

Best Value Programme Board

TITLE	AUTHOR	ITEM NO	Best Value Programme Board
Draft Best Value Plans 6 month update report – June 2015	Louise Russell, Service Head, Corporate Strategy and Equality	<i>(To be completed by Democratic Services)</i>	15 th July 2015

1. INTRODUCTION

- 1.1 This report provides an early draft of the six month progress update on the seven Best Value Action Plans which respond to the Secretary of State's Directions.

2. FOR BEST VALUE PROGRAMME BOARD TO CONSIDER

Best Value Programme Board is asked to:

1. Consider the draft six month progress update attached at Appendix 1;
2. Consider the proposed revisions to timescales set out in 4.27
3. Note that this report will be updated to reflect the latest position prior to consideration by Cabinet on 29th July, and by the Commissioners on 9th September, before submission to the Secretary of State.

3. BACKGROUND

- 3.1 Following a Best Value Inspection undertaken by Price Waterhouse Coopers during 2014, the Secretary of State for Communities and Local Government issued the Council with Directions on 17th December 2014 and appointed two commissioners.
- 3.2 The Directions focused on particular areas which had been the subject of the Best Value inspection – grants, procurement, property disposals and some elements of publicity spend.
- 3.3 One of the Directions required the Council to draw up and agree with the Commissioners a strategy and action plan for securing the Authority's compliance with its best value duty. In discussion with the Commissioners it was agreed that the Council's current arrangements for securing best value including our strategic and resource planning and performance management systems were robust. The requirement

was for us to develop improvement plans in the particular areas which had been the subject of the PwC inspection, plus additional plans around elections, recruitment of statutory officers and organisational culture.

- 3.4 There are seven key elements to the Plan:
1. Procurement Action Plan
 2. Grants Action Plan
 3. Property and Disposal Action Plan
 4. Communications Action Plan
 5. Organisational Culture Action Plan
 6. Recruitment of statutory officers
 7. Elections Action Plan
- 3.5 The actions plans were agreed with the Commissioners, and submitted to the Secretary of State in December 2014 as required. As part of the Directions, the Council is required to produce and submit to the Secretary of State a 6 monthly update report by mid-September. The Council's Cabinet need to review and endorse this report before submission.
- 3.6 Whilst the 6 monthly report is not required for submission to the Secretary of State until mid-September, the Council is seeking agreement of the report by Cabinet in July. This is to allow sufficient time for responding to comments and the political approval process. It is proposed that the report is updated at key points prior to submission to the Secretary of State in order to ensure that it reflects the latest position. It is proposed that any changes to reflect updates are delegated to the Head of Paid Service in discussion with the Mayor and Commissioners.

4 **PROGRESS WITH DELIVERY**

- 4.1 Progress with delivering the plans is strong with a large proportion of items complete and all but a very small proportion on track. This has been achieved against a backdrop of significant political upheaval for the Council and a necessary hiatus in decision making following the removal and re-election of a new Mayor. Across the Plan some minor areas of slippage are in the main related to this necessary pause in decision making which has held up approval of some policies. Revised deadlines are being agreed with Commissioners (see section 4.27).

- 4.2 Progress has been regularly monitored by the Commissioners through the Best Value Board chaired by the Lead Commissioner and set up to monitor progress in delivering against the action plans. This Board has undertaken in-depth spotlight reviews of each Plan since its inception and through this process proposed outcomes have been developed for each plan. The proposed outcomes are set out in the accompanying progress report for each Action Plan. Progress against these measures will be reported in the 12 month report in March 2016.
- 4.3 Monitoring is undertaken on a monthly basis and includes the identification of actions which have been completed (highlighted in grey), those that are on-track (green) as well as any which are off-track (amber) or will not be delivered (red). In addition to this monthly monitoring, testing compliance with the Best Value Plans has been included in the council's Audit Plan for 2015/16 and will take place during the second half of 2015/16 to feed into an end year report.
- 4.4 This six monthly update report builds upon this monthly monitoring and includes a narrative summary of progress to date in relation to each action plan. This includes key achievements, planned activity, areas of risk and potential outcome measures to help track progress. The draft report provides the latest position at the current time (end-June) and will be updated as appropriate before submission at the six month point.

Overview of progress

- 4.5 Overall, there has been strong progress in delivering against the Best Value action plans. A summary in relation to each plan is set out below.

Procurement

- 4.6 Significant work has been undertaken to improvement procurement practices. This includes the development of a new central contracts register and the introduction of improved finance and procurement controls.
- 4.7 A detailed analysis of spend has been undertaken to support work to reduce costs and ensure value for money, whilst new Procurement Dashboards identify opportunities for collaboration and savings from the Council's third party expenditure.

- 4.8 A range of proposed milestones and measures have been developed to help track progress and impact, including in relation to compliance and supporting local economies.

Grants

- 4.9 There has been considerable progress in the delivery of the grants action plan. The Commissioners agreed to temporarily rollover funding to many projects with the 2012-15 MSG programme, whilst the new scheme is developed. The new MSG programme was launched in April and is on-track for implementation in September.
- 4.10 The Council has also reviewed its approach to grants and a centralised approach is being developed to support good practice. This work is being complemented by work to improve administration arrangements, including a new Grant Officers manual which has been launched.
- 4.11 Priority areas over the new few months include the development of governance arrangements to support the input of Members in the grant making process. The Council's strategic approach to the Voluntary and Community sector (VCS) will be reviewed as part of the refresh of the existing VCS Strategy.
- 4.12 Performance measures will be clearly set out for each grant scheme. For example, in relation to MSG there are clear indicators in relation to each theme. In addition, there will be a rolling, independent evaluation of grants to the third sector. This work will help identify, in a meaningful way, change that is attributable to specific grant work.

