

Cabinet 7 March 2017	 TOWER HAMLETS
Report of: Graham White, Interim Corporate Director Governance	Classification: Unrestricted
Best Value Plan Final Update & Arrangements for 2017-18	

Lead Member	Mayor John Biggs
Originating Officer(s)	Sharon Godman, Divisional Director Strategy, Policy & Equality
Wards affected	All wards
Community Plan Theme	All
Key Decision?	Yes

Executive Summary

This report provides the final update on the Council's Best Value Action Plans which respond to the Secretary of State's Directions. It also details the Council's proposed Best Value arrangements for 2017-18 including implementing a Best Value Improvement Plan.

Recommendations:

The Mayor in Cabinet is recommended to:

1. Agree the final 6 monthly update prior to submission to the Secretary of State (Appendix 1);
2. Agree the Best Value arrangements for 2017 – 18 as set out in paragraph 3.6.
3. Agree the Best Value Improvement Plan 2017-18 (Appendix 2) which will be monitored on a six monthly basis by Cabinet and the Overview and Scrutiny Committee;

1. REASONS FOR THE DECISIONS

- 1.1 The Council is required to monitor the Best Value Action Plans to comply with Secretary of State Directions. The Best Value Improvement Plan 2017-18 details the Council's improvement journey during the next financial year.

2. ALTERNATIVE OPTIONS

- 2.1 The Council is required to comply with Secretary of State Directions. The actions within the plans have been the subject of consultation with a range of parties, and the Commissioners, which has considered alternative options.
- 2.2 The Council can take no actions next year. This is not recommended as the Best Value Improvement Plan supports the continuous improvement across the areas found in the Best Value Plans.

3. BACKGROUND

- 3.1 This is the last in a series of update reports on the Council's progress in meeting the actions and milestones set out in the Best Value Action Plans. The previous progress report was submitted in September 2016. Since then the Secretary of State has removed the Direction on Procurement, removed the original Direction on Grants, which is now subject to a new oversight Direction and reduced the number of Commissioners from 4 to 3.
- 3.2 During the last six months work has intensified to deliver the outstanding actions in the Best Value Action Plan which has included meetings with the Commissioners, workshops to focus on key deliverables and evidence submission to the Commissioners on how these work streams have been or are being delivered. These updates were considered at the Public Best Value Board on 24th January 2017. The Council is now reporting all 205 actions in the Best Value Action Plans have been delivered with on-going work to embed some work during 2017-18.
- 3.3 The Council has successfully delivered a by-election in December 2016 which was overseen by the Commissioners. Work has begun to consider how the Council can be involved in the pilot voter identification scheme for the local elections in 2018. The process for recruitment of Statutory Monitoring Officer has begun and the final Member interviews are scheduled to take place by mid-March 2017. Alongside this the Council is also recruiting to the vacant corporate structure positions which came into force in January 2017.
- 3.3 Considerable progress has been made in the work of the Clear Up Project who have received 66 allegations. All investigatory work will be completed

and reported by the end of March 2017. Engagement with staff has intensified with Chief Executive's Road Shows taking place at the end of last year and a Staff Survey completed which is resulting in revised vision and values for the organisation. In addition staff declaration of interest is complete for all staff apart from those on long term leave from work.

- 3.4 The implementation of the Council's approach to community buildings has led to the development of the first community hub in Christian Street and progress has been made in entering into leases with tenants. In February 2017 Cabinet endorsed the proposals relating to our wider Corporate Accommodation and Space Management Policy. This demonstrates the links between different aspects of our approach as well as those relating to the Asset Rental Account.
- 3.5 A comprehensive review of the Council's constitution has begun which includes updating members' code of conduct and members and officers protocol. The Governance Review Working Group is overseeing this piece of work and will further develop work around member development, leadership and conduct. Appendix 1 provides a detailed report on the outstanding areas of Directions as noted in September 2016 and progress against these areas.

