



Alexandra Park and Palace Charitable Trust – Summary of Governance

1. Introduction

The Charitable Trust is responsible for Alexandra Park and Palace which is a Grade II listed building and the 196 acres of parkland that surround the Palace. The Powers and Duties of the Charitable Trust can be found in section 2.

1.1. Governing Documents

- 1.1.1. The Governing Documents for the Charitable Trust are collectively known as the Alexandra Park and Palace Acts and Orders 1900–2004.
- 1.1.2. Alexandra Park and Palace was created as a trust by Act of Parliament in 1900, with further powers being conferred by subsequent acts in 1903, 1905 and 1913. In 1967 the organisation became a Charitable Trust, and it was registered with the Charity Commission in 1981. A further Act was passed in 1985 amending the previous legislation. Finally, the Charities (Alexandra Park and Palace) Order was passed in 2004.
- 1.1.3. Together the Acts and Orders make for complicated reading and it is the purpose of this document to codify the current legislation in clear and simple modern language to assist interpretation.

1.2. Corporate Trustee

- 1.2.1. The Trust is subject to company and charity law and Charity Commission Regulation.
- 1.2.2. In 1980 the functions of the trustees were transferred to Haringey Council as Corporate Trustee, as follows:

To fulfil the functions, powers and duties of the Council as Trustee of Alexandra Palace and Park under the Alexandra Park and Palace Acts and Order 1900 to 1985 and, without prejudice to the generality of this, these functions include:

- (a) The duty to uphold, maintain and repair the Palace and to maintain the Park and Palace as a place of public resort and recreation and for other public purposes.
 - (b) Acting as the employing body for employees engaged in the working of the Trust at Alexandra Palace, and to be responsible for the setting of staffing policies, conditions of service and terms of employment of those employees.
 - (c) In relation to the Trust, being responsible for developing and monitoring the implementation of effective policies and practices to achieve equality of opportunity both for employment and service delivery.
- 1.2.3. The Charity's subsidiary company, Alexandra Palace Trading Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 29th July 1999.
 - 1.2.4. Haringey Council discharge their duty as Corporate Trustee of Alexandra Park and Palace to the members of the Alexandra Park and Palace Charitable Trust (APPCT) Board who

have delegated authority from the Corporate Trustee to control the entire management and administration of the Charity; the day to day running of which is delegated to the Chief Executive Officer of APPCT.

- 1.2.5. The APPCT Board is defined under Part 9 s177 of the Charities Act 2011 as a Charity Trustee. This is because the Charity Trustee Board (the APPCT Board) is charged with having the entire control and management of the administration of the Charity which includes the Park and Palace and any building upon it now or built in the future.

The existing governance can be codified in modern language as best as possible as follows:

2. The Trust and its Duties, Powers and Restrictions

Duties

- 2.1. The main duty* of the APPCT Board is to be effective in its purpose making all provisions necessary to ensure that Alexandra Park and Palace remains as a place of public resort and recreation forever.
- 2.2. The APPCT Board has a duty to consult with the Alexandra Park and Palace Statutory Advisory Committee (known as SAC) on the following matters and should have proper regard to any such reasonable recommendations of the Committee which are in the interest of the charity and consistent with the APPCT Board's main duty* ;
 - 2.2.1. the general policy relating to the activities and events arranged or permitted in the Park and Palace
 - 2.2.2. the frequency of activities and events attracting more than 10,000 people at any one time and the maximum number to be permitted on such occasions
 - 2.2.3. the adequacy of car parking arrangement within the Park and Palace so as to avoid overflow into adjoining residential streets
 - 2.2.4. any proposals which require planning permission
 - 2.2.5. the establishment and maintenance of the Park as a Metropolitan Park
 - 2.2.6. the furtherance of recreation and leisure in the Park and Palace.
- 2.3. The APPCT Board shall maintain and repair the Palace and all other brick and stone buildings in the Park.

Powers

- 2.4. The Powers of the APPCT Board are as follows:
 - 2.4.1. The Park and Palace can be sold, let or otherwise disposed of in part or whole, however Charity Commission approval must be sought and the outcome of the Judicial Review proceedings in 2007 must be considered.
 - 2.4.2. The APPCT Board can let part or parts of the Park (not exceeding 40 acres) and Palace for up to 22 years in line with the Board's main duty*; restrictions apply.
 - 2.4.3. The APPCT Board can lease part of the Palace (shown edged red on the Palace Plan) as a hotel for up to 125 years but the Trust cannot be the hotelier.

