

LONDON BOROUGH OF TOWER HAMLETS

**MINUTES OF THE BEST VALUE PROGRAMME REVIEW BOARD QUARTERLY
MEETING**

HELD AT 6.00 P.M. ON WEDNESDAY, 19 OCTOBER 2016

Members Present:

Councillor Rachael Saunders (In the Chair)	Deputy Mayor and Cabinet Member for Education & Children's Services
Aisling Lyon (Member)	(Local Intervention and Europe Local Government Policy, Department for Communities and Local Government)
Alex Powell (Member)	(Deputy Director, Audit, Intervention & Improvement, Department of Communities and Local Government)
Sir Ken Knight (Member)	(Commissioner)
Max Caller (Member)	(Commissioner)
Chris Allison (Member)	(Commissioner)
Alan Wood (Member)	(Commissioner)
Will Tuckley (Member)	(Chief Executive)

Other Councillors Present:

Councillor David Edgar	(Cabinet Member for Resources)
Councillor Peter Golds	(Leader of the Conservative Group)
Councillor Sabina Akhtar	
Councillor Danny Hassell	

Officers Present:

Nadir Ahmed	– (Business Support Manager, Development and Renewal)
Aman Dalvi	– (Corporate Director, Place)
Sharon Godman	– (Divisional Director Strategy Policy and Equality)
Afazul Hoque	– Interim Service Manager, Strategy, Policy & Performance
Ann Sutcliffe	– (Divisional Director, Property & Major Programmes)
Stuart Young	– (Interim Divisional Director, HR & Transformation)
Graham White	– (Interim Corporate Director, Governance)

Denise Radley	–	(Corporate Director of Health, Adults & Community)
Zena Cooke	–	(Corporate Director, Resources)
Antonella Burgio	–	(Democratic Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Board Members; Mayor Biggs and Alan Wood.

Apologies for absence were also noted from the following invited persons: Councillors Rachel Blake, Amy Whitelock Gibbs and Oliur Rahman.

An apology for lateness was made on behalf of Councillor Danny Hassel.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

No declarations of disclosable pecuniary interests were made.

3. UNRESTRICTED MINUTES

The minutes of the meeting held on 12 July 2016 were approved as a correct record of proceedings.

4. REPORTS FOR CONSIDERATION

4.1 Property Spotlight

Aman Dalvi, Corporate Director, Development & Renewal gave a presentation outlining progress on the action plan in regard to the property directions. Following this Ann Sutcliffe, Service Head Corporate Property and Capital Delivery, gave a presentation on progress on the Civic Centre project. The following matters were reported:

- Community buildings
 - Arrangements around the use of community buildings had been regularised in accordance with the report made to Cabinet on 1 December 2016.
 - An implementation plan had been drawn up and agreed by Commissioners
 - Community Hubs would operate under a licence arrangement
- Asset Rental Account.
 - This arrangement aimed to increase the utilisation of all council buildings and drive down costs
 - Regularise arrangements for use council properties by other organisations
 - A draft policy was under consultation with Commissioners

- Civic Centre
The purpose was
 - To consolidate property assets and deliver savings.
 - To act as a civic hub and enable the council to adopt an outward community focus with flexible working
 - To restore a historic building and act a part of an area regeneration plan.

The presentation received support from Board Members and invited parties and the following were noted:

Property:

- Progress made since the receipt of the Secretary of State's directions and the work remaining to be completed.
- Proposals to be presented at Cabinet would make easy an open process to enable council buildings to be better used and better support offered to the organisations using them.
- The work undertaken was large, involving substantial consultation and in future would put all those using council assets on an equal footing.
- The first phase of the asset rental arrangements expires after the termination date of the Secretary of State's directions; this did not present any issues as long as the Council was able to provide evidence of detailed arrangements to ensure that the process was made active as expected.
- The Asset Rental Account was the first element of a proper property policy framework and Commissioners looked forward to evidencing written framework details.
- Proposals around property had been considered by the Mayor and Cabinet members. These were ready to be taken forward via an open and transparent framework.

