

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

Report of: Duncan Wilson on behalf of Kerri Farnsworth, Director of Property & Regeneration, Alexandra Park and Palace

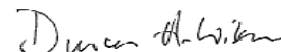
1. Purpose

1.1 To advise members of the Board on a number of areas relating to property and regeneration at Alexandra Palace and Park.

2. Recommendations

2.1 That the Board notes the updates on Regeneration, Facilities Maintenance, Property, Fabric Repair and Park-related matters.

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



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3. Executive Summary

3.1 An update on the HLF project, notably the Planning & Listed Building applications and the Round 2 submission.

3.2 An update on Property, Fabric and Facilities Maintenance-related matters, including positive progress on an energy efficiency drive.

3.3 An update on Park-related matters, including a new orchard planted in December 2014.

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. Regeneration Update

HLF Planning and Listed Building applications

- 6.1 As updated verbally at the Board meeting on 9 December 2014, the applications for the Planning and Listed Building consent for the HLF project were submitted on programme in November 2014. The documents submitted - totalling over 20 plus over 100 plans & drawings - were all statutory requirements, except for the Equalities Impact Assessment (EqIA) which was an additional supplementary document requested by LB Haringey Planning.
- 6.2 At the close of the formal consultation period on 19 Dec 2014 a total of 31 responses had been received, as set out below:-

Statutory responses

- Thames Water (support)
- English Heritage (support)
- Natural England (support)
- Theatres Trust (support)
- Alexandra Park & Palace Conservation Area Advisory Committee (holding response)

In support

- 16 private individuals
- Alexandra Park Club (Cricket, Football and Youth Football clubs)
- Friends of the Theatre

In objection

- 10 private individuals

Neutral (where a response is received but does not confirm if in support or in objection)

- 4 private individuals (2 apparently in support, 1 apparent objection & 1 unclear)

- 6.3 The Committee should note that LB Haringey Planning agreed to accept further responses up to the date of the scheduled Planning Committee on 16 Feb 2015. At the time of completing this report the following additional responses had been received:-

Statutory responses

- London Fire Brigade (support)
- Alexandra Park & Palace Conservation Area Advisory Committee (objection)

In objection

- 3 private individuals
- Councillor Clive Carter (NB. signed as a 'Trustee of Alexandra Palace & Park Charitable Trust')
- Association of Industrial Architecture

In support

- Friends of the Park
- Friends of Alexandra Park
- CEX of The Roundhouse
- 2 private individuals

Members should note that LB Haringey have confirmed that one letter of support was submitted in error twice on the official response website, Planning Portal, but had already been numbered and uploaded on the list of responses to the planning

application before they had realised this. This Board paper has taken account of this.

6.4 The geographical distribution of respondents to date is set out in the table below:-

	Post code	No. of responses
IN SUPPORT (total = 22 + 6 statutory = 28)		
	N22	9
	N8	2
	N13	2
	N10	1
	N19	1
	N17	1
	N6	1
	Tottenham	1
	N4	1
	SG5	1
	not given	2
OBJECTIONS (total = 15 + 1 statutory)		
	N10	5
	N8	2
	NW11	1
	NW3	1
	NW2	1
	SE19	1
	SL6	1
	TF8	1
	not given	2
NEUTRAL (total = 4)		
	N22 (n/k)	1
	N8 (obj)	1
	IG8 (supp)	1
	not given (supp)	1

HLF Round 2 submission

- 6.5 All but one of the documents required for the HLF Round 2 funding application (a total of over 25 documents, plus 47 letters of support) were submitted on 22 December, as agreed by HLF. The outstanding document was the Business Plan for the project, which following a late request for further information by the HLF was submitted to the HLF by the agreed deadline of 16 Jan 2015.
- 6.6 In February 2014 LB Haringey advised that Years 1 and 2 of the match funding required for the HLF Round 2 submission had been approved, and that Year 3 would be approved in February 2015. However it has recently been indicated by LB Haringey that only Year 1 of the match funding is secured and that a review is underway of Years 2 and 3. If reduced this would impact negatively on the HLF Round 2 funding application.

