



Learning Forum: Final recommendations on the CIC and Charity

*Prepared for Barking Riverside Limited
January 2022*

About this document

This document summarises the Learning Forum’s recommendations, as well as discussion of them and supporting documents.

It is built on extensive consultation and workshops conducted by the Learning Forum with residents and BRL representatives over approximately 18 months, from April 2020 until November 2021. The Learning Forum was funded by Barking Riverside Limited. It was chaired by John Swinney (Just Housing Group) and Andy Schofield (Curiosity Society) and included many hours of work by the local residents who contributed to it.

The Learning Forum gratefully acknowledges the organisational commitment and financial support by Barking Riverside Limited that made this process possible.

This document provides supplementary information to BRL’s submission to the Council regarding the Community Interest Company and proposed charity at Barking Riverside, planned for the start of 2022.

The sections in this document are:

1. A clear summary of recommendations related to the CIC and the Charity. These relate to the impact, resourcing and governance of the two organisations.	p.5
2. Discussion points , that give a view into the conversations and areas of debate of the Learning Forum	p.7
3. Outstanding areas that should be carried forward for future consideration. These are likely to be of interest and importance to the future boards of the two organisations.	p.12
4. Appendices including draft terms of reference for the roles, function and operation of the CIC governance structures proposed. These will need to be edited and adopted by the CIC board itself. They are intended as a starting point for discussion.	p.16

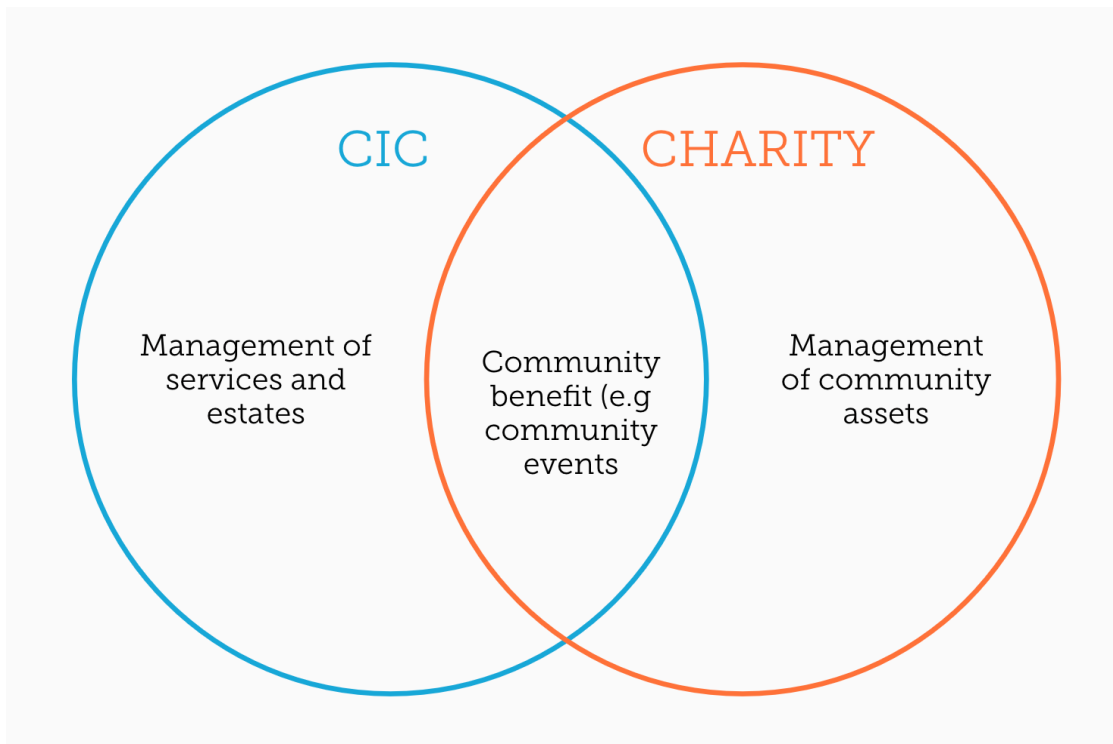
NB points 2, 3 and 4 are provided to show the thinking of the Learning Forum and ideas and options that might help future work by BRL, the CIC and the charity. They are not a formal part of the recommendations and there may be differences of opinion between Learning Forum members about them. Comments are welcome but these do not need to be resolved before the recommendations are submitted to the Council.

Two organisations

Before reading the recommendations, it is important to understand that they relate to two organisations, with different purposes, business models and governance. This is a development that took place during the work of the Learning Forum.

The original planning documents and brief for the Learning Forum did not specify that there would be one organisation, but the existence of the shadow CIC and the working assumptions of the Learning Forum were that it was designing a single organisation to perform functions relating to the management of the estate, the management of community assets and community benefit, as well as resolving long term questions of ownership and stewardship.

An important realisation in 2021 was that a single organisation was not ideal for performing all of the functions. Instead, there should be both a Community Interest Company (CIC) and a charity. The diagram below shows in a simple form how the two intersect around community benefit but have other functions that are distinct to them.



In brief, this approach:

- Separates out the different functions of estate services and asset management.
- Allows the CIC to move forward more quickly without the burden of buildings that are currently neither viable nor sustainable.
- Reduces the costs associated with the community buildings - it is more tax efficient (charities do not pay corporation tax) and will also reduce the rates that the organisation pays.
- Has a greater chance of raising funds from donation and charitable sources to the proposed Charity.

Of the two organisations, the CIC already exists and plans are well developed. The charity will be established in Spring 2022.

Once the charity is set up, community buildings will move across when they are running in a financially sustainable way. The Rivergate Centre has the potential to move in the short term. This would mean that the Charity will initially be taking over the management and ownership of the Rivergate Centre. Two other buildings could join in future: the Wilds Ecology Centre and the health and leisure hub.

Further discussion is included below on the rationale for using two organisations.

