

New Target Operating Model

Draft proposal for a new TOM in Tower Hamlets



Overview of Tower Hamlets



Tower Hamlets is one of the UK's most high-profile boroughs, committed to delivering high-quality services to its diverse community. With the best of London in one borough, Tower Hamlets has a vibrant population of over 300,000 residents, from over 150 different nationalities. The council is committed to ensuring everything is based on user need, be it residents, businesses or partners.

Opportunities

Tower Hamlets Council has brilliant opportunities that make it a great place to live, work and visit. These include:

- **A diverse and multicultural community:** Diversity is a strength of the borough, providing a unique opportunity to work with, live with, and meet people from different cultures and backgrounds.
- **Education:** Tower Hamlets is home to a number of excellent schools and universities including Queen Mary University of London.
- **Jobs:** The borough is a major economic hub, with a diverse range of businesses and industries, including Canary Wharf.
- **Culture and entertainment:** Tower Hamlets is a vibrant and multicultural borough with a rich cultural heritage. Home to museums, galleries, theatres, music venues and festivals.
- **Sports and recreation:** Tower Hamlets has excellent sports facilities, including parks, playgrounds and sports centres. It is also home to several professional sports teams, including Leyton Orient Football Club and Tower Hamlets Netball Club.

Challenges

The challenges in Tower Hamlets are complex and interconnected. These include:

- **The cost-of-living crisis:** The cost of living in Tower Hamlets is rising faster than wages, making it difficult for many residents to afford necessities.
- **Pressure on Public services:** The borough's population is growing rapidly, putting pressure on key public services.
- **Inequality:** Residents are disproportionately affected by poverty and deprivation.
- **Housing shortage:** The borough's shortage of affordable housing leaves many living in overcrowded or substandard accommodation.
- **Crime and antisocial behaviour:** The borough has a high crime rate, with antisocial behaviour in key areas.
- **Climate change:** The borough is vulnerable to the effects of climate change and the diversity in its population makes this more difficult to tackle.



Census Key points



The 2021 census was carried out on 21 March 2021, in the midst of the COVID-19 pandemic. At the time, England was in its third national lockdown, with restrictions in place on gatherings and travel. Non-essential retail and hospitality venues were not able to open.

Despite these challenges, the census in Tower Hamlets was a success. The response rate was 98.5%, which is higher than the national average of 97.8%. This means that the census provides a comprehensive and accurate picture of the borough's population.

Fastest growing population

Most densely populated borough in England

Median age 30, the youngest of any area in England and Wales

These population trends reflect the borough's position as a major gateway for immigration and a centre for economic activity. Tower Hamlets is a vibrant and multicultural borough that is constantly changing:

- Tower Hamlets is a fast-growing, diverse, and young borough in East London. The borough's population has grown by 22.1% between 2011 and 2021, making it the fastest growing local authority area in England and Wales.
- The borough is also the most densely populated in England, with 15,695 residents per square kilometre. This is over 37 times higher than the national average.
- The median age in Tower Hamlets is 30, making it the youngest borough in England and Wales. The borough also has the smallest proportion of older people aged 65+.
- The most common countries of birth other than the UK are Bangladesh, Italy, India, China, and France. 14% of residents were born in a current European Union country.
- Population turnover is high in Tower Hamlets, with more than a fifth (20.8%) of residents having lived somewhere else a year prior to the census.



