

Appendix 5 – Options appraisal: governance structure

The following options appraisal was prepared by an independent consultant (Steve Wyler) and approved at a joint meeting of the Boards of the Gunnersbury Museum and Park Development Trust and the Gunnersbury Estate (2026) CIC in February 2021.

1. Options for improving governance for Gunnersbury Park and Estate

A) Retain the current governance structure but make changes within the existing structure

Within the current structure several changes to governance arrangements could be considered, for example:

- A formal agreement between the CIC and Development Trust which encourages close alignment and co-operation, including for example regular joint Board meetings.
- A more transparent and open method of operation for the CIC Board and also for the Project Board, with clearer lines of accountability.
- A review of skills and experience/insight required for both the CIC and Development Trust, and how these can best be accessed, through Board membership or in other ways.
- A shared strategic plan which can be agreed by the CIC Board, Development Trust, Project Board and two Local Authorities, consistent with the Masterplan (and any revisions to it) and an accompanying set of principles and criteria to guide new developments and commercial and community activities, and which would inform a business plan and fundraising strategy.

B) Establish a parent charity and trading subsidiary

A charitable vehicle is a well understood and commonly applied model, in particular where a key consideration is to safeguard public benefit in perpetuity.

The charity, it is proposed, would need suitably wide powers to manage and develop the Gunnersbury portfolio (park, buildings, sports centre, museum collection and service) including fundraising and income generation consistent with the charitable objects. The charity would hold the lease, funding agreement and other formal agreements with the local authorities and with other funders. It would act as an open and accountable body for funders, partners, other institutional stakeholders, and for the local communities.

It is also proposed that the charity would establish a trading subsidiary which could undertake all trading including any non-primary purpose trading. This would reduce risk to the charity and any assets held by the charity. Surpluses from the subsidiary would be Gift-Aided to the charity and this is a well-recognised mechanism to minimise tax liabilities.

Furthermore under this arrangement the following is suggested:

- The two local authorities should have nomination rights to the charity Board and also to the trading subsidiary Board. The question of whether local authority places would best be held by officers, councillors, or even perhaps others nominated by the local authorities would need to be considered.
- The local authorities should maintain the Funding and Management Agreement, and this would be with the charity rather than the trading subsidiary. Teckal exemptions would not apply and further investigation would be needed to establish whether or not the local authorities would be required to undertake a formal procurement exercise in respect of the Agreement.

- There should be a transparent process of appointment of the independent members of the charity Board, and, it is suggested, there should be some common membership of Boards of the charity and trading subsidiary. It should not be assumed that the present members of the Development Trust and CIC Board should automatically become the Board members of the parent charity and trading subsidiary, although clearly a degree of continuity between current and future arrangements would be desirable.
- There should be provision to co-opt people with additional expertise and experience to the trading subsidiary, the Project Board, and to Committees set up by the charity Board.
- The position of the Project Board should be reviewed. One option could be for the Project Board (or possibly a series of Project Boards for different development initiatives) to report to the charity Board. There might be other ways to achieve effective co-ordination, oversight and reporting for significant development projects. Whichever method is adopted it will be important to ensure clear lines of accountability, and also to ensure the continued and active engagement at senior level of the main stakeholders, not least the two local authorities as the freeholders and democratically accountable bodies.

C) Establish a community benefit society

A community benefit society is a co-operative model, and would be registered with the Financial Conduct Authority not the Charity Commission.

This model would retain the safeguard of a public interest asset lock and furthermore allow the development of a broad community membership, on the basis of one member one vote.

It would also allow community shares to be issued (a significant means of capital fundraising for community-based projects such as pubs, shops and community energy schemes in recent years).

Tax exempt status could be achieved by establishing a charitable community benefit society, and that would also qualify for the Gift Aid scheme, but a charitable community benefit society would not meet eligibility criteria for those funders who are only willing to provide grants to registered charities.

2. Assessment of the governance options

The following table is a **provisional** headline assessment of the three options outlined above, and is presented for discussion and debate, noting that a range of variations within each of these options are possible and could affect the assessment.

	A) Retain current governance structure but make changes within the structure	B) Establish a parent charity and trading subsidiary	C) Establish a community benefit society
Vision and management			
Enables a clear vision for the whole estate	✓	✓✓	✓✓
Enables a unified management approach in line with the vision	✓	✓✓	✓✓
Stewardship			
Provides an asset lock in perpetuity	✓✓	✓✓	✓✓
Provides reassurance for local authorities as democratically accountable stewards	✓✓	✓	X

Provides access to a fully diverse set of skills and experiences/insights	✓	✓✓	✓
Avoids capture by organised interests	✓✓	✓✓	X
Stakeholders			
Encourages positive and active community engagement	X	✓	✓✓
Maintains engagement and commitment of local authorities	✓	✓	X
Avoids need for competitive tendering of management agreement	✓✓	?	X
Reduces risk if there are tensions between the two local authorities	✓	✓	X
Enables positive engagement of funders and other stakeholders	✓	✓	✓
Financial sustainability			
Enables fundraising from trusts and foundations	X	✓✓	X
Enables fundraising from public bodies and lottery distributors	X	✓✓	X
Enables fundraising from the public in the form of donations and legacies	X	✓✓	X
Enables fundraising in the form of community share issues	XX	XX	✓✓
Enables an entrepreneurial mind-set and allows income-generating trading	✓	✓	✓
Helps to manage commercial risk	✓	✓✓	✓
Allows payment of Board members (if required)	✓	X	X
Limits personal liability of Board members	✓✓	✓✓	✓✓
Is tax efficient (including VAT)	X	✓	✓
Increases prospects for overall financial sustainability	X	✓	X

Key: XX = strongly prevents, X = partly prevents, ✓ = partly helps, ✓✓ = strongly helps