

DIRECTIONS UNDER SECTION 15(5) AND (6) OF THE LOCAL GOVERNMENT ACT 1999 TO THE COUNCIL OF THE LONDON BOROUGH OF TOWER HAMLETS 2014

WHEREAS

1. The Secretary of State for Communities and Local Government (“the Secretary of State”) has carefully considered the following in respect of the council of the London Borough of Tower Hamlets (“the Authority”):
 - a. the Mayor of Tower Hamlets’ third six monthly report on progress against the Council’s Best Value Strategy and Action Plan, received by the Secretary of State on 20 September 2016;
 - b. the Tower Hamlets Commissioners’ report on progress with the intervention in Tower Hamlets, received by the Secretary of State on 11 October 2016; and
 - c. the representations made to him on 15 December 2014 by the Authority on the proposed revised intervention package.
2. The Secretary of State is satisfied that the Authority is able to exercise functions in relation to the making of grants under any statutory power or duty (paragraphs 1 and 2 of Annex B to the 17 December 2014 Directions), in compliance with the requirements of Part 1 of the Local Government Act 1999 (“the 1999 Act”). However the Secretary of State considers that the Authority’s exercise of these functions should be subject to oversight arrangements to enable the Commissioners to advise and scrutinise the Authority and ensure its compliance with the best value duty.
3. The Secretary of State is also satisfied that the processes and practices the Authority adopts for entering into contracts, including how it implements its written procurement policies and procedures, are now in compliance with Part 1 of the 1999 Act.
4. The Secretary of State, having considered the representations made by the Authority as required by section 15(9) of the 1999 Act, considers it necessary and expedient in accordance with his powers under section 15(5) and (6) of the 1999 Act, to direct the Authority as set out below in order to secure the Authority’s compliance with the requirements of Part 1 of the 1999 Act, including the specific requirements of the Directions under section 15(5) and (6) of the 1999 Act issued on 17 December 2014.

NOW THEREFORE

5. Pursuant to his powers under section 15(5) and (6) of the 1999 Act, the Secretary of State directs the Authority to take the actions set out in the Annex to these Directions.

6. These Directions remain in force until 31 March 2017.

Signed on behalf of the Secretary of State for Communities and Local Government.

A handwritten signature in black ink, appearing to read 'Alex Powell', with a long horizontal stroke extending from the end.

Alex Powell

A Senior Civil Servant in the Department for Communities and Local Government

Date: 16 January 2017

ACTION THE AUTHORITY IS REQUIRED TO TAKE

In this Annex, the following expressions have the following meanings:

“the Authority” includes the Mayor, the Cabinet Members, any committee of sub-committee and any other person who has responsibility for the matter in question;

“the Direction Period” means the period beginning with the date of these Directions and ending on 31 March 2017;

“member of the Authority” includes the Mayor.

The actions to be taken by the Authority are:

- 1) For the Direction Period, subject to paragraph 2, to exercise under the direction of, and to the satisfaction of, the Commissioners all functions relating to the making of grants under any statutory power or duty, including any grants made pursuant to section 1 of the Localism Act 2011 (local authority’s general power of competence).
- 2) For the purpose of paragraph 1,
 - (a) paragraph 1 does not apply to grants made for the purposes of section 23 of the Housing Grants, Construction and Regeneration Act 1996 under section 24 of that Act (i.e. Disabled Facilities Grant);
 - (b) functions include any functions incidental or consequential to the making of grants other than any functions provided for by Chapter 3 of Part 1 of the Local Government Finance Act 1992.
- 3) The Authority will be obliged to continue to undertake the actions outlined in paragraphs 2, 3, 4, 5, 6, 8, 9, 10 and 11 of Annex A and paragraphs 3, 4 and 5 of Annex B to the 17 December 2014 Directions for the retained functions.