1. Summary of Recommendations

CIC	CHARITY
<p>Purpose and impact</p> <p>The Learning Forum recommends that the following statements are adopted as part of their governing documents by each organisation:</p>	
<p>The CIC exists:</p> <p>“To benefit those living and working on the Barking Riverside estate through the following;</p> <ol style="list-style-type: none"> 1. to deal with the freehold/leasehold interests and other assets on the Barking Riverside site, including the ability to influence/be consulted on quality of building/services provided by third parties; 2. to provide community and estate services during the development of Barking Riverside and after its completion; 3. to provide social inclusion and other community functions for the benefit of those who live in the area. <p>The company is responsible for the long-term stewardship of the development following the first occupation to further the interests of the community.</p>	<p>The purpose of the charity is as follows:</p> <p>“To oversee and manage the three community buildings for the benefit of the local community.”</p> <p>Possible charitable objectives should nonetheless be drafted to cover a wide range of possibilities, as suggested below.</p> <p>PRINCIPAL CHARITABLE OBJECT:</p> <ul style="list-style-type: none"> ▸ <i>Community Centre Objects</i> – for the benefits of the residents of the local neighbourhood, to provide facilities in the interests of social welfare for recreation and leisure time occupations <p>Suggested supplemental objects are:</p> <ul style="list-style-type: none"> ▸ <i>Environmental Objects</i> – to promote the conservation protection and improvement of the physical and natural environment ▸ <i>Arts objects</i> – to promote culture and the arts for the benefit of the local community ▸ <i>Social Inclusion Objects</i> – to relieve the needs of those that have become socially excluded ▸ <i>Community Capacity Building Objects</i> – to develop the capacity and skills of the socially and economically disadvantaged community of Barking Riverside ▸ <i>Relief of Unemployment</i> – eg through the provision of co-working spaces designed to enable individuals to become self-sufficient and generate a sustainable income ▸ <i>Urban Regeneration Objects</i> – the promotion of urban regeneration in areas of social and economic deprivation in Barking Riverside

CIC	CHARITY
Resources	
<p>1.To vest responsibility for management of the estate with the CIC, with ownership to follow in due course</p> <p>2. To work with BRL on the development of a longer-term budget and business plan for the CIC.</p> <p>3. BRL provides a subsidy to the CIC for the first two years for costs not covered by the estate charge, including governance. (see Appendix 6 for indicative governance costs.)</p>	<p>1.To agree a process for the transfer of community buildings from BRL to the charity. This needs to include how these can run on a sustainable basis.</p> <p>2. BRL to resource the development of a longer-term budget and business plan for the Charity (including confirming any subsidy or support)</p> <p>3.To create, with BRL, a transition budget for the charity. This transition budget needs to include funding for training of residents to play an effective role on the board.</p> <p>4. To support and work with the Learning Forum on the set up of the charity.</p>
Governance	
<p>1.'Ring fenced' issues where a 75% majority is required</p> <p>2. A majority of residents on the CIC Board: 5 residents, one independent (the chair) and three stakeholders, i.e. one representative each from BRL, the Council and L&Q.</p> <p>3.Two sub committees: Estates and Community Benefit.</p> <p>4.Resident members on the new CIC Board will initially be chosen from the Learning Forum.</p> <p>5.Long term arrangements around elections and voting will be agreed and actioned by the CIC board in year one.</p> <p>6.Residents will be involved in the selection process for the independent chair.</p> <p>7.Ongoing induction and training for new residents and community members.</p> <p>8.Non elected representatives on the CIC Board will serve for up to two terms of three years.</p> <p>9.Two agreements will be developed, one with BRL and one with the charity, covering areas such as underwriting for governance costs, events budget, training, communications, etc.</p>	<p>1. A proposed board of 7:</p> <ol style="list-style-type: none"> 1. Nominated stakeholder directors = chair of CIC, BRL and LBBB representatives 2. Four independent directors sought for their skills. These could be residents. <p>2. Two agreements will be developed, one with BRL and one with the CIC, covering areas such as stipend for running costs, events budget, use of space, communications, training for Charity board members, etc.</p>

2. Discussion points

This section looks at outstanding areas under the three headings for both the CIC and the Charity. Some of these comments apply more to one than the other. It is also the case that the working relationship between these two stakeholders, along with BRL and other organisations, will be very important.

1 – Impact

The Learning Forum considered what *managing*, *owning* and *community benefit* might entail as different workstreams for the CIC. (The exercise was conducted before the Charity was proposed and was not repeated specifically for the charity so this list has been edited to take account of the charity's proposed role in managing community buildings.) Some key points, ideas and questions for each shown below.

Managing

- Doing this well requires long term planning – with suggested horizons of 5, 10 and 20 years – something that needs to be built with the community.
- Importance of having the necessary skills and openness to these being provided by external contractors that the CIC would appoint and manage, or them being delivered directly through employed staff.
- Importance of involving business owners, particularly resident business owners, as well as local community groups.
- There is both a need and opportunity for the use of digital technology. One idea was that people should have the ability to report issues across different media (phone, web, mobile, text, etc.), including the ability for people to report these anonymously. A second idea was that residents should have easy access to a management database to see work being completed (against KPIs).
- Besides skills in estate management and finance, the LF noted needs for:
- Resident liaison, probably including some groups/forums, closely linked to the comms team. Residents would be involved in letting contracts, performance management, etc..
- Marketing, particularly to promote the facilities and generate income. In the short to medium term, this is likely to be provided by BRL. This is expected to be part of a Memorandum of understanding.
- Market management – with the potential for some expansion of activities on a seasonal basis, for instance at Christmas. This could also bring people together and complement the community benefit workstream.
- The charity will need asset specific knowledge – there was a feeling that a generic approach, whilst useful, would not be sufficient to manage the range of buildings.

Owning

- It was previously imagined that there would be a role for the CIC in influencing design and planning, in line with the views of the community and with an eye to the running costs of infrastructure for residents. This is particularly relevant to community buildings, hence it is anticipated that this would now be done by the Charity. However, the Charity does not exist yet. This is one reason why it is recommended that the Learning Forum continue to provide some continuity and help represent community perspectives.
- Cocreation of buildings with residents during the design and planning -, similar to what BRL has done with the health/leisure centre – was welcomed by the Learning Forum. Thought will need to be given to how the CIC and Charity might work together in future on this, so that public realm and community buildings work well together.

- The CIC can become a trusted source of information locally for what's coming. It can share and update people on future phases of the development and buildings works, as well as encouraging people to share their views.
- Ownership of assets requires a comprehensive knowledge of the assets the Charity is taking on, including how they are built. The Learning Forum imagined a formal handover of assets that included checking they are up to standard after construction, after agreeing to take them at planning stage. This would be complementary to understanding their projected financial viability. An indicative process is provided at Appendix 5.
- Technology again emerged as a theme, for instance the use of Geographical Information Systems to clearly understand what is owned. For the CIC, this would be focused on the estate. It was also proposed that handover information (e.g. technical documentation, specifications or guarantees) was also stored in this way.
- Additional skills for the Charity could include asset management, legal support and subject matter experts on call to advise on planning, finance, engineering, management, etc.. Checking the business case for large assets might require a mix of internal and external support. At the outset, the Charity will require support from BRL in the absence of its own funding.
- Training for board members (and sub-committees) of the Charity might need to be extended, for instance to the process that assets go through, from planning, to design, to transfer (and perhaps operation).