- 2.4.4. The APPCT Board can lease part of the Palace (shown edged red and blue on the Palace Plan), or for any other purpose that supports the main duty* of the Board, for up to 125 years.
- 2.4.5. The APPCT Board can rent certain areas (shown edged green on the Palace Plan) of the Park and Palace as car parks or stipulate reasonable charges for public parking.
- 2.4.6. The APPCT Board can enter into agreements with any person in relation to discharging the requirements under their main duty*.
- 2.4.7. The APPCT Board can enforce, amend or revoke the byelaws regulating the Park for the purposes of the Open Spaces Act 1906
- 2.4.8. The APPCT Board can make byelaws for regulating the use of the Park and Palace and in the interests of order and general convenience to the public.
- 2.4.9. The APPCT Board may provide free of charge reasonable accommodation for volunteer and educational purposes who are carrying out activities in line with the APPCT's main duty*.
- 2.4.10. Temporary structures can be constructed for the use and enjoyment of the Park as an open space and removed if and when their use is no longer needed.
- 2.4.11. The APPCT Board can generally do any act or thing which may in their judgement promote the use of the Park and Palace by the public.

Restrictions

- 2.5. There are restrictions over the use of some parts of the Park and Palace.
 - 2.5.1. The existing Theatre can only be used as a theatre, concert hall, recording studio or cinema and any other use for carrying out the Board's main duty but cannot be used as a hotel.
 - 2.5.2. There are restrictions if the Park and Palace is closed for more than 14 days per year.
 - 2.5.3. Public notices of the days the Park and Palace will be closed must be advertised at the main entrances to the Park at Bedford Road and Muswell Hill the Grove the Avenue North View Road and Alexandra Park Road and need to be advertised for at least two weeks before the planned closure there also needs to be advertised in a London daily newspaper once a week in the two weeks leading up to the planned closure.
 - 2.5.4. The Board are not authorised to close any part of the Park or Palace which is leased or licensed unless there is provision to do so in the leases or licenses.

3. APPCT Board Committees

3.1 Alexandra Palace Trading Limited (APTL)

- 3.1.1 APTL is the Charitable Trust's trading subsidiary which has been set up to protect the Charity's assets from the risks of trading; to create a separate administrative unit and to reduce tax liabilities.
- 3.1.2 A trading subsidiary must be used where there would be a significant risk to the assets of the Charity if it were to carry on a trading activity itself.
- 3.1.3 In line with good governance, on the Board of APTL there is currently:

- at least one person who is a trustee, but not a director or employee of the trading subsidiary
- at least one person who is a director of the trading subsidiary, but not a trustee or employee of the charity

3.1.4 These Directors are described as ‘un-conflicted’ as they have no conflict of interest in their roles.

3.1.5 These un-conflicted trustees and directors should advise their colleagues as to the proper course of action where the duties of those with dual responsibilities are in conflict. This reduces the risk of any transaction between the parent charity and the trading subsidiary being challenged or questioned.

3.2 APPCT Board Responsibilities relating to APTL

3.2.1 The APPCT Board must routinely monitor the performance of APTL, and of the parent charity’s investments in them, with a view to ensuring the good and proper use of the charity’s assets. They must be prepared to assert the rights of the parent charity as shareholder.

3.2.2 The APPCT Board must review regularly the relationship between the parent charity and the trading subsidiary. The purpose of APTL is to raise funds for the Charity, and its effectiveness in doing this should be monitored.

3.2.3 The APPCT Board must also exercise the Charity’s rights as shareholder in the trading subsidiary so as to promote the Charity’s interests. The directors of the trading subsidiary are responsible for its management, but other major decisions are for the trustees, as representatives of the parent charity. For example, APPCT Board are responsible for:

- the appointment/removal of the directors of the trading subsidiary
- the directors’ terms of service, including any remuneration
- the continuation, or dissolution, of the trading subsidiary
- The maximum number of directors shall be eight the minimum is two all of whom are appointed by the APPCT Board and shall comprise as follows:
 - Up to four shall be trustees of the Charity
 - One shall be an employee of the Company
 - One shall be an officer of the Council
 - Two others who shall not be officers or members of the Council, employees of the company or trustees of the Charity.

3.3 APTL Duties and Powers

Duties

3.3.1 The object of the company is to carry on business as a general commercial company to procure profits and gains for the purpose of paying them to Alexandra Park and Palace Charitable Trust or any other charitable body which succeeds to its charitable purposes.

Powers

3.3.2 The business of the company shall be managed by the directors who may exercise all the powers of the company.

3.4 Finance, Resource, Risk and Audit Committee (FRRAC)

Function

- 3.4.1 The APPCT Board constituted this Committee to assist the Board in fulfilling its responsibilities relating to finance, investment and risk.
- 3.4.2. The Committee does not have any delegated authority.

