

Best Value Improvement Board

TITLE	AUTHOR	ITEM NO	Date
LGA Corporate Peer Challenge	Sharon Godman, Divisional Director, Strategy, Policy and Performance.		11 June 2018

1. **INTRODUCTION**

- 1.1. Tower Hamlets Council have been progressing an extensive improvement journey since 2014 when Commissioners were brought in by the Secretary of State for DCLG. This progress was evidenced by the return of decision making powers in March 2017 with Directions to deliver an improvement plan in key areas with regular reporting of progress and performance.
- 1.2. One of the conditions of the Directions is to ***“set up an independent review of achievement against their Best Value Action Plan and Best Value Improvement Plan 2017/18 to be submitted to the Secretary of State by 1st August 2018”***. The Plan contains a set of objectives with deliverable milestones that have been reported on a quarterly basis to the Best Value Improvement Board with progress letters going to the Secretary of State for DCLG.
- 1.3. As part of its sector-led improvement offer, The Local Government Association provides a tailored Peer Challenge facility for all local authorities. These are sector-led improvement reviews that look at a standard range of themes as well as the more specific requirements of the authority.
- 1.4. It was agreed at the Best Value Improvement Board in September 2017 that the Council adopt the LGA Peer Challenge as the chosen mechanism for providing the independent review of progress and improvement.

2. **RECOMMENDATIONS**

- 2.1. BVIB is asked to:
 1. Note the progress made with the preparation for the Peer Challenge.

3. **BACKGROUND**

- 3.1. The LGA Peer Challenge is an improvement focused tool delivered in partnership with the Local Authority utilising a team of peers from across the sector looking at issues the host authority has chosen as a focus.
- 3.2. There are a set of standard themes that all Peer Challenges look at. In order to ensure these areas are suitably represented through the process, a Corporate Lead is recommended to take ownership of signing off key messages and the provision of appropriate information.

- **Understanding of the local place and priority setting** – Does the Council understand its local context and place and use that to inform a clear vision and set of priorities?
- **Leadership of place** – Does the Council provide effective leadership of place through its elected members, officers and constructive relationships and partnerships with external stakeholders?
- **Financial planning and viability** – Does the Council have a financial plan in place to ensure long term viability and is there evidence that it is being implemented successfully?
- **Organisational leadership and governance** – Is there effective political and managerial leadership supported by good governance and decision-making arrangements that respond to key challenges and enable change and transformation to be implemented?
- **Capacity to deliver** – Is organisational capacity aligned with priorities and does the Council influence, enable and leverage external capacity to focus on agreed outcomes?

3.3. In addition to the standard themes, the Local Authority is able to shape the scope of the review by agreeing questions in advance with the LGA that the Peer team will look for evidence to answer when on site. It has been agreed that the Peer team will consider the following questions as part of the review:

- To explore how LBTH adequately addressed the directions issued by MHCLG and the expectations of the departed Commissioners.”
- Is LBTH adequately addressing its chosen priorities and are these delivering continued improvement to local residents and businesses?”
- Is the authority identifying key challenges and setting realistic yet ambitious targets for the future?”

3.4 Tower Hamlets’ Best Value Improvement Plan has activities and targets under 5 themes with 2 additional improvement areas added as priorities from the Tower Hamlets Improvement Framework. Lead Corporate Officers have been identified to oversee the provision of information and representation of these themes.

- Elections
- Property
- Grants
- Communications –
- Organisational Culture (this includes Governance)
- Ofsted Children’s ServicesAdult Improvement Work

3.5 A revised timeline of deliverable actions and key dates/activities is detailed below.

Activity	Timeline	Lead Officer
On-site Visit	19-22 June 2018	Will Tuckley/Sharon Godman
Draft Report	Mid July 2018	LGA/Will Tuckley/Sharon Godman
Final Sign Off	End of July 2018	CLT
Submission to Secretary of State DCLG	1 August 2018	Will Tuckley/Mayor
Action Plan Development	Aug-Sept 2018	-
Follow up visit	Jan 2019 Dec 2019	-

4. POSITION STATEMENT

4.1. Prior to the Peer Challenge taking place, the Council will provide the Peer Team with a summary position statement. This document provides an overview of the borough including its residential and business demographics as well as providing an overview of the authority, its services and its aims and ambitions.

4.2. The position statement will be presented alongside relevant plans, strategies and other supporting evidence in a format that will enable the Peer Team members to generate a working understanding of Tower Hamlets before coming on site. Documents to be provided alongside the position statement include (but are not limited to):

- Understanding of Local Place and Priority Setting
 - o Strategic Plan
 - o Best Value Improvement Plan
 - o Local Spend Analysis
 - o Borough Needs Assessments
 - o Local Plan
 - o Performance Management Reports

- Leadership of Place
 - o Community Plan
 - o Annual Residents Survey
 - o Partnership Governance Structure
 - o Voluntary Sector Strategy
 - o Compact
 - o Grants
 - o Community Commissioning
 - o Summit Report
 - o Editions of "Our East end"

- Financial Planning and Viability
 - o MTFS/Budget
 - o Capital Strategy

- Organisational Leadership and Governance
 - o Management Structure/Organisation Chart
 - o List of Councillors/Portfolios/Committees
 - o HR Strategy
 - o Ofsted Report and follow up
 - o Investors In People report
 - o Overview and Scrutiny Work Programme

- Capacity to Deliver
 - o Transformation Programme

4.3. The Position Statement will be sent to the challenge team one month prior to the onsite visit. All directorates have been given the opportunity to feed into the document to ensure the full range of council activity and focus is taken into account and presented clearly.