BEST VALUE IMPROVEMENT ARRANGEMENTS 2017 - 18

- 3.6 The current Directions are set to expire on 31st March 2017 and if the Secretary of State is minded to remove all Directions the Council will put in place the following robust arrangements:
- Implement a Best Value Improvement Plan (BVI Plan) 2017 -18 (Appendix 2) that has 5 key priority areas comprising 26 strategic actions. These priorities areas are a continuance of those found in the Best Value Plans arising from the original Secretary of State's Directions. This Plan is designed to demonstrate continued implementation where current activity cannot be implemented before the Directions expire as well as continued improvements.
 - Submit progress report on the BVI Plan to the Overview and Scrutiny Committee and Cabinet twice a year along with the publication of an annual improvement report, which will also be submitted to DCLG.
 - Establish a BV Improvement Board which will be chaired by the Mayor with a remit to oversee the Council's continuous improvement journey as well as ensure the delivery of the BVI Plan 2017 – 18. It is envisaged the BVI Board will meet every quarter and places will be offered to cross party members and the Council will seek external member representation through the LGA. Representatives from DCLG will also be invited to be part of this Board.
 - Engage the services of the Local Government Association (LGA) to provide external challenge and best practice guidance and learning opportunities. This would involve entering into programmes that provide Member development and support, subject specific guidance and best practice on elections, grants

and voluntary sector as well as explore opportunities to take part in external programmes such as One Public Estate.

- Attend the LGA conference where the Mayor and Lead Commissioner, Sir Ken Knight will share lessons learnt.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The Best Value Action Plan is a priority for the Council, and requisite resources have been identified within the budget in order to deliver the outcomes.

5. LEGAL COMMENTS

- 5.1 The Council is a best value authority within the meaning of Part 1 of the Local Government Act 1999. As a best value authority, the Council has an obligation under section 3 of the Local Government Act 1999 to “make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness” (the best value duty).
- 5.2 Where the Secretary of State is satisfied that an authority is not meeting its best value duty, the Secretary of State may: (1) direct the authority to take action to bring itself into compliance with that duty; (2) direct that specified functions be carried out by the Secretary of State or a nominee and that the authority follow the Secretary of State’s instructions and provide such assistance as may be required (Local Government Act 1999). In accordance with this power the Secretary of State gave directions to the Council on 17 December 2014, 29 April 2015 and 6 May 2015. Revised directions were also given on 16 January 2017.
- 5.3 The directions are enforceable by the Secretary of State, who may seek an order in the High Court requiring the Council to remedy any breach. In the circumstances, it is appropriate for the Council to take steps to comply with the directions and to monitor its compliance with the directions. The report relevantly informs members of progress and appropriately indicates that Cabinet approval will be sought before presenting the required update to the Department of Communities and Local Government.
- 5.4 Although the Directions are set to expire on 31st March 2017 and the specified functions to be carried out by the Commissioners on behalf of the Secretary will return to the authority, it is open to the Secretary of State to issue fresh directions to the Council for it to take specific action which is considered necessary or expedient to secure the Council’s compliance with its best value duty without specifying that specified functions be carried out by the Secretary of State or a nominee. This could include matters set out in 3.7 or one of more of the options in 3.8.

5.4 When taking action in response to the directions, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). Compliance with this duty has been a feature, to the extent relevant, of the Council's action in response to the directions.

5.5 There are no immediate legal implications arising from this report

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 The Council needs to deliver its functions, including in relation to those elements transferred to the Commissioners through Directions, in particular paying due regard to equality. Any significant policy changes emerging from the improvement planning activity will be subject to equality analysis to understand its impact. The Best Value arrangements for 2017-18 will strengthen local community leadership through controls being given back to democratically elected local officials.

7. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

7.1 No specific environmental implications.

8. RISK MANAGEMENT IMPLICATIONS

8.1. Delivering the actions within the Plans will mitigate risks to the Council in delivering best value.

9. CRIME AND DISORDER REDUCTION IMPLICATIONS

9.1 No specific crime and disorder implications.

10. EFFICIENCY STATEMENT

10.1 Through ensuring the Council meets its best value duty, the plans will improve efficiency and effectiveness of the key functions covered within them.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE.

Appendices

- **Appendix 1- Best Value Action Plan –Final 6 monthly update report**
- **Appendix 2- Best Value Improvement Plan 2017-18**

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

- Sharon Godman, Divisional Director Strategy, Policy & Equality