

LONDON BOROUGH OF TOWER HAMLETS

**MINUTES OF THE BEST VALUE PROGRAMME REVIEW BOARD QUARTERLY
MEETING**

HELD AT 6.00 P.M. ON TUESDAY, 26 JANUARY 2016

TOWN HALL, MULBERRY PLACE, 5 CLOVE CRESCENT, LONDON E14 2BG

Members Present:

Mayor John Biggs (Chair)	Mayor
Aisling Lyon (Member)	(Local Intervention and Europe Local Government Policy, Department for Communities and Local Government)
Alex Powell (Member)	(Deputy Director, Audit, Intervention & Improvement, Department of Communities and Local Government)
Sir Ken Knight (Member)	(Commissioner)
Max Caller (Member)	(Commissioner)
Chris Allison (Member)	(Commissioner)
Will Tuckley (Member)	(Chief Executive)

Other Councillors Present:

Councillor Rachael Saunders	(Deputy Mayor and Cabinet Member for Education & Children's Services)
Councillor David Edgar	(Cabinet Member for Resources)
Councillor Peter Golds	(Leader of the Conservative Group)

Others Present:

Vincent Kiddell	(Intervention Team, Department of Communities and Local Government)
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Officers Present:

Ann Sutcliffe	– (Service Head Corporate Property and Capital Delivery, Development and Renewal)
Minesh Jani	– (Head of Audit and Risk Management, Resources)
Kelly Powell	– (Acting Deputy Service Head of Communications)
Zena Cooke	– (Corporate Director, Resources)
Kevin Kewin	– (Interim Service Head, Corporate Strategy and Equality)
Antonella Burgio	– (Democratic Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Commissioner Alan Wood.

Apologies were also noted from the following Members and officers:

Councillors: Sirajul Islam, Rachel Blake, Josh Peck, Amy Whitelock-Gibbs, Clare Harrisson and John Pierce

Officers: Steve Halsey, Melanie Clay, Debbie Jones, Luke Addams and Aman Dalvi.

Note: Councillors Rachel Saunders and David Edgar were absent from the meeting between 6.30pm and 6.47pm to attend to another meeting.

2. DECLARATIONS OF DISCLOSABLE PECUNIARY INTERESTS

No declarations of disclosable pecuniary interests were made.

3. UNRESTRICTED MINUTES

The minutes of the meeting held on 21 October 2015 were approved as a correct record.

Matter Arising

Commissioner Max Caller noted that the action at minute 6.1 that “an action plan for future elections would be drawn up and presented to the Board at a future meeting” had not been presented as part of the Best Value Action Plan progress report (agenda item 4.1) nor incorporated into the Best Value Programme Review Board (BVPRB) Forward Plan.

The Chair requested that the action outstanding be added to the BVPRB Forward Plan.

The following update was provided in relation to Elections:

- An action plan was being drawn up for the forthcoming GLA election (May 2016) and anticipated EU referendum
- The Elections Team have hitherto focussed their work on electoral registrations and would now be refocussing towards preparations for the GLA elections.

Action By: Will Tuckley, Chief Executive

4. REPORTS FOR CONSIDERATION

4.1 Best Value Action Plan

The Board considered the six-month progress update detailed at appendix 1 of the report and noted the following:

Progress with Delivery:

- The overall delivery status of each area/theme of the action plan was RAG rated green. Although each was at a different stage of completion, milestones in each area/theme were being achieved.
- Officers were working through the issues identified through the action plan to ensure that Commissioners' requirements were met satisfactorily.
- Policy principles developed through the plan would be used in future to inform wider service planning.

The Commissioners noted that some of outcomes achieved appeared to be focussed on the production of a policy. This, in their view, did not fulfil requirements necessary to move the council out of the Secretary of State's directions as it was necessary to implement and embed them into the organisation in order to satisfy the aims of the directions and to sign them off. Commissioners were of a view, therefore, that some reported milestones had yet to be achieved.