Community benefit

- There were questions over the future management of community events. BRL is minded to devolve organisation of these and there was significant discussion of whether this lies with the Charity or the CIC. The eventual point of view was that this should lie with the CIC, as it has greater resources to fund community activities than the Charity. The Charity is further from being operational, may not have such strong resident representation and, although it might be better placed to fundraise or seek sponsorship, it would have to fundraise to be able to manage these. Finally, community events predominantly happen outside, in the parts of the estate that the CIC will own and for which it will be responsible, so it is best placed to organise these.
- Previous discussion of the principles that might underpin community benefit took place earlier in the process. Suggestions included a proactive approach and making sure that all groups (for instance all ages) were catered for. This raises an interesting question about the extent to which community benefit is general, seeking to benefit all residents, and to what extent it might be targeted on those more in need. Though not specifically addressed, other comments suggested that there should probably be elements of both, for instance events that are available to everyone as well as support of more vulnerable or excluded groups, working in partnership with other organisations.
- Community benefit activities will be somewhat dependent on available income. For the CIC, this is likely to be dependent on income from advertising, parking and any other ways of gaining income from its spaces. In the event that there is a surplus after other costs are covered (e.g. governance costs), this surplus could be used directly by the CIC, or used to support other local charities, with the Charity being an important option. For the Charity, it will be receiving assets that operate at a surplus. It will need to build up some reserves but once these are adequate, the nature of a charity is that they are used for public benefit. The Charity may also raise funding from other trusts and foundations. This is something where a fundraising consultant could be used to test the availability of other funds. Finally, the "friends of" model may offer some additional income. Some additional income streams (e.g. from solar PV) are yet to be tested.
- Relationships and communications were again important, again with residents, and additionally with voluntary and community sector groups and the Council. Both the CIC and Charity should look to work with other groups rather than in isolation.
- Example activities, brainstormed rather than prioritised or agreed, previously included:

- Outreach programmes for the elderly to improve safety, access and community building, particularly for those that might be more vulnerable and/or lonely
- Events – for instance the fireworks event could be expanded
- Running a community chest that other groups could apply to
- Supporting community groups or community activities with spaces and equipment
- Improving services for young people and creating opportunities for them to contribute to the benefit of the estate and residents
- A Barking Riverside Pound to encourage local spend
- Improving access to work in the CIC's supply chain. (This could potentially be expanded to other employers in Barking Riverside.)
- Additional skills and resources required in this area might include:
 - Community and stakeholder mapping and management, including cross-cultural understanding and experience so that this can be an inclusive and sensitive function
 - Partnerships
 - Management of grants
 - A possible physical presence in the community (it was not specified whether this was staff, premises or both) in order to help pick up the views of local people
 - Capacity – which could be some or all of residents, volunteers or staff – to liaise with the community, engage in consultation, welcome new residents. Possible roles mentioned were a partnerships officer, a consultation/engagement manager and community liaison (of course subject to budget and not necessarily separate roles).

General points:

- What is the CIC's vision for Barking Riverside as a whole community? Describing this, including by drawing on existing visioning work, is important to have a clearer sense of what the CIC is aiming at.
- Trust, transparency and accountability are paramount – residents need to trust and feel represented by the CIC. There may be a trade off in some cases between acting quickly and responsively, without too much bureaucracy, and communicating and consulting more widely.
- Skills in negotiating and navigating conflict would be valuable to the CIC, as an extension of vital skills in relationship management
- Ideas on how to manage performance and measure the impact of the work included:
 - Inviting the views of local people on specific services as well as the CIC itself using Net Promoter Score, via a survey of residents
 - Use of resident meetings, management boards and regular problem solving sessions – also complements transparency and accountability
 - Value stream mapping and other continuous change/improvement methodologies
 - Management database accessible to residents so they can see progress against contract standards and KPIs
 - The success of assets can in part be measured by their performance against the business plan
 - Uptake of services and feedback on their perceived quality could be relevant for specific assets and community benefit activities

2 – Resources

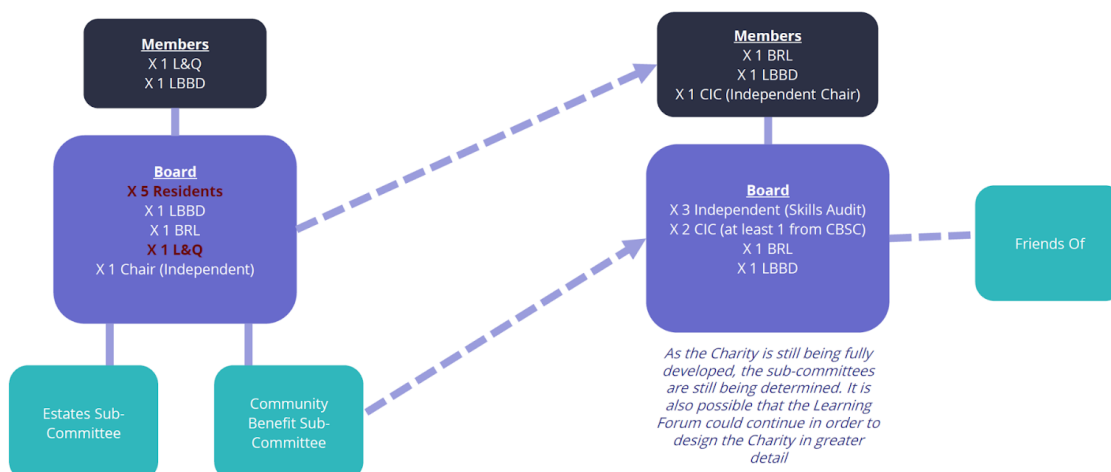
- There are questions around the resourcing for both the CIC and the Charity that will require significant business planning and market testing work to resolve.
- The proposed Memorandums of Understanding will also need to include clear sections on resources.
- Discussions at the Learning Forum included questions such as:
 - Will BRL provide further funding to either organisation if they are to take on community events e.g. fireworks?
 - What initial funding will the Charity need beyond set up and legal costs? For instance, are there additional transfer costs. What about management costs?
 - What are the specifics around the marketing services that BRL will be providing to the CIC?

3 – Governance, including the CIC Board Structure

The Learning Forum sees three broad groups that should be represented on the CIC board:

1. **Key stakeholders**, in terms of BRL, the Council, L&Q and the GLA (noting that not all may be required and there will be some changes over time, for instance when BRL completes the development and winds down. The views of the GLA on whether they were adequately represented by BRL was also mentioned. L&Q were recognised as having a particular long term interest as a partner and major landlord.)
2. **Local groups** – particularly residents but also business interests and community groups
3. **Independents**, who can bring particular skills, but also more objectivity and potentially help the board to integrate – “glue” was one analogy that emerged. Nominating an independent chair was generally seen as positive.

Although this was developed with the CIC in mind, before the Charity was proposed, similar principles apply to the charity. The diagram below shows the current proposals, with the CIC on the left and the Charity on the right.



With regards to the CIC, in most cases the board will want to seek a balance between different perspectives.

