience, has agreed to join the RWG for an initial term of six months. He will strengthen the RWG's links with the main Board.

9.3 Following a review of the Property & Regeneration team against the anticipated future work programme, the team has been restructured. The post of Regeneration Programme Manager has been dis-established and a new post of Property & Regeneration Manager created with a greater focus on the technical skills that will be required to deliver the planned investment, including fabric maintenance, commercial development and the HLF project.

10. Forward Programme for Property & Regeneration

10.1 A summary of the forward key delivery items and milestones for the next 12 months is as follows:-

Oct-Dec 2013

- formal start for HLF Project Manager & Cost Consultant
- appointment of Design-led multidisciplinary team and formal commencement of design process; appointment of HLF Fundraising Manager and Interpretation Planner

- procurement of commercial real estate legal advisors
- HLF pre-enabling investigative works (thru to Dec 2013)
- match-funding business case submitted to LBH
- formalise strategic relationships with BBC, BFI, National Media Museum, etc
- Theatre interim works complete
- 10-yr Fabric Maintenance Plan completed by Surveyor to the Fabric (Purcell)

Jan-Mar 2014

- Regeneration Strategy Group workshop (incl HLF PM & design team)
- appointment of HLF Collections Management Planner and Activity Planner (if req'd)
- finalise 2014/15 capital budget & work programme
- formal HLF review
- completion of all major 2013/14 capital investments
- HLF design complete to RIBA Stage C (new RIBA Work Stage 3)

Apr-June 2014

- HLF Stakeholder Design workshop and public consultation (separate)
- detailed design & procurement of 1st package of Fabric Maintenance Plan works
- consult SAC and Board on market testing parameters and HLF project design development
- formal HLF review

July-Sept 2014 2014

- RIBA Stage D design complete; submit for Planning & Listed Building consent
- submit HLF Round 2 application
- formal HLF review

11. Legal Implications

- 11.1 The Council's Head of Legal Services has been consulted in the preparation of this report, and has no comments.

12. Financial Implications

- 12.1 The Council's Chief Financial Officer has been consulted on the contents of this report and has no additional comments to make.