

## Best Value Review Board

TITLE	SERVICE	ITEM NO	DATE
Tower Hamlets Best Value Improvement Board – Draft Terms of Reference and Forward Plan	Sharon Godman, Divisional Director Strategy, Policy and Equality		10 <sup>th</sup> April 2017

### **1. INTRODUCTION**

- 1.1 This report details the draft terms of reference for the Tower Hamlets Best Value Improvement Board (Appendix 1) and draft Forward Plan (Appendix 2). The Board will replace the Best Value Review Board and will meet for the first time in June 2017.

### **2. FOR THE BOARD TO CONSIDER**

- 2.1 The Board is asked to:
1. Consider and agree the draft Terms of Reference (Appendix1);
  2. Consider and comment on the draft Forward Plan (Appendix 2)

### **3. BACKGROUND**

- 3.1 As part of the Council's final Best Value update the Council set out plans to establish a Best Value Improvement Board with the aim of 'driving sustainable improvement across the Council by providing oversight, support and challenge'. The Board will be chaired by the Mayor and meet every quarter in public. The membership of the Board includes Cabinet Members, opposition group leaders, Chair of Overview and Scrutiny Committee and external representations.
- 3.2 Appendix 1 sets out the draft terms of reference for the Board which will meet for the first time on 14<sup>th</sup> June 2017. Supporting the work of the Board will be an operational group considering progress and ensuring actions arising out of the Board are being delivered.
- 3.3 A draft Forward Plan for the quarterly meetings is attached in Appendix 2 which will enable the Board to approve the Council's quarterly updates to the Secretary of State and also provide challenge and support on particular areas of improvement activity.

#### **4. COMMENTS OF THE CHIEF FINANCE OFFICER**

- 4.1 There are no direct financial implications arising from the recommendations within this report. The work of the board is expected to be managed within existing budget provisions. However, If there are activities or projects arising from the forward plan that cannot be covered through existing budgets then these will need to be evaluated and appropriate funding approved through the Councils financial approval process.

#### **5. LEGAL COMMENTS**

- 5.1 The Council is a best value authority within the meaning of Part 1 of the Local Government Act 1999. As a best value authority, the Council has an obligation under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness” (the best value duty).
- 5.2 Where the Secretary of State is satisfied that an authority is not meeting its best value duty, the Secretary of State may: (1) direct the authority to take action to bring itself into compliance with that duty; (2) direct that specified functions be carried out by the Secretary of State or a nominee and that the authority follow the Secretary of State’s instructions and provide such assistance as may be required (Local Government Act 1999). In accordance with this power the Secretary of State previously gave directions to the Council on 17 December 2014, 29 April 2015 and 6 May 2015. Revised directions were also given on 16 January 2017.
- 5.3 Although those Directions have now been revoked and the specified functions which were carried out by the Commissioners on behalf of the Secretary have been returned to the authority, the Secretary of State has issued fresh directions to the Council for it to take specific action which is considered necessary or expedient to secure the Council’s compliance with its best value duty without specifying that specified functions be carried out by the Secretary of State or a nominee. These include setting up a new Best Value Improvement Board, chaired by the Mayor, with cross party representation and external representatives to provide suitable challenge to improve all Council activities.
- 5.4 The new directions are enforceable by the Secretary of State, who may seek an order in the High Court requiring the Council to remedy any breach. In the circumstances, it is appropriate for the Council to take steps to comply with these new directions and to monitor its compliance with the directions.
- 5.5 When taking action in response to the directions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty).

Compliance with this duty has been a feature, to the extent relevant, of the Council's action in response to the directions

Appendix 1 – Tower Hamlets Best Value Improvement Board – Draft Terms of Reference

Appendix 2 – Tower Hamlets Best Value Improvement Board – Draft Forward Plan