The “red lines” mean that significant decisions cannot be made without a 75% majority of CIC board members. The proposed red lines cover:

- **Structural changes:**
 - Changes in the relationship with main stakeholders
 - Introduction of new shareholders
 - Changes to the CIC’s rules/constitution/purpose/make up/structure, etc.
 - Mergers, acquisitions, etc
- **Significant financial decisions**
 - Distribution of any surpluses
 - Introduction of new investment (overlaps with new shareholders)
 - Any significant/material changes to the business plan
 - Close/terminate core business stream
 - Award of significant/material new contracts
- **Staffing decisions**
 - Appointment and removal of management team

Please note that these red lines have been discussed at length by BRL, the co-chairs and resident members of the Learning Forum. They form part of the recommendations.

3. Outstanding areas

This section covers areas where further decision making and collaboration will be required. It is recommended to all of the partners and those involved in the CIC and/or charity.

Elections to the board of the CIC

- The principle of elections in some form is firmly supported. How they are to be run will need to be worked out in more detail by the CIC. Options discussed include:
 - Link resident board member seats to the phases of the development, as people move into each phase;
 - Elect those with the highest number of votes regardless of geography;
 - Elect residents to an interim body, a “Community Forum”, of say 10-12 residents, which would then choose the appropriate number to be board members. Although this potentially introduces some complexity, possible advantages of this approach were that (i) it could potentially find a stronger and more diverse group than by elections alone and (ii) it could be a learning and training ground to develop local leaders and (iii) it could reduce the risk that a few board residents become long term board members without a succession strategy.
- Most Learning Forum members saw a benefit in encouraging representation across different phases of the development. There was also a view that in the event that a seat was not filled from a particular phase, it would be more desirable that there was another resident representative rather than a vacancy, even if they were from a different phase.
- Prior to elections, Learning Forum members who want to be interim resident board members can put themselves forward for interview with the current CIC board. Depending on the numbers and quality of the applications, the CIC board may appoint.
- The Learning Forum debated the relationship between ability and elections for resident board members. Some emphasised the need for skills and competencies; others pointed to the democratic choice as outweighing this. There was also a middle ground between the two. This would probably look like the board undertaking a skills audit and specifying what it most needed, then candidates indicating how they could contribute to this.
- Resident elections to the LF/community committee to be held regularly (timescales to be discussed and agreed). Elections will cover the whole estate and residents will be able to stand for re-election. Consideration will need to be given to the cost of such elections before confirming the precise approach.

Transition between people on the CIC board

The Learning Forum recommended staggered election terms to reduce the loss of organisational knowledge when board members step down. This is strongly preferred to a scenario where board members reach the end of their terms and potentially step down at the same time.

Given that some new resident board members are joining the CIC in two phases, this may be an opportunity to plan in staggered terms from the outset.

A further advantage of staggered rather than simultaneous terms is that as residents move into new phases, they could quite quickly vote for and stand as board members.

One way to do this would be to link elections to the CIC's AGM, so it becomes an annual event.

CIC Board Payments

During the course of the Learning Forum considerations it was proposed to make payments the independent and resident board members. This needs further discussion and legal advice. The draft governance budget is included as an appendix.

The future of the Learning Forum

The Learning Forum was envisaged as a time-limited mechanism for residents, BRL and others to work together, and so that residents could play a leading role in developing recommendations. This work is substantially done. However, whilst the CIC is more advanced, the Charity particularly will need further work and development.

BRL have suggested that the Learning Forum could continue at a reduced intensity to support the development of the Charity and this was welcomed by the Learning Forum.

The Chairs would like to note that:

- **Some refreshing of the group is probably appropriate.** Some members of the Learning Forum will join the board of the CIC and may or may not feel they have the time to be involved. Others may wish to step down. This is an opportunity to invite other people into the co-design process. Given the focus of the charity on community buildings, this may be of particular interest to local community groups, charities and social enterprises. The Chairs recommend this approach to involve even more voices, create a more dynamic discussion, and because it should contribute to better planning and outcomes for the Charity and local people.
- **The Learning Forum has people who are interested in the governance of the Charity.** Some could apply for the board. Others have strong networks in the local area and could reach out to different demographics. Whilst it is accepted that the recruitment of charity members is skills-led, it is highly desirable to make the most of local talent and encourage local and diverse representation on the board.
- **There may be a role for the Learning Forum (or something like it) in future.** An earlier version of the governance structure for the CIC proposed a Community Committee, onto which residents were elected from different phases of the development. This group would then nominate to the CIC

board. A key motivation for doing this was to provide a training space (similar to the Learning Forum) and stepping stone onto the board. It could have provided a way for more residents to be involved in the CIC and reduced the risk of a minority of residents taking on most of the responsibilities, potentially weakening the ability of the board to renew its membership, and thus weakening the democratic nature of the CIC and ultimately its governance. This structure was removed as being too onerous for a more stream-lined CIC, with community buildings held by the Charity. However, the chairs recommend that the CIC, the future Charity and BRL consider:

- How they maintain a depth of conversation and consultation with the communities of Barking Riverside, including whether the representation of their boards is sufficient to do this.
- How both organisations, but particularly the CIC, develop local people for future leadership roles
- If there are times when a joint forum might be valuable, for instance if design and planning of new facilities needs the input of residents as well as the CIC and the Charity.

Commercial spaces and organisations

Commercial units were discussed from multiple perspectives by the Learning Forum:

- As an area of interest to resident Learning Forum members - there was a general desire to see a good mix of shops and services that serve local people. As well as being customers, Learning Forum members also wanted to see enterprise opportunities for local people, running businesses, recruiting locally, and providing a strong independent element of retail and services.
- Meanwhile uses - BRL has an existing placemaking strategy and plans to activate buildings at key points. Earlier in discussions, it was considered how the CIC might play a role in this. For instance, the CIC might help to find groups that could use these spaces for community benefit. The CIC and Charity, both of which seek community benefit, should be involved in the decision making and activation of meanwhile uses. This can also help the first objective, for instance if a local enterprise could move from a meanwhile use to a commercial lease down the line
- Businesses as legitimate local stakeholders in the governance - business will also pay estate charge and are likely care how much this is and what it is spent on, in a similar fashion to residents. The numbers of commercial units are set to increase substantially in later phases. The CIC board will need to consider how to involve local businesses. The Learning Forum discussed but did not reach a recommendation on ideas such as a business sub-committee or even a seat on the board (which could be elected from such a sub-committee)
- Businesses as sources of funding and pro bono support. This could take several forms:
 - It could come directly from a business based in Barking Riverside. This might be a grant/donation to either the CIC or charity. Donation to the charity would have tax advantages. It could also be a pro bono gift, for instance of time or surplus stock.
 - It could be that the rent from commercial spaces provide an income to either the CIC or charity. When the CIC was under discussion, BRL suggested the option of commercial units next to the Rivergate Centre being donated to the CIC. This would have provided income from the rent (although the CIC would also have had the risk of non-payment of rent or empty shops).