Previous Target Operating Model



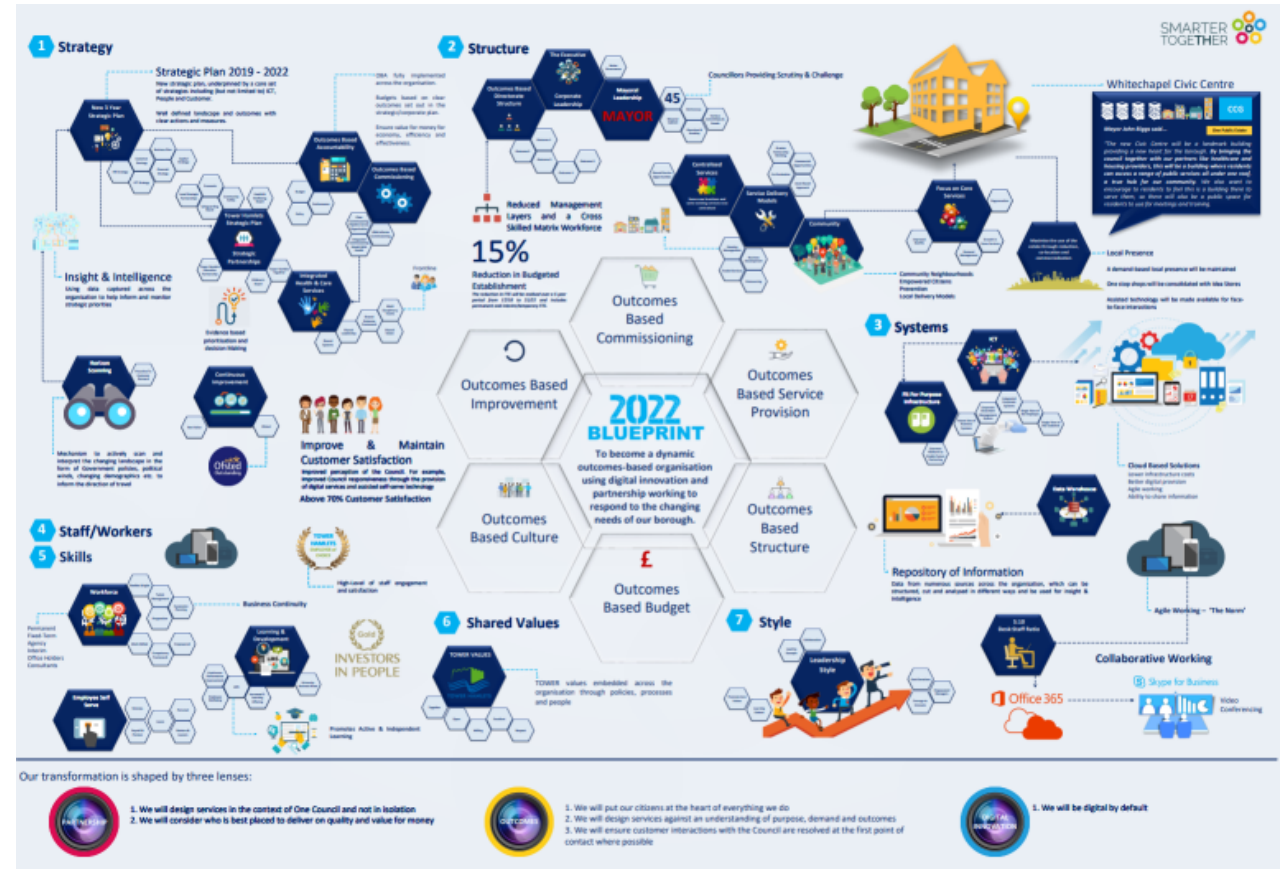
Previous Target Operating Model



The previous Tower Hamlets TOM 2019-2022 was based on the McKinsey 7S framework. This framework is a tool for organisational analysis and development that identifies seven key factors that influence an organisation's success: strategy, structure, systems, style, staff, skills, and shared values.

The blueprint was **focused on structure and was process-driven, as opposed to customer-driven**. The McKinsey 7S Model is typically used to help organisations improve their internal performance, so it does not generally consider external factors. This is evident in that the blueprint was internally focused and did not address some of the most pressing issues facing the borough, such as poverty, crime, and inequality.

The expiry of the blueprint provides an opportunity for the council to develop a new plan that is more focused on the needs of its community. The new plan should be based on the council's strategic priorities, which ultimately focus on investing in and improving public services, creating a fairer borough, and building a sustainable future.



New Target Operating Model



New TOM Vision



Create a more efficient, effective, and responsive public sector organisation that is better able to meet the needs of its communities.

Aligning with the Executive Mayor's Vision

- Addressing specific priorities and goals
- Creating a legacy of community empowerment
- Reinforcing commitment to progressive leadership



TOM Design Principles



The new strategic target operating model should be designed to address the considerations set out in the Strategic Plan for 2022 to 2026 and to help the council achieve its strategic goals.

Value-driven and cost-effective

By designing the target operating model to be value-driven and cost-effective, the organisation can ensure that it is using its resources wisely and avoiding waste. This will help the organisation to achieve its goals and objectives.

User-centric

By designing the target operating model to be user-centric, the council can ensure that it is meeting the needs of its users. This will help the council to build trust and credibility with its users, and to improve the quality of its services.

Collaborative

By designing the target operating model to be collaborative, the council can ensure that it is working together to deliver services efficiently and effectively. This will help the council to achieve its goals and objectives.

Outward facing

By designing the target operating model to be outward-facing, the council can ensure that it is meeting the needs of its stakeholders and building relationships with them. This will help the council to achieve its goals and objectives.

Empowered to innovate

By designing the target operating model to be empowering, the council can create a culture of innovation and creativity. This will help all of the council's workforce stay ahead of the curve and deliver services that meet the needs of its users.

Accountable

By designing the target operating model to be accountable, the council can build trust and credibility with its stakeholders, including residents, businesses, partners and staff. This will help the council to achieve its goals and objectives.



Core Model Draft Visual



DESIGN PRINCIPLES

Value-driven and cost-effective; User-centric; Collaborative; Outward facing; Empowered to innovate; and Accountable

EMPOWERED COMMUNITIES

Direct and fair decision making, more budget allocation and building on digital transformation

Communities

Housing & Regeneration

Children's Services

Health & Adult Social Care

Resources

EMPOWERED DIRECTORATES

More creativity and innovation with relaxed control

SMALLER BUT STRONGER CORPORATE CENTRE

Chief Executive

Transformation Advisory Board

Corporate Management Team

MAYOR

DRIVEN BY STRATEGIC PLAN 2022 TO 2026

PARTNERSHIP

1

Design principles. The TOM requires a set of design principles to articulate its vision. These are:

- Value-driven and cost-effective; User-centric; Collaborative; Outward facing; Empowered to innovate; and Accountable

2

Empowered communities. Currently there is a lack of focus on empowering communities. The core of the model is to genuinely empower communities, allowing for direct decision making and the potential budget allocation on an area basis, devolving associated decisions to residents.

3

More outward focus, engaging directly with partners. New ways of working with businesses, inviting external people by being more outward facing and approachable and willing explore partnerships that go wider than the public sector, i.e., private sponsorship for free school meals

4

Smaller but stronger corporate centre. This smaller center allows for more power to directorates, encouraging more creativity and innovation with relaxed control.

5

High profile executive. This represents the Mayor having a clear and focused relationship with the rest of organisation.



Proposed Engagement Plan

The dates represent engagement by the stated date. We are now also in the process of building in engagement with Members and residents.

