

THE LONDON BOROUGH OF TOWER HAMLETS DIRECTIONS UNDER SECTION 15(5) OF THE LOCAL GOVERNMENT ACT 1999

1. The Secretary of State for Housing, Communities and Local Government (“the Secretary of State”) has carefully considered the following in respect of the London Borough of Tower Hamlets (“the Authority”):
 - i. The Report of the Best Value Inspection of the London Borough of Tower Hamlets by Kim Bromley Derry CBE DL (“the Report”), submitted to the Secretary of State on 31 July 2024, given to the Authority on 8 August 2024 and published on 12 November 2024.
 - ii. The Report from the Local Government Association following the Corporate Peer Challenge of the London Borough of Tower Hamlets that took place 18-22 September 2023.
 - iii. Discussions between Ministers and officials of the Ministry of Housing, Communities and Local Government and the Inspectors.
 - iv. Discussions between Ministers and officials of the Ministry of Housing, Communities and Local Government and the Leadership of the London Borough of Tower Hamlets.
 - v. Correspondence between the Authority and the Ministry.
 - vi. A representation made on 25 November 2024 by the Authority on the Report and proposed Directions.
 - vii. 19 representations from 16 interested parties received during the representations period (12 to 25 November 2024).
2. The Secretary of State is satisfied that the Authority is failing to comply with the requirements of Part I of the Local Government Act 1999 (“the 1999 Act”).
3. The Secretary of State, having considered the representations made by the Authority as required by section 15(9) of the 1999 Act, and that listed above, considers it necessary and expedient, in accordance with the powers under section 15(5) of the 1999 Act, to direct the Authority as set out below in order to secure the Authority’s compliance with the requirements of Part I of the 1999 Act, in particular:
 - i. To reconfigure the Authority’s existing Transformation Advisory Board into a Transformation and Assurance Board (the Board).
 - ii. Prepare and agree with the Board a fully costed programme of cultural change, a programme of political mentoring for members and a Continuous Improvement Plan (which may include or draw upon improvement or action plans prepared before the date of these Directions), with resource allocated accordingly.
 - iii. To work with the Local Government Association to agree a suitable timetable for a follow up review to their 2023 Corporate Peer Challenge report.
 - iv. To achieve or continue to achieve improvements in relation to scrutiny functions, recruitment processes, openness and transparency of decision making and record keeping, procurement and contract management, a suitable officer structure and scheme of delegation.

- v. To address the serious failings and ensure conformity with the Best Value Duty, thereby delivering improvements in services and outcomes for the people of Tower Hamlets.
4. Pursuant to powers under section 15(5) of the 1999 Act, the Secretary of State directs:
 - i. The Authority to take the actions set out in Annex A to these Directions.
 - ii. That, from the date of these Directions, the Authority shall co-operate with the Envoys and shall provide such information and assistance as the Envoys may require for the purpose of fulfilling their role.
5. These Directions shall remain in force until 31 March 2028 unless the Secretary of State considers it appropriate to amend or revoke them at an earlier date.

Signed on behalf of the Secretary of State for Housing, Communities and Local Government.

Max Soule

Senior Civil Servant in the Ministry for Housing, Communities and Local Government

22 January 2025

ACTION THE AUTHORITY IS REQUIRED TO TAKE

In this Annex, the following expressions have the following meanings –

“the Authority” includes the Executive Mayor, the Cabinet, members of the Cabinet, any committee or subcommittee of the executive, any committee or subcommittee of the Council, any officer of the Council or any other person who has responsibility for exercising the function or other decision making in relation to the matter in question.

“The Envoys” refers to the Ministerial Envoy and Assistant Envoys, appointed by the Secretary of State to work comprehensively across the authority acting as advisors, mentors and monitors.

The actions to be taken by the Authority are:

- a. Work with and to the satisfaction of the Ministerial Envoys to reconfigure the Authority’s existing Transformation Advisory Board into a Transformation and Assurance Board (the Board), to appropriately draw in external expertise and provide challenge and advice. Membership of the reconfigured Board should draw on existing and additional Board members and must include:
 - i. Independent external member as Leadership Lead;
 - ii. Independent external member as Culture & Partnerships Lead;
 - iii. Independent external member as Governance Lead;
 - iv. The Mayor as Chair of the Board;
 - v. At least two Opposition Councillors; and
 - vi. The Ministerial Envoys, who must agree to the Board’s Scheme of Work and meeting agendas.
- b. Within one month of the date of these Directions, initiate a full and open recruitment exercise a suitable permanent appointment to lead the improvement work in the Authority and progress against these Directions. For the avoidance of doubt, an existing employee of the Authority may be appointed to the position provided that such person is a suitable permanent appointment to that position.
- c. Within three months from the date of these Directions, cooperate with the Ministerial Envoys and Culture & Partnerships Lead to prepare and agree with the Board a fully costed programme of cultural change to rebuild trust between officers and members. This programme should build on existing work to reset the culture of the organisation.
- d. Within three months from the date of these Directions, cooperate with the Ministerial Envoys and Leadership Lead to prepare and agree with the Board a fully costed programme of political mentoring for members.
- e. Within three months from the date of these Directions, to prepare and agree with the Board a Continuous Improvement Plan (which may include or draw upon improvement or action plans prepared before the date of these Directions), with resource allocated accordingly and as a minimum, the following components:
 - i. To continue to achieve improvements in relation to the proper functioning of the Authority’s scrutiny functions.

- ii. To continue to achieve improvements in senior officer recruitment processes, including appropriate record keeping.
 - iii. To continue to achieve improvements in the openness and transparency of decision making, including public consultation, and record keeping.
 - iv. To continue to achieve improvements in relation to the proper functioning of the procurement and contract management function.
 - v. To continue to achieve a suitable officer structure and scheme of delegation for the Authority, including Cabinet portfolios and line management arrangements for statutory officers – all of which should provide sufficient resources to deliver the Authority’s functions in an effective way, including the Improvement Plan and its monitoring and reporting.
- f. To work with the Local Government Association to agree a suitable timetable for a follow up review to their 2023 Corporate Peer Challenge report.
 - g. To report publicly to the Board on the delivery of the Continuous Improvement Plan, the cultural change programme and the political mentoring programme at three monthly intervals, or at such intervals as the Board may direct.
 - h. To have regard to and respond promptly and in public to any recommendations from the Board with respect to the London Borough of Tower Hamlets Continuous Improvement Plan and its implementation.
 - i. For the Direction period, to cooperate with the Ministerial Envoys appointed by the Secretary of State.
 - j. To report to the Secretary of State on the delivery of these Directions, with these reports having been considered by Full Council, at six monthly intervals, or at such intervals as the Secretary of State may direct.
 - k. To allow the Ministerial Envoys at all reasonable times, such access as appears to them to be necessary, including:
 - i. to any premises of the Authority;
 - ii. to any document relating to the Authority; and
 - iii. to any employee or member of the Authority.
 - l. To provide the Ministerial Envoys at the expense of the Authority, with such reasonable amenities and services and administrative support as the Envoys may reasonably require from time to time to carry out its functions and responsibilities under these Directions.
 - m. To pay the Ministerial Envoys reasonable expenses, and such fees as the Secretary of State determines are to be paid to them.
 - n. To provide the Ministerial Envoys with such assistance and information, including any views of the Authority on any matter, as the Ministerial Envoys may reasonably request.
 - o. To co-operate with the Secretary of State for Housing, Communities and Local Government in relation to implementing the terms of these Directions.