These issues are likely to require future discussion.

Design and planning

BRL has been proactive in using codesign and collaboration to involve local people in design, planning and placemaking. This approach has been at the core of the Learning Forum process. It has facilitated the development of ideas and the emergence of the charity alongside the CIC board. These are all seen as positives and should be held onto going forward. It should also be noted that codesign is major theme in the governments' guidance for future relations between landlord and resident.

The modification of the CIC board to include residents and the creation of the charity as the likely owner of community buildings means that including both of these organisations in future codesign and collaboration will add to the sensitivity and robustness of future design activity.

Not only will the two organisations build up relevant expertise, they will also be responsible for maintaining assets for the long term.

4. Appendices

Please note that the following documents were prepared by the Learning Forum and consultant team at different stages in the process of developing the recommendations. They predate the creation of the Charity. They are provided for information and completeness, including to inform the work of the future organisations. They are not a formal part of the recommendations and are likely to need adapting before use.

1. CIC Board Charter and the CIC Board
2. CIC Estates Committee terms of reference
3. CIC Community Benefit Committee terms of reference
4. Role descriptions for the CIC chair and board members
5. Indicative asset transfer process
6. Draft governance budget

1. CIC Board Charter and The CIC Board

a. Purpose

The Board ("*The Board*") oversees the stewardship, accountability and leadership of Barking Riverside providing the clear-sighted strategic direction and alignment to the Vision, Values and Purpose. In doing so the Board seeks to balance the interests of the various stakeholders including local residents, and the various community groups and institutions (for example the schools), local businesses, the London Borough of Barking and Dagenham, London and Quadrant, the GLA and Barking Riverside Limited. Building and maintaining a successful and sustainable future is the core focus of the Board. In that context it will ensure that:

- That there is an appropriate strategy exists, consistent with the purpose of the Board and the combined interests of residents, the community and other stakeholders;
- That Vision, Values and Purpose are clearly articulated in line with the organisation's memorandum and articles;
- That it provides a governance framework that ensures:
 - Effective budgetary oversight and good financial and people governance
 - Efficient management of the estate and all related services
 - Ongoing development and delivery of community benefit including driving an events calendar and pursuing funding opportunities
 - Best management of all community assets
 - Best management of the total estate
 - Appropriate management and operational resources to deliver the purpose and strategy
 - Wider, inclusive resident and community involvement in achieving the above

b. Stewardship and Accountability

The Board is:

- Accountable for overseeing the management of the estate and all of its phases and those assets under its ownership
- Accountable for developing the business plan, delivering its outcomes and ensuring it is regularly reviewed and reflects stakeholder and community priorities and objectives
- Responsible for providing clear direction to its management and operational resources
- Accountable for ensuring financial probity and clear budget direction including ongoing monitoring of spend [AS1] and the identification of financial issues and challenges
- Responsible for the monitoring and reviewing of service performance to ensure key indicators are being met and that residents and commercial tenants are receiving value for money, as well as ensuring adequate quality of service
- Accountable for ensuring that the committee and governance structure is effective in delivering their terms of reference and target objectives/programmes.

- Responsible for evaluating The Board's and Committee's performance regularly and at least annually against the business plan, key indicators and agreed work programmes and budgets

In summary, the Board oversees performance and delivery against the business plan, community growth and stability, risk management, people strategies and cultural and financial governance.

The Board also ensures that there is effective and continuous communication with the community and other stakeholders on its role, work and remit. Facilitating engagement and consultation with residents, the community and stakeholders who are active and involved in Barking Riverside is, therefore, a priority.

The Board is collectively accountable for the effective execution of strategy and more broadly for the proper running of Barking Riverside.

c. Ethical Leadership

Members of the Board must be exemplars of the Values and purpose of Barking Riverside, acting with integrity, fairness and in the interest of the whole community. They are responsible for maintaining The Board's focus on inclusion, diversity, enrichment and trust [AS2] for the benefit of residents, stakeholders and the wider community.

The Board collectively embodies and promotes ethical leadership by asking the right questions and challenging poor and unacceptable behaviour. The Board oversees cultural governance including setting the tone on conduct and ethics.

d. Stakeholders

In carrying out its role the Board will seek to balance the interests of its various stakeholders. Only in this way can Barking Riverside have a successful and sustainable future, in line with its Purpose and Values. There will be a relentless focus on integrity, probity, excellence in service delivery and the effective engagement and consultation with residents and the community.

The Board will set and monitor its operating and governance in line with all relevant standards and guidance with the clear objective of meeting and wherever possible exceeding regulatory and statutory requirements. It is essential that The Board always has the trust and confidence of the community and its key stakeholders.

The Board's actions and decisions should build public trust and continually reinforce its reputation with the wider community and stakeholders. Barking Riverside seeks to be a beacon for a successful, sustainable and community led development. This will mean continually building on its reputation for fair and trusted relationships with the community, all stakeholders, businesses, community groups, suppliers and contractors.

e. Function

The Board will work in a collaborative way, always seeking consensus and shared agreement. The Board will examine issues and develop and agree solutions through different lenses to confirm that decisions made are in the long-term interests of Barking Riverside. The Board will ensure that decisions reflect its values and purpose and recognise economic value with risk and reward, consider competing stakeholder interests and then apply judgement to balance these factors in the particular circumstances of each issue.

Inevitably, decisions of the Board will have different and sometimes competing, or even opposite, consequences for different stakeholders. The Board will, therefore, always seek to identify the impact of its decisions on all stakeholders and, as far as possible, balance their interests impartially and equitably. However, should a circumstance arise where agreement cannot be obtained, a majority vote is final, notwithstanding the red lines set out below.

The Board will hold a Strategic Review event at least once a year to reflect on direction, progress and priorities.

f. Membership

- The Board shall comprise of [Nine] members:
 - five resident members;
 - one representative of L&Q;
 - one representative of the Council;
 - one representative of BRL
 - an independent member who will chair the Board.
- Members can serve for up to [two] terms of [three] years on the Board. They will be required to seek re-nomination at the end of every three-year term. This will be voted on at the AGM.
- - All Board members will serve on at least one committee. Board members will chair all of the committees. The size of committees will vary but, as far as is practicable, at least two Board members will be present on each committee, one resident and one stakeholder member. The Finance, Audit and Risk Committee will not [AS4] be chaired by the independent member.
- The five resident Resident Board members will be nominated from the Community Committee, to which residents will be elected by all Barking Riverside residents. .
- The Committees can co-opt additional committee members to fill skills or knowledge gaps. These can be residents, other local organisations, or external experts.

