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Dear Secretary of State,

I am pleased to enclose a final update against the Best Value Improvement Plan alongside the report I submitted on 1st August detailing the findings of the LGA Corporate Peer Challenge which took place in June 2018. As you will be aware the Peer Challenge was an agreed action in the March 2017 Directions, however it came at an opportune time and marked an important milestone in our improvement journey.

It has allowed us to gain fresh insight into our progress over the last three years, learn from best practice and set our course for the next stage of our journey as I commence my second term as Mayor with high ambitions for the council.

When I was first elected in June 2015 I inherited a council in significant distress and our reputation internally and externally was severely damaged due to the actions of my predecessor. This not only presented me as an incoming Mayor with my defining challenge but also gave my administration a rare opportunity to make sweeping and positive change for Tower Hamlets. Since that time we have worked tirelessly to improve, modernise and transform the council, with the ambition of taking it from a poorly led and inward looking organisation to a much more collaborative and confident place with a clear shared view of our aim to become a high performing council, protecting the most vulnerable and delivering the best possible services for the people who live here. As you will know personally, translating political aims into tangible policy has its challenges and I am the first to admit we have not got everything right, but overall I believe the progress we have made, modernising the way the council works, embracing scrutiny, opening up our decision making processes, and working far more collaboratively with our local partners has begun to fundamentally change the way the council operates and sees itself. My re-election for another four year term gives my administration the time to properly embed those changes to ensure we never return to the dead end politics of the past.

A key issue for the Commissioners appointed by your Department was a lack of recognition of the problems and challenges we were facing. Since being elected Mayor I have set a clear vision for my council with priorities designed to improve the organisation and focus it on the outcomes we achieve for

residents. We have also been open about where we have found problems and have set about fixing these. This involved developing effective working relationships with the Commissioners to drive change as well as appointments to key roles in the council including an experienced new Chief Executive, Will Tuckley, bringing with him the learning from 7 years in LB Bexley, somewhere you know well, and a new Corporate Leadership Team. I was pleased that the then Secretary of State recognised our progress and returned decision making powers to us and removed the Commissioners almost 18 months ago, viewing that we had demonstrated a willingness and ability to address our challenges without the need for direct oversight. This was something the recent Peer Challenge agreed with noting we had a "high degree of self-awareness of our strengths as well as issues and challenges."

On the specific areas set out in the Best Value Improvement Plan we have continued to move forward as recognised by the Peer Challenge Report but as Mayor I am clear we still have a long road ahead of us to get the council and its services to where I would like. While it is in my nature to focus on the things which still need fixing I should however stress how far we have come since I was first elected and to this end I have set out below a summary of our achievements against the Best Value areas which I hope you will find useful.

Elections

Following the problems with the running of the 2014 Mayoral election and the subsequent removal of my predecessor by the Election Court, Will, as the new Returning officer has worked to restore integrity in our election process and since 2015 has successfully delivered six elections working effectively with the Electoral Commission and Metropolitan Police. This also included running a pilot of the nationally strengthened Postal Vote Scheme for the Cabinet Office at the recent local elections in which the Electoral Commission endorsed the council's delivery and management. I believe the learning from each election has enabled us to deliver some of the safest elections in the country and reinstate confidence in our process amongst local residents and stakeholders.

Communications

Over the last few years we have developed our communication infrastructure and significantly improved our internal and external communications channels. The development of a new Communication Strategy focused around the council's priorities has enabled us to develop a more pro-active approach. Through a Media Consumption Survey we now better understand how residents access information and in particular public perception and readership of the council's channels including Our East End, the council's quarterly publication to residents which replaced the previous weekly newspaper, our website and social media channels. We have also commissioned a new 'intelligent' newsletter system which segments residents and allows information to be targeted based on their preferences. Sign-up to the council's e-newsletters had increased with over 19,000 residents previously included in the subscription list. However with the introduction of GDPR this has fallen to approximately 5,000 residents and we are currently developing a growth plan to drive up subscriptions again. Our

improvement in our communications is reflected in the recent award nominations that the council's Communications team received for the Public Relations and Communications Association awards, which recognises the very best PR & Communications professionals across the country. They received two separate nominations for 'best campaign' and a further nomination for 'team of the year'.