Pre-HLF Round 2 decision activities

- 6.7 A final tranche of surveys & investigations will proceed in advance of the HLF Round 2 decision being known, which will be funded from existing Trust revenue allocations. As well as further informing the design team, these will help to inform the preparation of tenders for a package of Enabling Works (to be funded by the main HLF funds, if the Round 2 submission is approved) and the tender brief for the Main Contractor, thus reducing risk and cost exposure on both.
- 6.8 The Enabling Works package referenced above will include a soft strip and removal & stabilisation of asbestos. This will provide a sterile construction site for the Main Contractor, which will further reduce risk, programme duration and associated costs.
- 6.9 The procurement route for the Main Contractor has been subject of extensive soft market testing, and now agreed with HLF to be a Traditional 2-stage tender (PQQ and ITT). This approach facilitates early Contractor involvement during Stage 4 of design to advise on buildability and programme considerations, and hence - if managed carefully - better cost and delivery certainty. The first stage of this procurement process, the Pre-Qualification Process (PQQ) can proceed ahead of the HLF Round 2 funding decision, as - if worded correctly - there is no exposure to abortive cost claims should for whatever reason the HLF funding decision be delayed or the funding application not approved.
- 6.10 The second stage of Main Contractor procurement, the Invitation To Tender (ITT), would not commence until the HLF Round 2 funding was secured.

HLF Project Programme

- 6.11 Assuming we are successful with planning and HLF applications, the key milestones for the HLF project going forward would be:-

Jan-March 2015	completion of final site investigations & surveys preparation of Enabling Works tender documents 1 st stage (PQQ) of Main Contractor OJEU procurement
February 2015	decision on Planning & Listed Building applications
March 2015	HLF Stage 2 funding application decision
April/May 2015	formal HLF Permission to start
May 2015	commence 2nd stage (ITT) Main Contractor OJEU procurement commence RIBA Stage 4 design
May-July 2015	procure Enabling Works contractor
Aug 2015-Feb 2016	Enabling Works package delivery
November 2015	RIBA Stage 4 design complete commence Stage 2 (ITT) Main Contractor procurement
spring 2016	recruit new HLF project staff (Activity Plan and Digital Archivist) finalise Main Contractor Stage 2 appointment commence RIBA Stage 5 commence works onsite
spring & summer 2017	recruit new HLF staff (East Wing-specific)
autumn 2017	construction completed and client handover

	new facility commissioned
winter 2017	complete formal evaluation reports

Key HLF Stakeholder Relationships

- 6.12 The Director-General of the BBC gave a supportive comment for the HLF Planning and Listed Building applications and the Round 2 HLF submission, along with a letter of comfort. A formal contractual agreement will be unlikely to be forthcoming until a decision is made on the Round 2 HLF submission in March 2015.
- 6.13 BBC Worldwide have been unable to progress discussions further on the retail facility within the East Court due being in their peak trading period, however discussions will re-commence shortly. This aspect of the scheme is not however critical, and could be added later.
- 6.14 Memoranda of Understanding (MOUs) and partnership/collaboration agreements have now been put in place with 6 partners, which were included within the Round 2 HLF submission. Discussions are ongoing with other key stakeholders such as the Science Museum Group (including National Media Museum) and the BFI.

HLF reporting

- 6.15 A sixth quarterly progress report for the period to end-Dec was submitted on programme to HLF and has been accepted as a good record of progress.

7. Property, Facilities Management and Fabric Conservation Update

Landlord & Tenant matters

- 7.1 Contractual rent reviews are also underway with three tenants, which should be result in a modest increase in income.

Facilities Maintenance

- 7.2 Good progress has been made on the transition from a third-party combined Facilities Maintenance and Security Services delivery arrangement to services being brought in-house. Staff have worked hard with the current service provider, Bilfinger (formerly Europa), to package up their current 35 service contracts into 14 services packages; 4 of the most business-critical and poorest-performing packages have already been re-procured directly by the Trust, with average cost savings of 15% achieved along with better service level agreements.
- 7.3 Work on procuring the remaining 10 service packages will continue over the coming months to make sure all are in place by the end of the Bilfinger contract on 1 November.
- 7.4 Staff are also endeavouring to work with colleagues at LB Haringey to commence the 2-stage procurement of a Security Services provider, which due to the value of the contract and Haringey's Contract Procedure Rules, needs to be a lengthy OJEU procurement delivered by LB Haringey. This contract will also need to be in place and operational by 1 November.
- 7.5 A new Contracts Administrator role has been created to assist with all of the above, with the appointed candidate commencing at the start of March.