- There will be an Annual General Meeting (AGM) in [September] each year. This will be widely advertised across the community and open to all.
- The Board will meet a minimum of four times each year. Further meetings can be called to cover additional business and to consider specific issues in detail.
- The Board will hold regular training events which all committee members and co-opted will be invited to attend.
- The Board will elect a vice chair who will also be the senior independent director and will chair the governance and remuneration committee.

g. Chair

The chair will be recruited as an independent by the board.

h. Meetings

The Board meeting agenda and papers in relation to the Board meeting shall be circulated at least five working days prior to the Board meeting.

Except as otherwise stated in these terms of reference, the Board will determine its own procedures.

i. Quorum and attendance

The quorum for any meeting of The Board will be two-thirds of its membership ([six^[AS5]] members). The members of the Board may participate in a meeting from separate locations via Teams, Zoom or other appropriate systems.

j. Minutes

- Board members will receive a copy of the minutes of The Board and access to relevant minutes of the Board Committees.
- Minutes of the Board will be kept and filed by the Board secretary.
- A summary of Board meetings will be available to all committee members.
- A summary of Board meetings will be posted on the CIC's website.

k. Decisions

Generally, The Board will reach decisions based on a simple majority. However, there are a number of 'red line' issues where a [75]%(AS6) ([seven] out of [nine]) majority will be required. These red line areas are highlighted below. If there is a vote and there is no clear majority the Chair will have the casting vote(AS7) .

l. Review

On joining the board, members will sign a statement confirming their commitment and understanding of their responsibilities. This will include a declaration of interests, including other roles held. The board will require an annual update on these interests.

If a member of the Board finds themselves with a conflict of interest, they will immediately disclose this to the Chair and Senior Elected Board Member. A register of such declarations will be kept and be highlighted at the start of all Board meetings.

The Board will agree objectives annually that are specific and measurable and will regularly review its progress in meeting and delivering the objectives.

m. Board Reserved Matters

Specific matters that are reserved for the Board (and cannot be delegated) include but are not limited to the following:

- Values, Policies and People:
 - Approval of the Values.
 - Approval of key policies related to people, risk, culture, values, independence and ethics.
 - Approval of Inclusion and Diversity targets.

- Strategy and management:
 - Approval of the Board's strategy, long-term objectives, and oversight of delivery of the strategy.
 - Approval of the annual budget (including operating budget and capital expenditure), and oversight of performance against plan.

- Remuneration and Governance – approval of recommendations from Remuneration and Governance Committee

- Approval of the establishment of Board Committees and their terms of reference.

- Approval of the terms of reference for the Remuneration and Governance Committee including appropriate policies.
- Approval of changes to the structure, size and composition of the Board
- Appointments to the Board, including the appointments of Independent Non-Executives
- Risk Management
 - Approval of Barking Riverside's Risk Appetite and Statement annually (as recommended by the Finance, Audit and Risk Committee).
 - Approval of the Risk Management Framework (on the recommendation of the Finance, Audit and Risk Committee).
- Other
 - Approval of the overall levels of insurance for directors' and officers' liability insurance and indemnification of directors.
 - Any decision likely to have a significant material impact on the finances, operations, strategy or reputation of Barking Riverside **CIC**^[AS8].

The following will also be reserved Board matters and will require a [75]% majority (the Red Lines):

- Structural changes:
 - Changes in the relationship with main stakeholders - BRL, L&Q, LBBB, GLA
 - Introduction of new shareholders
 - Changes to the **CIC**'s rules/constitution/purpose/make up/structure, etc.
 - Mergers, acquisitions, etc
- Significant financial decisions:
 - Distribution of any surpluses
 - Acquisition of significant assets
 - Disposal of assets (post transfer from BRL)
 - Introduction of new investment (overlaps with new shareholders)
 - Any significant/material changes to the business plan (would need to define what constitutes as significant)
 - Close/termination of a core business stream - for example selling off responsibility for green spaces
 - Awarding of new contracts if they are significant/material
- Staffing decisions:
 - Appointment and removal of the management team

2. CIC Estates Committee terms of reference

a. Purpose

The purpose of the estates committee (the “EC”) is to provide direction, oversight, and support to the delivery and management of the estate including the procurement, monitoring and review of services and performance. To encourage resident engagement, innovation and the use of new technology, all as part of an ongoing commitment to continuous improvement, transparency, accountability and value for money.

b. Function

The key roles of the EC will be to:

- Develop and agree the strategic direction for the delivery of estate services across Barking Riverside.
- Ensure that the strategy is regularly reviewed (suggested guideline of once per annum) to reflect changing priorities, advances in technology, contract issues, internalising or externalising of services and so on.
- Work closely with the Estate Services (ES) team to provide strategic support in the delivery of services.
- To understand and scrutinise budgets related to Estate Services, in particular for the service charge, considering the balance of cost, service quality and other factors.^[AS1] This role will require working with the *Finance, Audit and Risk Committee*.
- Responsible for proposing targets and key performance indicators (KPIs) for approval by the **CIC board** (unless The the board chooses to delegate this task to the EC)
- Responsible for reviewing contractor and in-house performance against these targets and key performance indicators (KPIs).
- Oversee the procurement of contracted out estate-based services. Support the Estate Services team through the process.
- Receive regular performance reports, reviewing, scrutinising and challenging performance as necessary. Ensure that KPIs are regularly reviewed and that they remain relevant and up to date.

- Task and Finish Groups (TFGs) – the EC will set up TFGs as appropriate to review and report on aspects of the estate service – for example communal repairs or parking. Such groups will be supported by the ES team and may also access experts
- Training - provide a forum for the development of resident members knowledge and understanding of the estate service.
- Working with the Community Committee, to agree on ways to engage with residents, and other users of Barking Riverside, seeking their views and considering how their active involvement can enhance delivery of Estates Services
- Working with the Community Benefit Committee, to consider and identify opportunities within Estates Services to enhance wider social and environmental value.

c. Membership

The Estates Committee will be made up of

- one non- resident board member;
- one resident Bboard member;
- up to two other resident members from the Community Committee;
- In addition, the Committee can co-opt up to two other local residents to access specialist knowledge and/or technical experts.

Other stakeholders including residents may attend at the invitation of the EC.

The EC must have a minimum of one board member and one Community Committee member in attendance to be quorate.

d. Chair

The chair of the Committee will be agreed by the Board

e. Elections

The board will nominate 1 resident board member and 1 non- resident board member to sit on the Estates Committee. The Community Benefit Committee will nominate resident member to sit on the Committee.

f. Meetings

The EC will meet at least quarterly but will call extra meetings if business requires it.

g. Quorum and attendance

The quorum necessary for business to continue will be two Non-Executive Directors with the Chair, or the member deputised for that meeting, casting any deciding vote

h. Voting

- At all meetings each member present in attendance will have one vote.
- In the case of an equality of votes, the Chair will have a second or casting vote.

i. Minutes

A record of all meetings (whether minutes or a recording, as determined by the EC) will be publicly available and will be released on the CIC's website within four weeks of the meeting.

