

**UNRESTRICTED MINUTES OF THE ALEXANDRA PALACE AND PARK BOARD
MONDAY, 17 DECEMBER 2007 AT 18:00HRS**

Councillors *Cooke (Chair), *Egan (Vice-Chair), *Beacham, *Dogus, *Hare,
 *Oakes, and *Peacock

Non-Voting *Ms Val Paley, Mr Mike Tarpey, Mr Nigel Willmott
Representatives:

Observer: Mr David Liebeck

Also present: Also present: Mr David Loudfoot – General Manager Alexandra Palace
 Mr Iain Harris – Trust Solicitor
 Mr Keith Holder – Consultant Development Manager – Alexandra Palace
 Ms Julie Parker – Director of Corporate Resources – LB Haringey
 Mr Gerald Almeroth – Chief Financial Officer – LB Haringey
 Mr Clifford Hart – Clerk to the Board – Non-Executive Committees Manager
 – LB Haringey

**MINUTE
NO.**

SUBJECT/DECISION

<p>APBO32.</p>	<p>APOLOGIES FOR ABSENCE</p> <p>Apologies for absence were received on behalf of David Liebeck, and Mike Tarpey.</p> <p>NOTED</p>
<p>APBO33.</p>	<p>URGENT BUSINESS</p> <p>The Clerk advised that there were TABLED comments in respect of Item 4 for consideration by the Board from the LB Haringey’s Chief Financial Officer, and there would be TABLED comments in respect of Item 8 from the LB Haringey’s Director of Corporate Resources, and Chief Financial Officer. Copies of both TABLED comments would be interleaved with the minutes.</p> <p>NOTED</p>
<p>APBO34.</p>	<p>DECLARATIONS OF INTEREST</p> <p>The Chair advised the Board that advice had been received from the Local Authority’s Monitoring Officer that those members of the Board who were also Directors of Alexandra Palace Trading Limited (APTL) will have prejudicial interests in both items exempt 7 & 8 on this evening’s agenda relating to granting a new licence to APTL and APTL finances. The interest was prejudicial as the agenda items would affect the financial position of APTL which is a body to which Members had been appointed to a position of general control or management by the Council (acting as trustee). This would mean that those Members could therefore not take part in considering these matters. It was possible for Members to attend for the purposes only of making representations and answering</p>

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questions and then they would have to leave this meeting during consideration of the item.

The Trust Solicitor – Mr Harris concurred with the views expressed from the Council's Monitoring Officer.

Councillor Cooke declared a Prejudicial Interest in Items 7 and 8, as an appointed Director of Alexandra Palace Trading Limited.

Councillor Egan declared a Prejudicial Interest in Items 7 and 8, as an appointed Director of Alexandra Palace Trading Limited.

Councillor Hare declared a Prejudicial Interest in Items 7 and 8, as an appointed Director of Alexandra Palace Trading Limited.

Councillor Oakes declared a Prejudicial Interest in Items 7 and 8, as an appointed Director of Alexandra Palace Trading Limited.

At this point in the proceedings (18.02hrs) the Chair advised that a letter from the Council's LB Haringey's Monitoring Officer regarding duties of confidentiality was in the process of being sent for consideration by Board Members. In order to consider the information it was necessary to adjourn the meeting to await the information's arrival.

The Chair then MOVED and it agreed nemine contradicente that the meeting adjourn for a 10 minute period. The meeting adjourned at 18.03hrs and reconvened at 18.13hrs.

**APBO35. OPERATING BUDGET - REPORT OF THE GENERAL MANAGER
ALEXANDRA PALACE - TO ADVISE THE BOARD OF THE 7 MONTH
RESULTS TO THE END OF OCTOBER 2007 AND THE FORECAST FOR THE
FULL YEAR 2007/08 (TO FOLLOW)**

In asking for a brief introduction of the circulated report the Chair advised the Board that the issues contained therein did in part refer to issues pertaining to the exempt items for consideration. The Chair commented that it had been quite widely known what the current situation was in relation to the current licence arrangements but that it was likely that members would have questions of an exempt/confidential nature which were not permissible within the public part of the proceedings. The Chair therefore urged Members of the Board to be brief in their comments and confine them to issues of a non exempt/confidential nature.

The General Manager – Mr Loudfoot advised the meeting that the Board at its meeting on 6th February 2007 agreed to set its net budget estimate for 2007/08 at £740,000. This estimate reflected the limited direct activity of the charity post the transfer of the asset and mainly comprised the maintenance of the parkland, maintenance of the through road, maintenance of the buildings within the park (excluding the Palace), security within the park and professional fees associated with monitoring the development. Mr Loudfoot reported that arising from the uncertainty in respect of the actual date of receipt of the Order and subsequent

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transfer to the Firoka Group at that time the Board was advised that a further £65,000 per month was likely to be required for each month that the transfer of the asset was delayed beyond 31st March 2007. The local authority subsequently formally agreed to provide financial support in accordance with that estimate.