In discussing the presentation, the following information was given:

- Commissioners commended the progress made and noted that a longer time had been taken to achieve this progress due to denial of issues under the previous administration.
- Some community buildings while receiving a Council subsidy charged the Council excessive fees for the use of premises for councillor surgeries. The Chief Executive advised that use of premises for councillor surgeries was being reviewed and practices regularised.
- DRA was accessible to organisations that fulfilled pre-set criteria. Commissioners noted that to qualify for DRA, the activity provided must benefit the community in which it is delivered.
- The Chief Executive confirmed that the rigorous work will be undertaken to fulfil the directions in regard to property to establish an open and fair framework going forward from Commissioners' departure. This framework would be adopted Council-wide.

Civic Centre

Ann Sutcliffe, Service Head Corporate Property and Capital Delivery informed the Board:

- Delivery of the new Civic Centre was part of a wider project to regenerate the Whitechapel area.
- Council services would be rationalised to two locations, the new Civic Centre site and John Onslow House.
- The Civic Centre Project Team:
 - Will work with Historic England to ensure that the historicity of the old Royal London Hospital building will be retained and the new council facilities delivered.
 - Is structured into work streams to deliver all elements of the project scope.
- It was expected that the Council would need to remain in Mulberry Place one year after the expiry of the lease.

In discussing the presentation, the following information was given:

- Headline cost savings were £77M; these had been reported to Cabinet at its meeting in November 2015. To move ahead the Council would need to decide if it wished to include Partners.
- The Council's Conservation Team had met with Historic England to identify historic features of the Civic Centre building to determine what should be preserved and what may be re-purposed. For financial reasons officers, would seek to identify as many features of historical worth as possible before works begin.
 - Commissioners noted that there must be clear Member/political oversight of the project:
 - to guard against risk. Members should oversee the risk register to ensure that project control was maintained. They were informed that there was a Cross-Party Working Group whose tasks included risk oversight. This body was well attended.
 - When considering detailed design to ensure that opportunities for cultural change were not missed and a suitable venue for meetings delivered. Members acknowledged that buildings influenced culture and therefore it was intended that the premises would be more of a local presence to connect the Council to the people of the borough.
- Mulberry Place building was the only leased premises that would be released under the project, other premises were Council owned.
- It was not yet known whether Whitechapel Ideas Store would be incorporated into the Civic Centre
- The Chief Executive noted that he was targeted to deliver the Civic Centre on time and on budget. Although the original business case did not include co-occupancy, the Council was now looking at ways to have a presence with Partners and new community facings. This element overlaps with the organisational design project.

The Chair thanked officers for the understanding of the journey that needs to be taken to achieve the Council's aims that the presentation had provided.

RESOLVED

1. That the presentation and the matters discussed be noted.
2. That actions agreed resulting from the discussion be noted.

4.2 Organisational Spotlight

Will Tuckley, Chief Executive gave a presentation which outlined the aims and themes of the Organisational Design project. The Board was informed:

- There were four themes:
 - Governance Review Working Group – SoS directions, transparency and public engagement, streamline processes and procedures.
 - Organisational Transformation – Roadshows for engagement around the workforce strategy, consultation, restructure transformation projects, enabling projects
 - Relationships – review conduct of Council meetings, update codes of conduct, Member training programme.
 - Delegation of Powers – delegations to proper officers recently approved by Full Council.