Items may by exception be identified as confidential and not recorded in the public minutes.

j. Review

The Estates Committee may instruct professional advisors and involve such experts as it sees fit to fulfil its responsibilities.

3. CIC Community Benefit Committee terms of reference

a. Purpose

The purpose of the Community Benefit Committee (the “CBC ”) is to support the identification and implementation of activities and initiatives that positively influence people’s wellbeing and sense of community. It is to do this in an inclusive and collaborative way, broadening discussions about community benefit and social impact with residents and organisations. The CBC will also inform decisions about how resources are acquired and allocated to achieve the committee’s objectives. The CIC will review activities, initiatives, and the relationships and infrastructure that support them to improve the CIC’s activities in this area and increase community benefit over time.

b. Function

The key roles of the CBC will be to:

- Develop and agree the strategic direction for Community Benefit and review this regularly (suggested guideline of once per annum), taking account of the local context and the activities of other groups and organisations.
- Develop processes and priorities for community benefit.
- Encourage collaborative and partnership working, building the capacity of residents and local organisations to work with other stakeholders, in pursuit of community benefit.
- Balance wider community benefit and high levels of inclusion with deeper work to support individuals, groups or organisations that have more specific needs.
- Generate ideas as to where the CIC can add value and to consider and potentially support the ideas of others.
- Maintain, update and regularly review a list of ideas and opportunities. This might include (but is not limited to) areas such as:
 - Running community events to increase social capital
 - Building the capacity of local residents and organisations
 - Development of community businesses and social enterprise
 - Opening up the CIC’s supply chain to social enterprise and community business
 - Developing a circular economy in Barking Riverside or more widely
 - Enhancing ecology and environment

- Facilitating access to and encouraging the uptake of community activities and facilities, whether owned or managed by the CIC or others.
- Understand and scrutinise budgets related to Community Benefit and, working with the Finance, Audit and Risk Committee. The CBC will develop its awareness of other streams of spending, from the council, grant makers, or others, identifying opportunities for the CIC and/or other organisations to bid for or otherwise obtain funding in line with the purpose of the committee. Any funding bids should seek to involve other organisations and build local capacity.
- Responsible for proposing objectives and, where appropriate, performance indicators, as well as reviewing progress against these.
- Develop members' knowledge and understanding of the community and its needs, creating a forum to engage with others and sharing what it learns.
- Consider training needs for the whole CIC and potentially partner organisations related to community benefit.
- Working with the Community Committee, to agree on ways to engage with residents, and other users of Barking Riverside, seeking their views and considering how their active involvement can enhance delivery of Estates Services
- Working with other committees, to consider and identify opportunities to enhance wider social and environmental value, as required
- Undertake all of its functions with a high regard for equity, diversity and inclusion.

c. Membership

The CBC will be made up of

- one non- resident board member;
- one resident board member;
- up to two other resident members from the Community Committee. In addition, the committee can co-opt up to two other local residents or organisations (e.g. schools or charities).

Other stakeholders including residents may attend at the invitation of the CBC.

The CBC must have a minimum of one board member and one community committee member in attendance to be quorate.

d. Chair

The chair of the Subcommittee will be agreed by the Board.

e. Elections

The board will nominate 1 resident board member and 1 non-resident board member to sit on the Community Benefit Committee. The Community Committee will nominate a resident member to sit on the Committee.

f. Meetings

The CBC will meet at least quarterly but will call extra meetings if business requires it.

g. Quorum and attendance

The quorum necessary for business to continue will be two Non-Executive Directors with the Chair, or the member deputised for that meeting, casting any deciding vote

h. Voting

- At all meetings each member present in attendance will have one vote.
- In the case of an equality of votes, the Chair will have a second or casting vote.

i. Minutes

A record of all meetings (whether minutes or a recording, as determined by the CBC) will be publicly available and will be released on the CIC's website within four weeks of the meeting.

Items may by exception be identified as confidential and not recorded in the public minutes.

j. Review

The Community Benefit Committee may instruct professional advisors and involve such experts as it sees fit to fulfil its responsibilities.

4. Role descriptions

Independent Chair of the Board

The Independent Chair will be recruited through a selection process and will stand for up to [two] terms of three years. The selection process will involve residents and key stakeholders.

Role and responsibilities

1. Lead the Board and the Executive to ensure effectiveness in all areas of the Board's role
2. Lead the Board in shaping the organisations strategic direction. Ensure the purpose and the resident led values that underpin Barking Riverside are core to the running and development of the area.
3. Ensure that all services delivered to the development are of a high quality and in line with community expectations. This will be achieved through the executive team.
4. Provide ethical leadership in the way the business is run and that the interests of stakeholders and the community are always considered and balanced in the broader context of creating a sustainable and vibrant locality
5. Ensure best communications with stakeholders, the community and residents. The Board will take oversight of communications, consultation and engagement so that it can shape and influence these objectives
6. In consultation with the Remuneration and Governance Committee develop effective succession planning arrangements to ensure that the Committees are resourced to achieve their objectives and that the executive support is appropriate to Committee workloads
7. Lead the appointment of a vice chair
8. Chair committees as agreed
9. Ensure the Board's committees are properly structured with appropriate terms of reference, and in consultation with other members agree their composition, encouraging all Board members to engage in committee meetings by drawing on their skills, experience, knowledge and, where appropriate, independence
10. Foster relationships across the Board and Committee structure and with the executive that is founded on mutual respect and open communication – both in and outside the Boardroom

11. Develop positive and productive working relationships with all members of the Executive
12. Lead on issues of Board development, including thorough induction programmes for new Board and Committee members and regular reviews of the effectiveness of the structure and people's contributions within it
13. Set the overall Board agenda including quality, culture and risk as well as stewardship, strategy, performance and accountability, and ensure that issues relevant to these areas are reserved for Board decision
14. Consider the nature and extent of significant risks facing Barking Riverside and embrace the implementation of its risk strategy, and that the Board is in a position to operate effective oversight
15. Ensure that the Board has effective decision-making processes and applies sufficient challenge to major proposals
16. Review and act on the results of Board evaluation
17. Protect the Barking Riverside brand and wherever possible promote, facilitate and enhance external relationships

Board Member – job role

Context and Process

It has been agreed that as an interim measure to kick start the transformation of the current CIC two resident Board members will be recruited to join the CIC Board. They will be Learning Forum members who have applied for the position. The intention is to have one representative from phase one and one from phase two. Interviews will be held for all applicants to test suitability.

The key short term task for the appointed members will be to support the transition to the new CIC model. It will also be important that the CIC Board delivers on the commitments agreed by the Learning Forum. The resident members will be expected to drive this process through their knowledge and ongoing involvement in the community and various working groups.