Property

We have introduced a new governance structure to manage our assets and have made more effective use of a number of vacant buildings for housing and commercial use. The myriad of differing rents and lease arrangements for non-residential council-owned buildings I inherited has been regularised and standardised. The council's asset management procedures have been developed with a strong focus on delivering value for money from our property portfolio whilst meeting local housing and community needs using the Corporate Landlord model. Significantly, we opened the first Community Hub in September 2017 and the second Community Hub in August 2018. Work is underway for the delivery of two more Hubs by early 2019. This is a little behind schedule but for good reason as we have taken time to make sure we have the right model and offer for local people and organisations

Grants

We have introduced a robust process for management of grants with decision making meetings held in public and a clear role for scrutiny members through the creation of a grants scrutiny sub-committee. A framework for management of grants was agreed in March and we are currently developing an outcomes based funding programme of grants and commissioned contracts for the Voluntary and Community Sector to replace the current Mainstream Grants programme by October 2019.

Organisational Culture

We have delivered a number of programmes to change and improve the culture of the organisation. This remains an ongoing piece of work as recognised by the Peer Challenge but to date the corporate transformation programme (Smarter Together) has enabled us to deliver our savings and to transform some of our more traditional services to better meet our residents' needs.

We have restructured our top three tiers of management and revised our core values. The 'TOWER' values of Together, Open, Willing, Excellent and Respect were designed with input from the entire organisation and have been communicated to staff through a range of engagement events across different council sites with the aim of moving the organisational culture on from the risk-averse and insular nature I found when I became Mayor. Changing organisational culture is a complex and often slow process. My Chief Executive has established an Organisational Culture Board bringing together key internal stakeholders to help to embed the new culture we have established and help us truly become an outcome based organisation. The Whistleblowing Procedure has also been updated and communicated widely to ensure people feel comfortable to raise any areas of concerns and that the

council has a clear and structured process for dealing with them. The council ensures good practice and transparency through periodic reporting of the council's whistleblowing investigations to the Audit Committee. To strengthen this further, we will shortly be launching a whistleblowing e-learning training module which will be mandatory for all staff to complete.

In October 2017 we were reassessed for our Investors in People accreditation and I am proud to say that we maintained our Silver level status. The council was assessed against a much more challenging framework than it previously faced and a greater importance was placed on culture and behaviours. The assessment findings noted that our capacity to improve is stronger now than it was three years ago and we have clear recommendations to follow in order to build on our success in this area.

With regards to Members, my administration has embraced scrutiny and I have a positive and open working relationship with the opposition party, including a seat at Cabinet meetings for the Leader of the Opposition and Overview and Scrutiny Chair to allow them to comment publicly on any items being discussed for decision.

A cross party working group conducted a full review of our constitution and a refreshed constitution is now in place supporting better governance arrangements.

Following the election, the majority of our councillors are new to the council, offering a wealth of new ideas, enthusiasm and energy, but also naturally a need for rapid learning. Our progress will be facilitated also I believe by the departure of a number of members associated with the past. I want to utilise the enthusiasm of all our new Members and we have delivered an extensive induction programme to enable them to perform their roles effectively. Significantly, all Members have completed a robust Code of Conduct training programme. Training has also been delivered to all Members to develop their skills, including training on ethics and probity, licensing, audit, safeguarding, prevent and civil contingencies, promoting equalities and diversity, information governance and risk control and fraud. Furthermore, the council has worked with the Centre for Public Scrutiny to develop Members skills and tailor a training, development and support programme for 2018/19. This will focus on budget scrutiny, children's scrutiny and effective questioning skills. This also includes one to one coaching sessions to support Members around chairing, scrutiny and questioning skills and wider development. There is further work to do to embed good practice and develop new Members, this is a continuing priority. To this end the council will shortly be creating personal development plans for each member to ensure they have the required skills to perform their role effectively.

Looking to the future

In May this year residents of Tower Hamlets provided me with a clear mandate to build on the work we have begun. The political stability this provides will be vital to our continuing improvement journey and shows I believe that local residents have recognised the benefits of the more open and transparent approach we have taken. I believe also, and perhaps more importantly, that the electoral defeat of all

but one of former Mayor Lutfur Rahman's supporters shows a clear rejection of the divisive style which characterised their approach to politics.