Updates to secure compliance with the council's best value duty were provided on the following areas of the action plan:

1. *Procurement Action Plan*

Councillor Edgar, Cabinet Member for Resources informed the Board that:

- there was evidence of good progress and milestones would be achieved on target dates
- officer training has been used as a tool to address the culture previously in operation
- the action plan had been administered efficiently by the Procurement Team hitherto and in addition the Service Head of Finance and Procurement post was shortly to be appointed to on a permanent basis.

The Commissioners:

- noted that much work had been done on this best value area/theme and the action plan was being delivered successfully
- suggested that this work be used as a model for other best value areas/themes which remained to be progressed
- suggested that the work undertaken be presented at a Spotlight Session at a BVPRB Informal Meeting
- agreed that the actions set out in the action plan all be presented at the May spotlight session.

The Chair requested that the Chief Executive co-ordinates the Senior Management Team to ensure that this good practice will be disseminated throughout the organisation.

2. *Grants Action Plan*

Councillor Rachael Saunders, Deputy Mayor and Cabinet Member with special responsibility for Grants informed the Board that:

- much work has been required to be done in regard to Third Sector relationships with the council and administration of grants
- presently a draft Voluntary and Community Sector Strategy was under consultation with stakeholders.

Councillor Saunders thanked Commissioners for their engagement with her in this area and advised that after the recent change to the meeting schedule she would attend future Commissioners' Decision Making pre-agenda Meetings as well as the six-weekly public meetings.

The Commissioners:

- noted the progress reported
- suggested that a formal Overview and Scrutiny role needed to be developed which should be consulted upon on a cross-party basis and incorporated into the action plan
- wished explore how elected members might be co-opted into the grants decision making process to enable a transition towards member-led grant making to be initiated. A proposal with time-line and staged evaluations was requested to be drawn up
- requested that, for transparency, there should be a clear statement on the approach to non-mainstream grants

The Board was informed:

- that work relating to the role of Overview and Scrutiny was in progress and proposals were expected by mid-February
- that some elements of the action plan to move toward member-led grant making were already designed and were waiting to be formally communicated to officers together with processes
- all types of grant making (mainstream, small and hybrid) would be discussed and evaluated to ensure a robust process would be developed in which there was accountability for grants received, greater co-ownership, transparency and alignment to Council priorities

Action By: Zena Cooke, Corporate Director, Resources

3. *Property and Disposal Action Plan*

Councillor Edgar, Cabinet Member for Resources and informed the Board:

- that in depth work had been carried out on property disposals and community buildings
- a rental asset account would be considered by the Council in line with the best value action plan

- the review and assessment of how community organisations were managing their council owned buildings and how the spaces were being used was under way
- the work on property had focussed on what properties should be kept or disposed and buildings retained would be occupied and used

The Chair noted that community buildings would be focussed away from directorate ownership towards corporate ownership. Councillor Saunders advised that the use of community buildings had formed part of the Voluntary and Community Sector Strategy consultation.

Commissioners:

- noted that delivery of the implementation process needed to be driven through to completion and pace maintained
- how implementation would be accomplished needed to be determined (whether to implement immediately and assess impacts afterwards or to delay implementation until the potential impacts had been assessed)
- recommended that because of timescales immediate implementation was the more efficient option

The Chair commended the work done by officers to implement regularised arrangements in this area of business.

4. *Communications Action Plan*

The Board was informed:

- that much work had be done on this element including a commissioned review of communications from LGA which provided useful information and a basis for a new communications plan. The council was expected to achieve compliance with the code of recommended practice on local authority publicity by 18 May 2016
- that an interim Head of Communications had recently been appointed who would be tasked to develop and implement a new communications strategy for the council, incorporating the recommendations of the LGA review
- that future work would focus on a new place-based narrative for the borough, use of digital communications and would also consider opportunities for income generation
- that an update would be provided mid-February

Commissioners:

- noted the work so far undertaken and supported the approach taken
- suggested that the time remaining until the deadline for the submission of the letter to Secretary of State be utilised to determine targets for the new communications strategy and service.