The selection process will be by interview and will involve other Board members and stakeholders. The positions will be for an interim period (to be determined) pending agreement over a long term structure and process.

Role and responsibilities

1. As a Board member, contribute to the running of the CIC through active involvement in the review of Board reports and papers including participating in the debate of proposals, future plans and new initiatives.
2. Work with other Board members and the Executive to ensure effectiveness in all areas of the CIC's responsibilities.
3. As a Board member help shape the organisation's strategic direction. Ensure that the agreed resident-led values underpin the purpose and principles of Barking Riverside and are core to the running and development of the area.
4. Support the development of KPIs, scrutinise and review them, to ensure progress in line with the strategic direction.
5. Review and scrutinise all services delivered across the development whether in-house or outsourced. Support the Executive in the delivery of high-quality services in line with community expectations.
6. Contribute to the financial oversight and probity of the CIC. Monitor the business plan and financial performance identifying and raising areas of concern.

7. As a Board member promote ethical leadership in the way the business is run and ensure that the interests of stakeholders and the community are always considered and balanced in the broader context of creating a sustainable and vibrant locality.
8. Prompt and promote communications with stakeholders, the community and residents. This should be part of an ongoing community conversation that informs, shapes and influences community and stakeholder messaging, supports the values and principles of the CIC and highlights its achievements.
9. As a Board member participate in committees and working groups as required in line with skills, experience and knowledge including chairing groups.
10. Participate in the recruitment of Board members.
11. Build relationships within the Board and Committees and with the Executive that support the purpose, values and business plan of the CIC. These should be founded on mutual respect, trust and open communication.
12. Develop positive and productive working relationships with all members of the Executive
13. Lead on issues as agreed within the Board, including induction programmes for new Board and Committee members. Contribute to regular reviews of the effectiveness of the structure.
14. As a Board member contribute to the overall Board agenda including quality, culture and risk as well as stewardship, strategy, performance and accountability.
15. Review the nature and extent of significant risks facing the CIC and embrace the implementation of its risk strategy, and as a Board member help provide effective oversight.
16. Participate in the Boards decision-making processes and apply sufficient challenge to [major] proposals. Identify areas for further discussion and review. Seek reports and clarifications from the Executive.
17. Review and consider the results of Board evaluation and effectiveness.
18. Protect the Barking Riverside/CIC brand and wherever possible promote, facilitate and enhance external relationships. This may include attending, networking and speaking at public events.

Legal and fiduciary responsibilities

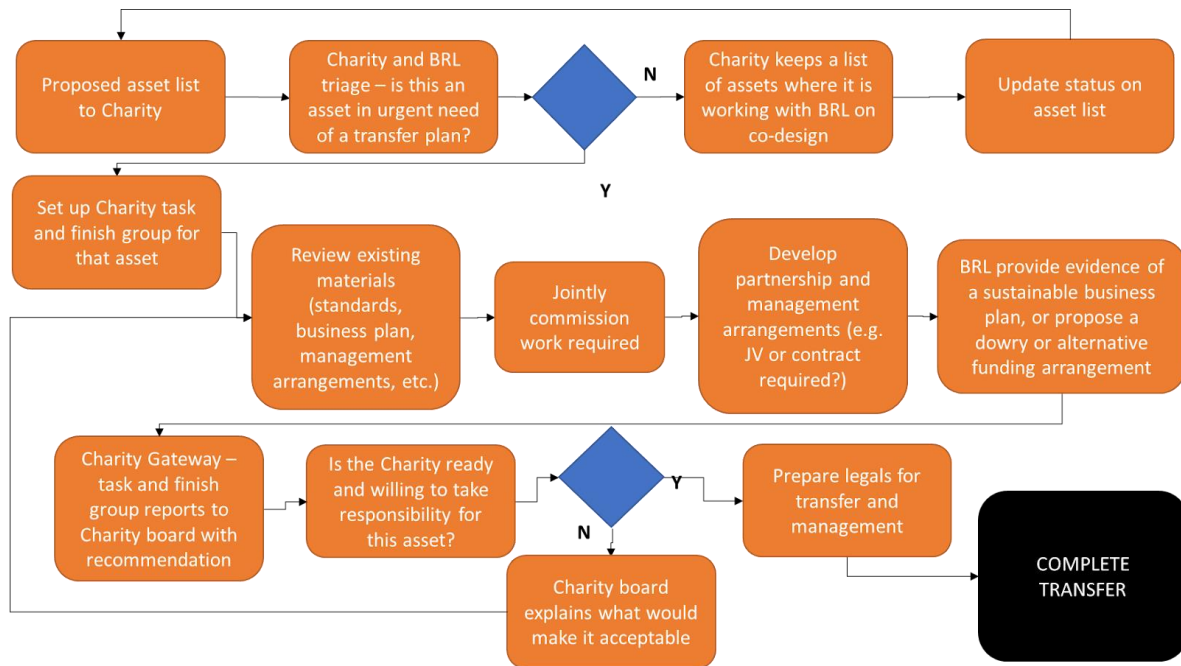
- A fiduciary duty to act honestly, in good faith and in the interests of the company.
- A general duty to take reasonable care and skill, and to exercise independent judgement when dealing with the company's affairs.

- A duty to avoid conflicts of interest, not make a private profit from the position, and to ensure compliance with the legislation contained in the Companies Act.
- Personal liability if the company acts outside its powers with the prior knowledge of the director.
- Liability for breach of trust.
- Liability for losses sustained if a director abuses their position; and/or fails to act in the best interest of the company; and/or fails to exercise the requisite level of skill and care.
- Liability to contribute to the company's assets if a director knows or ought to know that there is no reasonable prospect of the company avoiding liquidation.
- Liability for fraudulent trading.
- Liability for a fine and/or making good losses where cheques and other documents do not bear the company's name.
- Liability for damages arising from the unauthorised activities of a director.

Skills and competencies

- Understanding the non executive role
- Understanding the financial responsibilities
- Understanding the community perspective
- Shares/understands and able to articulate the vision for Barking Riverside
- Knowledge/skills personal or professional that will strengthen the Board
- Board or similar leadership experience in the community
- Good listening skills
- Ability to build relationships
- Able to express ideas and opinions and ask appropriate questions
- Understands the relationship between non executives and executives

5. Indicative asset transfer process



6. Indicative governance costs

These costs were developed by the Chairs and shared with BRL and members of the Learning Forum. They are recommended for consideration by the CIC board.

Annual CIC Cost Proposals	Proposed cost	Maximum budget
Independent chair	£5,000	£5,000
Resident board member	£2,000	£10,000
Resident chair of a sub committee	£1,000	£2,000 – assumes both sub-committees chaired by residents
BRL, L&Q and LBBD members	Separately remunerated	Nil
Training	£5,000	£5,000 – includes annual planning day
Total		£22,000