Palace Building Energy Efficiency Drive – outcomes to date

- 7.6 Over the last 12 months the Director of Property & Regeneration and the Estates & Facilities Manager developed a strategy to drive down the Palace's considerable energy costs, which at the time of both staff commencing their posts (spring 2013) totalled £840k pa. The strategy had several approaches, including capital investment in 'invest to save' items with a short (2-3 years) payback period; extending and scrutinising energy use monitoring; implementing new regimes & policies; working with utility providers; and encouraging behavioural change amongst staff, contractors, etc.
- 7.7 Examples of individual interventions include:-
- testing & confirming the ability to switch off boilers over the summer period, reducing gas usage from £20k/mth to £4k/mth for that time
 - installation of a new BMS (Building Management System) which allows boiler use to be individually controlled and set to building use requirements
 - installing variable speed drives on heating pumps to optimise power consumption
 - an internal campaign using staff briefings, posters and stickers to ensure equipment, lights, etc, are switched off when not in use and not left in stand-by mode (including the Great Hall amenity lighting, which was previously left on 24 hours/day)
 - installing smart metering in over 30 locations to enable identification of high areas of consumption, and to adjust settings, charge accurately for individual events, etc.
 - appointing new maintenance contractors (eg. external lighting) who are replacing old fittings with new, more energy efficient fittings (eg. LED, solar) where possible on a rolling basis, and working with us to identify future efficiencies
- 7.8 Combined with external envelope repairs taking place under the Fabric Maintenance Plan, which is making the building more weather-tight, we are now starting to see the benefit of the initiative, with this financial year's energy expenditure outturn anticipated to be in the region of £780k. This is in the context of available capital resources being very limited; energy prices rising on average 10% per utility per annum; and a steady increase in the number of events taking place in the Palace, leading to an approx. 20% increase in 'event days' and therefore greater associated energy use.
- 7.9 In addition staff are continuing to roll out a number of other initiatives and investments for the remainder of the financial year to April, including:-
- replacement of 2 of the 4 main boilers with a new energy efficient model, with a further boiler to be acquired in the financial year 2015/16 should budgets allow.
 - procurement of a new LED amenity lighting system for the Great Hall, which will reduce electricity usage by over 70% per hour and considerably reduce maintenance costs on remaining existing lighting systems (which are extremely maintenance resource-intensive). The new lighting system will then be installed in the 2015/16 financial year.

- installation of passive detectors in various areas to ensure lights switch off when the area is not in use eg. WCs, corridors, kitchens, etc
- installation of optimisers in fridges and freezers to reduce cooling demands
- conducting audits, spot checks and 'mystery shopper'-type activities to ensure good practice by staff, clients, etc

Fabric Maintenance Plan (FMP)

- 7.10 The final tranche of Priority 1 FMP works for 2014/15 is currently being tendered and will be contracted & completed by the end of the financial year in March.
- 7.11 The ability to deliver the works planned for 2015/16 is likely to be significantly limited by the reduction in capital budget recommended by LB Haringey from £500k to £400k for 2015/16. The best that can be hoped for will be a 'standstill'. If the Trust achieves better than forecast income it will look to use this to supplement capital budgets in 2015/16, but this cannot be guaranteed.

8. Park Update

Update on Campsbourne Section 106 project

- 8.1 The project is now 95% complete, with only the works to the track to the rail depot to be completed. This has been delayed by a water leak, which was thought to be due to a faulty Thames Water valve, however repair of this valve has not resolved the leak so investigations as to the cause are ongoing.

Thames Water unauthorised reservoir boundary fence

- 8.2 In late-September the Trust became aware that Thames Water had erected a very large and, in our view, inappropriate and unsafe fence on the Park side of the boundary by the reservoir, thereby cutting off access to the reservoir viewing platform which both parties had previously agreed to install. The fence had been installed without the Trust's consent or agreement, on Trust land, and without the required planning or Conservation Area consent.
- 8.3 The Park Manager made a formal complaint to Thames Water through their customer services. In October we became aware that the fence had been moved onto Thames Water's side of the boundary, but it was still the same fence. A further complaint was then lodged about a second instance of unauthorised access and erection of a fence without our consent or agreement and without the required consents, but no reply was elicited.
- 8.4 Legal advice was therefore sought, and the Trust's lawyers, BWB, wrote to Thames Water in November 2014 setting out in full the Trust's complaint and request for remedies. A copy of the letter is attached at Appendix 1.
- 8.5 Thames Water's legal advisors responded to this letter on 19 January. They allege that they had to erect the fence as trespassers are getting onto Thames Water land from the bird-watching platform: however they could not provide any information to evidence this. They said they would revert back to BWB after a site meeting 'in the next few weeks' but refused to give details to enable Trust staff to participate, nor would they agree to meet AP staff. The fence remains in situ.