The Chair thanked Ms Powell, Head of Media for all her work on this area of the compliance action plan.

5. *Organisational Culture Action Plan*

The Board was informed:

- that a governance working party had been established and had identified key matters relating to transparency and probity
- Section 11 recommendations had been reported to Full Council and were being addressed through this working group and General Purposes Committee
- a new whistleblowing policy had been created and would shortly be launched. Commissioners and Statutory Officers had overseen this to ensure that the correct enquiry arrangements were in place
- SOLACE has been involved in development work on organisational culture and member/officer relationships
- Whistleblow issues raised by residents were being logged and tracked. Those received by the Commissioners had been cross checked across a number of departments revealing that they were being raised through multiple routes.

Commissioners noted:

- that the new whistleblowing policy was key to restoring trust within the organisation
- that concerns around the policy had previously been highlighted by the External Auditor
- that officers should be confident that they are able to properly raise issues and that these will be investigated without fear or penalty
- that the External Auditor will wish to monitor the implementation of Section 11 recommendations against the compliance action plan
- that the Council must demonstrate to the External Auditors that there has been change in organisational culture
- that residents must have confidence that they may approach the Council and have their issues addressed
- the number of whistleblowing issues they received had reduced in number.

The Chair advised that the process to ensure residents were able to raise issues through the council was being reviewed as part of the work of the Governance Working group.

6. *Recruitment Action Plan*

The Commissioners noted that two actions under this direction remained outstanding:

- delegation of specific authority to the Chief Executive (CEO)

- formation of an all-party CEO appraisal panel

The Board was informed:

- that targets have been identified and are due to be discussed
- an appraisal structure has been created and members identified, although the process has not yet been activated. Outcomes will relate to targets and the new strategic plan

Commissioners recommended that the establishment of a panel and dates be highlighted in the letter to the Secretary of State.

7. *Elections Action Plan*

Actions relating to this element of the Best Value Action Plan were discussed at Minute 3 “Matters Arising”

The Chair also noted that an action plan for elections (staff) recruitment was required.

RESOLVED

1. That the draft six month progress update at Appendix 1, prior to the submission to the Secretary of State by 17th March 2016, and discussion of its contents according to each best value area be noted;
2. That the changes to target dates set out in the table at paragraph 4.27 of the report be approved.
3. That it be noted that the progress report will be updated to reflect the latest position before submission to the Secretary of State.

4.2 Internal Audit Compliance Testing

Minesh Jani, Head of Audit and Risk Management, presented the report which concerned an audit of compliance in respect of the best value action plan for Procurement. The Board was informed:

- that 94% of the 17 actions tested to ascertain progress and verify their implementation were found to have been fully compliant/implemented
- that based on the audit outcome, ‘substantial assurance’ has been assigned to this audit
- significant progress has been made in implementing the agreed action points

Commissioners noted an issue of confidence raised by KPMG around the Council’s internal audit plan and, to ensure that there was consistency and vigour in the approach, recommended that the internal audit plan should correlate with the external audit plan and the Best Value Action Plans arising from the Secretary of State’s directions.

The Board was informed:

- that there was correlation between the internal and external audit plan
- internal audits on Grants and on Council Communications were almost ready for reporting to the Board. These audits would comprise both internal and external elements.

RESOLVED

1. That the findings of the Internal Audit report for Procurement and the "Substantial Assurance" assigned be noted and
2. That it be agreed that the Board receive Internal Audit Reports for Property, Communications and for Grants when the audits have been completed.

4.3 Forward Plan

Will Tuckley, Chief Executive, presented the table which outlined the identified actions against each Best Value Theme and their forthcoming milestones.

The Board:

- noted the contents of the forward plan and targets
- requested that an action plan for future elections be added to this plan

RESOLVED

1. That the report be noted
2. That an action plan for future elections be added to the plan

5. ANY OTHER UNRESTRICTED BUSINESS CONSIDERED TO BE URGENT

Nil items.

The meeting ended at 7.08 p.m.

Chair, Mayor John Biggs
Best Value Programme Review Board Quarterly Meeting