

## Best Value Strategy and Action Plan

### Introduction

- 1 On 17 December 2014 the Secretary of State issued directions to the London Borough of Tower Hamlets on 17 December 2014. Direction 1 requires the council:  
*‘Within 3 months from the date of these Directions [i.e 17 March 2015] to draw up and agree with the Commissioners a strategy and action plan for securing the Authority’s compliance with its best value duty (to include as appropriate complying with the specific directions set out below and putting in place robust and transparent arrangements for grant decisions), and to submit this to the Secretary of State.’*
- 2 In developing plans to comply with this Direction, the Council has reviewed the findings of the Price Waterhouse Cooper (‘PWC’) report which gave rise to the Directions and had a series of discussions with the Commissioners about their expectations for the strategy and action plan.
- 3 The Council has in place a range of robust processes for securing best value – information and evidence of the arrangements the Council currently has in place to comply with its Best Value duty, including our understanding of wider areas for improvement and how to address these, have been shared with the Commissioners. They are set out in Appendix 1 of the Plan.
- 4 The focus of our best value plan has therefore been on the issues covered within the PWC report and specific directions (outlined in Note i) below)<sup>i</sup>. We have developed Action Plans around the areas specifically referred in these. In a number of cases, action has already been taken to address the issues raised and these are identified in the Current Status sections of the attached plans. In other cases, further action is planned and proposed actions and deadlines are set out.
- 5 The Directions also addressed other issues which were not covered in the Best Value Inspection report, for example Elections. In addition, we have discussed with the Commissioners the need for an action plan which considers organisational culture to address some of the underlying governance issues and this is included. In particular, in a clear statement of openness and a desire to improve, the Council is proposing a Local Government Association facilitated forum to review and develop recommendations around elected member **and senior officer** relationships to address some of the issues which have emerged.
- 6 While the majority of action plans are informed by areas for improvement identified in the PWC report, they have also where appropriate been informed by local consultation, for example third sector organisations have been consulted about proposals in the

Grants action plan and a range of stakeholders have informed plans around election management. Further consultation in relation to the key actions within the plan will be undertaken as appropriate as they are progressed.

7 The Contents of this Plan therefore comprise the following and are included within numbered appendices:

1. **Overview of Best Value in Tower Hamlets Council**
2. **Procurement Action Plan (already signed off by 1<sup>st</sup> Feb 2015 and included for completeness and future monitoring)**
3. **Grants Action Plan**
4. **Property and Disposal Action Plan**
5. **Communications Action Plan**
6. **Organisational Culture Action Plan**
7. **Recruitment of statutory officers - timeline**
8. **Elections – update and plans**

8 This plan is the beginning of a process of improvement. It will be possible to add additional actions to it over time, for example, as the Council engages further with the Commissioners or external support from the Local Government Association or others. As required in Direction 2) six monthly reports on progress in delivering the Plan will be submitted to the Secretary of State with comments from the Commissioners. The first six monthly report, due in September 2015, will also identify some key outcome measures through which the success of the Plan in addressing the issues can be tracked. Progress in relation to these measures will thereafter form part of the 6 monthly progress reports.

**Note i) Issues addressed in the best value plan**

<sup>i</sup> A number of issues are raised in the PWC report and our policies and procedures have been reviewed to address these. The key issues which have been reviewed are the following:

<b>Grants</b>
Ensure clear needs analysis and strategic focus for grant giving
Governance and decision making around grants <ul style="list-style-type: none"><li>• Role, terms of reference, conduct of Corporate Grants Programme Board</li><li>• Standardised application and publicity about assessment/eligibility</li><li>• Role of member engagement</li><li>• Declarations of interest</li><li>• Documentation of rationale for changes</li><li>• Application of eligibility and quality thresholds</li><li>• Awards above requested amount</li></ul>
Grant management and monitoring procedures <ul style="list-style-type: none"><li>• Formal agreements and record keeping</li><li>• Standardise monitoring requirements</li><li>• Consider benefits of consolidation</li></ul>
<b>Property</b>
Clarity about processes for Property Disposal inc: <ul style="list-style-type: none"><li>• Circumstances in which permitted to not accept highest offer and/or accepting late offers</li><li>• Marketing approach period</li><li>• Documentation and maintaining records</li><li>• Delegated powers and decision making</li><li>• Declaration of interests – consider need to require from bidders</li></ul>
Third Sector/Community Building Allocation Process <ul style="list-style-type: none"><li>• Late offers</li><li>• Record keeping</li><li>• Criteria/process for monetisation of community benefits</li></ul>
Briefing and training of staff
<b>Publicity spend</b>
Review of Communications Protocol to ensure Council publicity appropriate
Appropriate role of Mayors' media advisors
<b>Procurement</b>
Improve compliance with existing procedures, including issues within Internal Audit reports ie <ul style="list-style-type: none"><li>• Contracts register</li><li>• Use of Corporate Director Actions</li><li>• Documentation and record keeping</li><li>• Declaration of interests</li><li>• Local suppliers</li><li>• Evaluation processes and documentation</li><li>• Spot purchasing and aggregated spend</li></ul>

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Delegation and appropriate member engagement
<b>Governance and Culture</b>
Proceed with permanent appointments to Statutory Officer decisions
Ensure openness and transparency in key decision making