- 8.6 It is recommended that if the Trust has had no further response or remedy by 19 February ie. a month after the initial response from Thames Water's lawyers - a formal complaint is lodged with LB Haringey as local authority. Members would also be welcome to submit their own direct representations, either as individuals or on behalf of any groups of which they are members.

Campsbourne Playcentre Refurbishment (occupier: Dinosaurs Playgroup)

- 8.7 Renovation works have now been completed, and the occupier is very pleased with the outcome. The final project cost was £75k, as per the budget agreed with LB Haringey's Assistant Director for Corporate Property & Major Projects.
- 8.8 We are still awaiting Dinosaurs Playgroup to confirm their new management structure, so that the new lease can be put in place. We were advised by the Playgroup that this would be finalised in January 2015, but as yet is not confirmed.

Planning Applications

- 8.4 There have been no new applications for planning-controlled changes by tenants.

Park Development Projects Update

- 8.5 *Urban Orchard at AP*
- 8.6 The planting day took place on 3rd December as planned, with children from neighbouring primary and secondary schools, Park volunteers and staff from John O'Conner's head office involved in planting 26 fruit trees.
- 8.7 Attempts to date to recruit volunteer 'Orchard Leaders' have met with limited success, possibly due to the autumn/winter timing; a further recruitment drive will take place in the spring.

High-level Adventure Course / Go Ape

- 8.8 The SACC-CC on 20 January accepted the recommendation of staff for the final course design. Go Ape and staff will now work together to prepare for a planning submission by Go Ape in the spring.

A further paper on Go Ape will be considered in the Restricted Items section of the meeting.

New Park Vision

- 8.9 Work is underway to consider the future "Vision for the Park" alongside the ongoing work to regenerate the Palace. Landscape designers Exterior Architecture have been appointed to create an illustration of the key areas where efforts will be focused in future. Themes currently being considered are connectivity, woodland management, play and facilities. A series of stakeholder engagement sessions is planned for spring 2015, and members of the Committee will be invited to contribute. All of this work will be funded by existing 2014/15 budget allocations.

Dog Control Orders

- 8.10 An external company, Parkguard, were appointed to work for 20 hours in the Park up to December 2014 to advise dog walkers on 'good neighbour' dog walking

practices. Feedback from the informal AP Dog Walkers group has been very positive, and Parkguard have produced a report setting out their key findings.

- 8.11 As part of considerations of the Park 2015/16 budgets staff will consider if a small allocation can be made to appoint Parkguard to undertake some work in the Park at peak periods eg. Easter and summer school holidays.
- 8.12 New legislation - 'the Anti-Social Behaviour Crime & Disorder Act' - will be brought in in 3 years' time, which will incorporate legislation relating to dogs and hence supersede Dog Control Orders. Staff have already written to LB Haringey to request that we are fully involved in the consultation that will be required to implement this new legislation in the borough.

9. Team Staffing

- 9.1 The current Director, Kerri Farnsworth, has resigned and will be leaving on 1 March (although due to accrued but unused leave her last working day was 4 Feb). The Trust is looking at a replacement strategy focusing on the requirement to deliver the HLF project.

10. Legal Implications

- 10.1 The Council's Assistant Director Corporate Governance has been consulted in the preparation of this report and has no comments.

11. Financial Implications

- 11.1 The Council's Chief Financial Officer has been consulted in the preparation of this report, and notes the concerns highlighted by the Trust in relation to the draft capital allocations for 2015/16; covering the match funding for the HLF project; and general infrastructure / asset repairs. Cabinet will review the recommendations on 10 February with final ratification by Full Council on 23 February.

12. Use of Appendices

- 12.1 Copy of letter from Trust lawyers BWB to Thames Water dated 10 November 2014.