My team, both on the political and officer sides, are clear that while we have come a long way over the past three years, there are still many areas where the council needs to improve. Some of those were set out in my manifesto which now forms the basis of a new three year Strategic Plan for the council. Others, which were reinforced by the outcome of the recent LGA Peer Challenge, focus on continuing and increasing the pace of our improvement journey and the way the council works. For example working more closely with our strategic partners, reviewing and modernising some of our more traditional, and in some cases paternalistic, services to work better for residents and more broadly making the council a more 'can do' and innovative organisation. What heartens me is that while challenging, none of these problems compare to the chaotic, and in some cases corrupt, situation I found when I became Mayor. I have started to take many of these aspects forward with the development of a new Tower Hamlets Plan drafted jointly with our strategic partners and local residents and I intend to focus significant time and resources on ensuring we do not let up on the pace of change. Despite where we have come from I am impatient to see further improvement. Soon after my re-election I wrote to my Chief Executive setting out my administration's priorities for the year ahead, a copy of which I enclose for your information.

For too many years the council, for a multitude of reasons had become introverted and risk averse, too often seeing itself as a special case outside of the mainstream. My aim, which is shared by my Cabinet and Corporate Leadership Team, is to bring Tower Hamlets back into the mainstream both politically and in the way we see ourselves and are seen by our peers. We are developing a culture based on developing best practice by learning from others and including commissioning a sequence of Peer Reviews. These have included reviews on Adults Commissioning, Prevent and in July we invited a select team to conduct a Planning Peer Review.

As an example the Planning Peer Review highlighted that, while dealing with the country's largest development programme, we perform well against government targets on speed and quality. However, it also showed us where we have room for improve, for example by better benefitting from the opportunities provided by growth. As a result I recently established a Regeneration Board to take this forward, with a better coordinated approach to growth and infrastructure. It is this kind of change I want to continue to encourage in the council - being open to constructive criticism and embracing new ideas to move us forward.

We have made significant progress improving our children's social care as confirmed by Ofsted's monitoring visit reports but it remains a critical risk and area for attention which the Peer Challenge highlighted. Through the hard work of our staff and positive support from our Improvement Partners and Children Services Improvement Board under our Independent Chair Sir Alan Wood, we continue to make progress towards our aim of achieving a 'good' rating. We recognise this will be a considerable challenge but I am confident that through relentless focus across the council and not just

in Children's Services, as well as with the support provided by our partners, we will better ensure our children and young people are protected from harm and are supported to achieve their full potential.

The Peer Challenge has helped us to take stock as an organisation and I am grateful to the Peer Team for their work. Following the Challenge we have started work on developing an action plan to respond to recommendations highlighted by the LGA Peer Report.

Without seeking to presume any decisions you may make about the future of the council's Directions, I have also tasked my officers with developing, if the residual directions end, the scope for a new Transformation and Improvement Board which would continue the work of our Best Value Improvement Board, created as we have progressed against the Directions. The Board would meet in public and ensure that we better account for and progress change and improvement across the council, including implementing the actions derived from the Peer Challenge report, completing the work started under the Best Value Improvement Plan and more generally accounting for and challenging our journey of improvement.

I hope in your reflections on the enclosed report, and that of the Peer Team, you will recognise the significant progress we have made as an authority since the Directions were introduced. Not only have we faced up to and dealt with the behaviour and failures of the past, we have set the council on a positive course, recognised our continuing challenges and are ready to proactively take responsibility for our future improvement.

There is still a long way to go to get the council to where I want it to be – alongside the best in the country, delivering excellent services and outcomes for residents. However I am confident, and I believe our progress to date demonstrates, that the council has reached a point it is capable and willing, indeed eager, to take control of our own future.

I want to reassure you however that whilst I remain Mayor, any withdrawal of Directions would not mean a slowing up of the pace of change. As we enter a new period in our transformation journey, and as the Peer Challenge feedback showed, it is more important than ever that we step up a gear, increase our appetite for innovation, and in some cases tougher political decisions, and press forward with delivering real and sustainable improvement for our residents.

My Chief Executive and I would be keen to meet with you to discuss these matters further if your diary would allow.

Yours sincerely,



Mayor John Biggs
Executive Mayor of Tower Hamlets