5. THE CHALLENGE PROCESS

5.1. The Peer Challenge Team is made up of a Peer Challenge Manager and senior officers and Councillors from an appropriate range of authorities and backgrounds. The team is chosen to match the scope of the challenge and the authority with specialisms and experience in the key areas.

5.2. The Peer Team consists of the following officers and councillors:

- **Mary Ney**, LGA Associate & Non-Executive Director MHCLG
- **Ros Jones**, Mayor of Doncaster MBC
- **Sean Anstee**, Leader of Trafford MBC
- **Mark Bradbury**, Associate Director, Capital Assets (Chief Officer), Southampton City Council
- **Marcus Coulson**, Programme manager, Local Government Association.
- **Gifty Edila**, LGA Associate, most recently Corporate Director of Legal, HR and Regulatory Services London Borough of Hackney
- **Robert Tinlin**, LGA Associate, ex-Chief Executive, Southend-on-Sea Borough Council

5.3. The Peer Challenge Team will be onsite for 4 days from 19th June 2018. The first three days consist of interview sessions with Councilors, staff and stakeholders in order to gather evidence around the themes and agreed scope of the challenge. There will be up to 15 interview sessions held each day and all attendees must be identified and fully briefed in advance. An agenda has been developed covering the Peer Team's activity during their visit.

5.4. At the end of each of the first three days, the Peer Team will meet with the Chief Executive to discuss the findings from the day's sessions and request any extra information or evidence.

5.5. The fourth day of the onsite review is set aside for the Peer Team to prepare

and present its initial findings and feedback. The authority can decide the audience for this feedback session, usually senior managers and Councilors although it is often opened up so that anyone who has fed into the process through interviews etc. could be in attendance.

6. LOGISTICS

- 6.1. Whilst on site, the Peer team will require the use of 4 rooms – 1 larger room to use as their main office (sixth floor Conference Room) and 3 interview rooms (mp602, mp603, mp704). These rooms are located close to each other in order to minimise travelling back and forth between sessions.
- 6.2. The team will also require security passes, Wi-Fi facilities and access to printing facilities. Key contact details for support when on-site will also be made available along with refreshments throughout the four days.
- 6.3. Access to key performance data and electronic copies of evidence documents will be provided through a dedicated portal on Pentana, the Council's Performance Management System. This will provide 24 hour access to information and documentation before and during the Peer Challenge process. This access is being managed through the Corporate Strategy and Equality team.

7. COMMUNICATIONS

- 7.1. A communications plan has been developed to ensure all staff are aware of the challenge and their opportunity to take part. Briefings with interviewees will be held before the Peer Challenge Team are on site and debriefing sessions after the interviews will be performed to ensure key issues have been covered.
- 7.2. Similarly, effective involvement of key stakeholders in the process will rely on early engagement and communication. Service delivery partners, community groups, local business leaders etc whose views are vital to providing an accurate picture of Tower Hamlets as a place and as a Council have been identified and invited to take part in interviews and focus groups.

8. FEEDBACK

- 8.1. After the onsite challenge has taken place and initial feedback has been provided, the peer challenge team manager will draft the team's findings along with any recommendations. The Council will have the opportunity to feed into the drafting of this document before it is published on the LGA website. It is important to note that this is not a scored assessment or judgement of the authority. The feedback will address the agreed areas of focus and provide a constructive overview of the Council's position.
- 8.2. It is up to the Council to decide how best to utilise the feedback from the Peer Challenge. This may involve developing an action plan to further any recommendations made or referencing findings in future policy development. The LGA will often offer or signpost access to further support tools and

mechanisms specific to any recommendations made through the Peer Challenge process.

- 8.3. There is an expectation that the Council will commit to a follow up visit within 6 – 18 months after the peer challenge. The purpose of the visit is to help the Council assess and demonstrate the impact of the peer challenge and the progress made against the areas of improvement and development identified by the peer team. It is a lighter-touch version of the original visit and does not have to involve all of the original peer team. The timing of the visit can be determined by the authority.

9. COMMENTS OF THE CHIEF FINANCE OFFICER

- 9.1 The Secretary of State has directed the Council to set up a new Best Value Improvement Board which includes external representation by the Local Government Association (LGA) to provide suitable challenge to improve all Council activity.
- 9.2 There are no direct financial implications arising from this report. If the findings of the peer review give rise to actions which have financial consequences, officers will then be obliged to seek appropriate approval through the Council's financial approval process.

10. LEGAL COMMENTS

- 10.1 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).
- 10.2 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).
- 10.3 The Secretary of State issued directions on 28th March 2017 to the Council for it to take specific action which it 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.
- 10.4 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 Peer Challenge to be undertaken.

10.5 Further, all the focuses of the Peer Challenge as set out in paragraph 3.2 of the report touch on core principles of good governance. It is therefore also sound from a good governance perspective for the Peer Challenge to be undertaken.