Property and Disposal

- 4.13 Progress is strong against the agreed action plan. A clear decision making process, via individual Commissioners' decision, has been established and used to sign-off a number of transactions. Disposals and lettings procedures have been amended; as part of this, financial regulations have been updated and an asset management manual has been finalised. Compliance will be tested through the council's rolling audit plan, whilst Asset Managers will also be asked explicitly to confirm that procedure has been complied with on each disposal or letting.

- 4.14 A new Asset Strategy has been developed, informed by the Commissioners, which will be considered by Cabinet shortly. A key priority over the next few months will be the development of a Community Buildings Allocation Policy – this is being undertaken in conjunction with work around grants and refresh of the third sector strategy in recognition of the cross-cutting nature of this work.
- 4.15 A range of measures to help monitor progress and impact have been developed, which include a focus on occupancy and running costs of Council buildings, as well as decision making.

Communications

- 4.16 Considerable work has been undertaken to address the issues raised in the Best Value report and in-line with the agreed action plan. A revised Communications Protocol has been established and disseminated. An independent review of East End Life, shared with the Commissioners and Group Leaders, re-confirmed that it is a best value method for promoting key council information, community cohesion and publicising statutory notices.
- 4.17 Campaign activity and planned communication work seeks to include sound monitoring processes and cost neutral activities where possible. Recent work has included includes Taste Brick Lane – a campaign to drive tourists, visitors and residents to businesses in Brick Lane during March – and the #50TH campaign celebrating the anniversary of the establishment of the London Boroughs.
- 4.18 Additional communications work planned and underway includes the moving more of our communications online following procurement of a new Content Management System and the delivery of our Digital Communications Strategy, an updated internal Communication Strategy and the development of new revenue streams to optimise income.
- 4.19 Measures to track progress include indicators which track the proportion of positive / neutral coverage, social media use and compliance with the Communications Protocol.

Organisational Culture Action Plan

- 4.20 Work to support organisational culture has included improved engagement with staff, including the Your Workplace Your Voice

campaign and Your Choice Ambassadors. In addition, a cross-party Governance Working Party has been set up to review how governance processes can support best value and improve transparency and trust. Governance, Constitution and Code of Conduct Changes are being progressed.

- 4.21 There have been minor delays in some aspects of the plan relating to working with elected members which were temporarily put on hold given both the removal of previous Mayor and consequent election – this has been fully agreed with Commissioners at each stage and revised timetables agreed. In addition, the new Mayor, and Chief Executive once appointed, will have a key role in further shaping and promoting organisational culture and behaviours.
- 4.22 Key measures have been developed to help track progress against the desired outcomes, including those drawing upon the staff survey and Investors in People assessment.

Statutory Officer Recruitment

- 4.23 The purpose of this Action Plan was to support recruitment to the three statutory officer posts. The appointment process for the Corporate Director of Resources (S151 Officer) is complete; the new Director will start on 1st August. The appointment process for the Corporate Director of Law, Probity and Governance is also complete; the new Director will start on 17 September.
- 4.24 The recruitment process for a new Chief Executive (Head of Paid Service) is progressing in line with the Direction of 29 April. The advertisement has been published with a closing date of application of 10th July.

Elections

- 4.25 The Elections Best Value Action Plan has focussed primarily on the delivery of the elections in May and June 2015. The management and implementation of the elections incorporated a number of significant improvements over previous practice in Tower Hamlets. Strengthened arrangements were put in place for the UK Parliamentary Elections on 7th May, particularly around ensuring good order at the polling stations, integrity of the electoral process and efficiency of the count. These

arrangements were in turn maintained and further improved for the Mayoral election on 11th June.

- 4.26 At both elections positive feedback was received from candidates, agents and others on the improvements introduced and the number of complaints received by the Returning Officer and the Metropolitan Police was significantly reduced from May 2014.

Revisions

- 4.27 Throughout the process of monitoring the plan the Commissioners have been kept informed of, and approved reasons for, any areas of slippage, which largely related to the removal of the previous Mayor and the need to ensure Mayoral input to key decisions. This has been kept to a minimum and only applies to 9 actions set out below – less than 5% of the whole plan. At the Best Value Board meeting on 15th July the Commissioners will be asked formally to confirm their agreement to revised deadlines for the following reasons:

Action	Original deadline	Revised deadline	Reason
Evaluation of 2012-15 Mainstream Grants Programme	April 2015	September 2015	Resources initially targeted on developing new programme
Develop Mayor and cross-party consultation and review forum	May 2015	July 2015	Need for Mayor and Executive input
Consolidate all 3 rd Sector grant giving, monitoring and evaluation into one service	April 2015	September 2015	Resource focus on delivering new MSG programme. Requirement to consult staff
Approval of the Council's Asset Strategy	July 2015	October 2015	The Asset Strategy is being further reviewed following comments from the Commissioners and colleagues in other directorates
Review and agree disposal programme for the next three years as part of an Asset Strategy Workstream	July 2015	November 2015 - <i>tbc</i>	Need for Mayor and Executive input

New Content Management System for online communications	June 2015	October 2015	Full procurement exercise initiated to ensure meets needs and provides best value
Launch revised staff recognition scheme	June 2015	September 2015	Mayoral input required and to avoid holiday period
Develop cross party member working groups on key policy issues	May 2015	July 2015	Paused for new Mayor and Executive to be in place
External support and action plan to rebuild elected member and member/senior officer relationships	May 2015	September 2015	Need for Mayor and Executive input