Mr Loudfoot went on to advise that significant additional costs had been incurred directly as a result of the continuing delay in the transfer of the whole operation. These costs were specific in nature being attributable to items such as rates and insurances, security, repairs & maintenance on the main building and the professional fees relating to the development. The original budget estimates assumed that any delay would not have been so protracted and as such had not fully allowed for the professional fees and other costs arising from the continuing delays in the transfer process. Currently the appendix I reported a cumulative actual at month 7 of 2007/08 was £1,409,000 and cumulative projected Month 12 was £2,459,000.

Mr Loudfoot advised that the reasons for lateness and the urgency in considering the report was due to the need for the Board to be appraised of the current and projected financial position, and information relating to this had not been available until very late the previous week.

Mr Loudfoot then advised the Board of the **TABLED** comments of the LB Haringey's Chief Financial Officer and read them out as follows:-

'A significant increase in the net cost of the Trust operation is now reported for this financial year. This is estimated to be £925k above the previous reported base line cost of £1.5m. Broadly it is understood that this is in respect of additional costs arising from the delay as well as the financial consequences of the continuation of the short term licence agreement with Firoka. The detailed position on this is not yet clear and it is recommended that further work is undertaken to verify the analysis of the additional costs and report back to the Board. A request to the Council for additional funding would be required in due course.

A concurrent report is on the confidential part of the agenda in respect of the trading company position and it may be prudent to discuss the overall financial position under that item.'

The Chair asked if there were any comments/views from Members.

Councillor Hare commented that whilst he was happy to have relevant issues pertaining to the exempt matters being discussed in the closed part of the proceedings he was of the view that there were members of the public present and enquired whether there could be some issues pertaining to the financial position of the Board discussed in open session.

The Chair responded that his concern was that, whilst he appreciated the public's attendance and interest, Members may inadvertently in the public domain stray in to areas that were of an exempt nature pertaining to APTL and associated finances. The Chair therefore reiterated his earlier comments relating to the need to ensure that matters of an exempt nature were recognised as such for the time being and only discussed in the closed part of the proceedings. It was the case

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	<p>that the public were being given as much information as was possible given the current situation of the Palace and its financial position.</p> <p>Councillor Hare responded that he wholly agreed with the comments of the Chair and that given the nature of issues pertaining to APTL he concurred with the Chair's view it was the case that these issues could only be discussed in closed session and there may be a danger of straying in to exempt matters if issues were discussed in open session.</p> <p>In response to comments from Councillor Oakes Mr Loudfoot advised that in terms of the £925k officers were perfectly clear as to where costs had been accrued but were currently unclear as to further costs.</p> <p>The Chair then summarised and it was:-</p> <p>RESOLVED</p> <ul style="list-style-type: none"> i. That the income and expenditure for 7 months to 31 October 2007 summarised at Appendix I of the circulated report be noted; ii. that the projected year end out-turn summarised at Appendix II of the circulated report and indicating an additional £925k of costs be noted; and iii. that it be noted that further work would be undertaken to verify the extent of the additional costs and a reported further to the Board.
<p>APBO36.</p>	<p>EXCLUSION OF THE PUBLIC AND PRESS</p> <p>RESOLVED</p> <p>That the press and public be excluded the from the meeting for consideration of Items 6-8 as they contain exempt information as defined in Section 100a of the Local Government Act 1972 (as amended by Section 12A of the Local Government Act 1985); namely information relating to the business or financial affairs of any particular person (including the authority holding that information).</p> <p style="text-align: center;">SUMMARY OF EXEMPT PROCEEDINGS</p>
<p>APBO37.</p>	<p>APPOINTMENT OF NON-EXECUTIVE DIRECTORS - REPORT OF THE CONSULTANT DEVELOPMENT MANAGER - TO AGREE THE APPOINTMENT OF 2 NON-EXECUTIVE DIRECTORS TO THE TO THE BOARD OF APTL</p> <p>AGREED RECOMMENDATIONS</p>
<p>APBO38.</p>	<p>REPLACEMENT LICENCE FOR APTL - REPORT OF THE CONSULTANT DEVELOPMENT MANAGER - TO ADVISE THE BOARD OF THE NEED FOR A REPLACEMENT LICENCE TO ALLOW APTL TO RESUME TRADING AND TO CONSIDER SUCH A REPORT</p>

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	AGREED RECOMMENDATIONS
APBO39.	FUTURE OF THE ASSET - CONSEQUENCES ON APTL- REPORT OF THE DIRECTOR OF CORPORATE RESOURCES - LB HARINGEY AGREED RECOMMENDATIONS There being no further matters to discuss the meeting closed at 19.27hrs. Councillor Matt Cooke Chair of the Board Councillor Sheila Peacock Chair of the Board for Items 7 and 8