Duties

- 3.4.3 To make recommendations to the Board in respect of the appointment, re-appointment and removal of the external and , if any, internal auditors; to approve the remuneration and terms of engagement of such auditors; and to report on the circumstances of the resignation of such auditors;
- 3.4.4 To review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with the applicable standards;
- 3.4.5 To receive and review the internal audit overview letter and to discuss with the external auditor, before the internal audit commences, the nature and scope of the internal audit and reporting obligations
- 3.4.6 To monitor the integrity of the annual financial statements, in discussion with management and the external auditors, before submission to the Board, focusing on:
- The quality and acceptability of, and changes to, accounting policies and practices and financial reporting disclosures;
 - Decisions requiring a significant element of judgement
 - The clarity of disclosures
 - The going concern assumption
 - Compliance with relevant financial and governance reporting standards and requirements
 - Review of the external auditor's letter of representation, the management letter and audit findings letter raised by the external auditor to management in respect of the accounting records, financial accounts or systems of control together with management's responses on such issues;
 - To review the Charity's financial controls, internal control and risk management systems in discussion with management as necessary;
 - To consider whether there is a need for or continuing need for an internal audit function and/or any other assurance processes;
 - To ensure that appropriate procedures are in place for dealing with "whistle-blowing" and for investigating such matters where earlier resolution has not proved possible or where the matter has been specifically referred to the FRAC by the Board, a Board member or a member of the executive management team;
 - Any other topics referred by the Board.
 - Advising the Board with regard to significant financial decisions;
 - Overseeing the preparation of the financial statements;
 - Reviewing the annual financial calendar, the budget process and management accounts reports;
 - Overseeing the use of the financial resources including:
 - Balance sheet review;
 - The financial aspects of the pay remit process;
 - Pensions liabilities;
 - Mismanagement of funds/fraud.
- 3.4.7 The FRAC also has an Investment role, in relation to the prudential management of any surplus funds available for investment pending their application in the activities of the Charity.

- 3.4.8 To advise the Board periodically with respect to significant developments in the law and practice of corporate governance as well as the Charity's compliance with the UK Corporate Governance Code and related guidance and applicable laws and regulations.
- 3.4.9 To make recommendations to the Board on all matters of corporate governance and on any corrective action to be taken, as the FRAC may deem appropriate.

4. Statutory Advisory Committee

- 4.1. Under the 1985 AP&P Act a requirement was set for the Corporate Trustee to constitute an Advisory Committee to endeavor to ensure that no activities undertaken or permitted by the APPCT Board in the Park and Palace shall be a nuisance or annoyance, or of detriment to the amenities of local residents.
- 4.2. The Committee consists of 16 members; eight appointed by Haringey Council and eight members nominated by local residents associations.

Function

- 4.3. The powers and duties of the Advisory Committee shall be to promote the objects of the charity and assist the Trustees in fulfilling the trusts charitable purpose by considering and advising the Trustees on the following matters:
 - 4.3.1. the general policy relating to the activities and events arranged or permitted in the Park and Palace;
 - 4.3.2. the effects of such activities and events upon the local inhabitants and local environment;
 - 4.3.3. the frequency of activities and events attracting more than 10,000 people at any one time and the maximum number to be permitted on such occasions;
 - 4.3.4. the adequacy of car parking arrangements within the Park and Palace so as to avoid overflow into adjoining residential streets;
 - 4.3.5. any proposals which require planning permission;
 - 4.3.6. the establishment and maintenance of the Park as a Metropolitan Park;
 - 4.3.7. the furtherance of recreation and leisure in the Park and Palace.

5. Consultative Committee

Function

- 5.1. The Consultative Committee does not have any powers and has been constituted by Haringey Council rather than by Act or Order of Parliament, Charity Commission Order or Company creation.
- 5.2. Haringey Council set up the Committee with the following objects:
 - 5.2.1. To give representatives of appropriate local and national organisations the opportunity of full discussion on general matters affecting Alexandra Palace and Park.
 - 5.2.2. To give the Board of Charity Trustees the opportunity of discussion and explaining to the organisations matters affecting the overall policy and efficient management of Alexandra Palace and Park.
 - 5.2.3. To promote better understanding between the Board of Trustees, the Palace management and local organisations.
 - 5.2.4. To enable appropriate local (and national) organisations to participate in decisions of direct concern to them.
 - 5.2.5. To further the Alexandra Palace and Park as a conservation area.

6. Supporting documents *available on request*

1. Acts and Orders
 - 1.1. Alexandra Park and Palace (Public Progress) Act 1900
 - 1.2. Alexandra Park and Palace Act 1913
 - 1.3. Alexandra Park and Place Order 1966
 - 1.4. Alexandra Park and Palace Act 1985 (Statutory Advisory Committee)
 - 1.5. The Charities (Alexandra Park and Palace) Order 2004
2. Alexandra Park and Palace Charitable Trust Board Committees
 - 2.1. Finance, Risk & Audit Committee Terms of Reference
3. Trading Subsidiary Company
 - 3.1. Alexandra Palace Trading Limited Memorandum and Articles of Association 1999
4. Consultative Committee
 - 4.1. Terms of Reference