In discussing the presentation, the following information was given:

- The Board welcomed that full delegations had been conferred on the Chief Executive
- Organisational design was not a part of the Secretary of States directions but was fundamental to the proper function of the Council.
- Commissioners noted that
- To ensure that the council was run properly and that the community could see democracy in action,
 - It was important that Members and staff understood their respective roles. Therefore the Governance Review Working Group must establish the appropriate framework
 - The elected mayor model of governance did not confer universal power on the elected mayor.
 - It was important to recognise that not all Members are able to chair meetings effectively, therefore it was important to appoint chairs according to ability not seniority.
 - To deliver cultural change it was necessary to consider how meetings can be timetabled and how the administration could/should be held to account.
- Members expressed their concerns around inappropriate member behaviour at Council meetings in relation to
 - Diversity/equalities
 - Declarations
 - Clear understanding of Member/officer roles

- The powers of the Mayor and of Committees
- Conveying an uncomplimentary image of the Council
- Failure of the elected members of the Independent Group to engage

The Chief Executive acknowledged that

- Although there had been some moments of unity, Member conduct at Council meetings did not on the whole convey a positive image. Some actions could be taken by officers such as note to members to remind them of the conduct expected or a change to the Constitution however these could guarantee a change of behaviour as participants themselves had to determine how the meeting will be conducted. The Governance Review Working Group could help towards addressing the issues raised by enabling members to reconsider how the Council conducts its business.
- Hitherto there had been a deficit in managerial leadership in the organisation; this could be improved by members and officer having a better understanding of their respective roles and responsibilities. To this end work has been done with SOLACE which will ensure continued progress in this area.

RESOLVED

1. That the presentation and the matters discussed be noted.
2. That actions agreed resulting from the discussion be noted.

4.3 Best Value Plan Update

The Board considered the update on the Best Value Action Plan arising from the Secretary of State's directions which included the six-month update to the Secretary sent in September 2016 and a response from the Commissioners.

The Board noted:

- Commissioners' advice that the update provided an exchange of views between the Secretary of State and the Executive Mayor. To achieve removal of directions the Secretary required clear evidence of the fulfilment of each direction. Members were encouraged to ask Commissioners what would be the next steps required by the Secretary in order to achieve this goal
- Commissioners comment that progress towards the completion of all directions could have been equal to that achieved in regard to procurement had the same approach been taken towards all of the directions issued by the Secretary.

Procurement

- Commissioners were satisfied with activities in this area and considered that the Council's external auditors could, in future, monitor procurement standing orders and action plans.

Grants

- Progress was being made toward an understanding in the community of how grants will be delivered.
- Commissioners noted
 - That grant making formed a significant part of the directions and commended the approach to deliver grants through a transparent process.
 - A submission has been made to the Secretary of State on how decisions around grants might be made by the Mayor with oversight by Commissioners and a response is awaited. Councillor Saunders welcomed the opportunity that this proposal would afford the Council to test grant making procedures.

Communications

- Actions delivered in this area were:
 - The weekly council publication had been terminated and a new compliant quarterly publication circulated
 - Public notices were now published in the local press
 - A pluralistic approach to engagement had been adopted via use of diverse media
- Commissioners noted:
 - That the business plan had been delivered but the challenges of implementation had yet to be met.
 - There needed to be evidence of implementation for example how the Council plans to publish its public notices

Property

It was noted that this had been discussed at agenda item 4.1.

Organisational Culture

It was noted that this had been discussed at agenda item 4.2.

Commissioners were pleased to note that a new whistleblowing policy had been launched which addressed concerns about reporting.

Elections

The Board noted Commissioners' comments, on progress made and issues addressed, at Annex B and their recommendation to the Secretary of State that the directions be removed.

Mr Powell, on behalf of the Secretary advised that an answer would be given in November.

RESOLVED

1. That the update and the matters discussed be noted.
2. That actions agreed resulting from the discussion be noted.

4.4 Forward Plan

Afazul Hoque, Interim Service Manager, Strategy, Policy & Performance introduced the report and invited the Board to consider what additional matters should be included in the plan.

Commissioner Caller asked the members and officers to consider what matters/actions remained outstanding and timescales for these to be brought forward.

The Chief Executive advised that the once the Council had received the views of the Secretary of State, the plan would be examined and updated giving appropriate priority to the matters that remain to be taken forward.

RESOLVED

1. That the plan be noted.
2. That actions agreed noted.

5. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

The meeting ended at 7.40 p.m.

In the Chair, Councillor Rachel Saunders
Best Value Programme Review Board Quarterly Meeting