



Department for Levelling Up,
Housing & Communities

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City of Bradford Metropolitan District Council Best Value Notice issued on 29 February 2024

The Department for Levelling Up, Housing and Communities expects authorities to identify and implement arrangements to secure continuous improvement and acknowledges the steps you have taken to identify the serious issues at Bradford Council, including your timely and helpful engagement with the Department. However, we remain concerned as to Bradford Council's capacity to comply with its Best Value Duty under the Local Government Act 1999. The Minister for Local Government has therefore made the decision to issue Bradford Council ("the Authority") with this Best Value Notice.

A Best Value Notice ("Notice") is a formal notification that the Department has concerns regarding an authority and is a request that the authority engages with the Department to provide assurance of improvement. This Notice is issued outside the statutory powers held by the Secretary of State under the Local Government Act 1999 to inspect or intervene in local authorities where there is evidence of best value failure and, separately, under section 230 of the Local Government Act 1972 to request information from local authorities. However, a failure to demonstrate continuous improvement may be judged to contribute to best value failure and the Secretary of State will consider using these powers as appropriate.

Alongside this Notice, Bradford Council will receive a letter regarding the Authority's request for exceptional financial support (EFS) in respect of the financial years 2023-24 and 2024-25. Included in that letter are specific conditions that are complementary to this Notice and can be considered together.

This Best Value Notice is issued following:

- Serious concerns highlighted by the review of Bradford Council, undertaken by the Chartered Institute of Public Finance and Accountancy (CIPFA) and reported in November 2023, around financial resilience, and control.
- Concerns relating to capacity to transform both the Authority and Bradford Children and Families Trust ("the Trust") services at sufficient pace to ensure they can tackle the issues they face.

- The CIPFA review's requirement for greater assurance regarding effective working relationships, particularly between the Authority and the Trust.

Given the seriousness of the issues identified, a failure to deliver the level of change required at sufficient pace would be very concerning. I am therefore setting out the Department's expectations of the Authority in providing assurance of progress. Ministers have been clear that there can be no scope for poor working relationships between Bradford Council and the BCFT.

We expect:

1. That the Authority establishes an independent advisory panel that has expertise in finance and children's services, to support the Authority to develop its own improvement roadmap, and to monitor progress on the delivery of CIPFA's review recommendations.
2. The terms of reference of the advisory panel will be agreed between the Department and the Authority, but it should contain as a minimum scope for the panel to:
 - Review the Authority's governance framework to ensure it holds leaders to account for performance against budgets.
 - Review that the Authority and the Trust have established full and effective lines of sight across all areas of spend.
 - Ensure that the Authority has a coherent risk management strategy, policy, and approach across the total organisation and with stakeholders and partners.
 - Support the Authority to broker effective working relationships between the leaders of the Authority and the Trust, establishing a shared vision, objectives, and an effective framework for good governance between the trust and council.
 - Provide targeted support to the Authority's Chief Executive Officer and other statutory officers where they require it.
3. That you consider making the current children's commissioner part of the advisory panel.
4. That the Authority consider the opportunity to draw in specific expertise in procurement, HR, contract management and wider corporate services to the panel to support the Authority's capacity.
5. That the Authority, with the support of the improvement panel, produces an improvement and transformation plan that is focused on delivering the Council's key objectives and securing the medium-term financial position and implements the recommendations from the CIPFA review. The plan should take into account broader work required by the Department to produce productivity plans to improve service performance and reduce wasteful expenditure. The details of this plan are set out in the Minister for Local Government's letter to the Authority regarding its request for EFS.

6. That you will continue in your efforts to implement cultural change, particularly in relation to effective working relationships between officers and stakeholders and that this will be an important focus of the advisory panel.
7. To complement existing engagement between Bradford and the department, we expect that contact at working level should occur monthly, recognising that this may change according to need over time. We expect any requests for information to be fully and promptly met.

Your Authority may continue to receive and be awarded government funding while under this Notice, but we emphasise that receipt of funding does not indicate the Department's broader view of the performance of the Authority, nor would it indicate any change in the status of this Notice, with individual funding programmes being managed and assured independently by their respective departments.

This Notice will remain in place for 12 months, after which time, should the Department deem it necessary to continue to seek assurance through such a Notice, it will be reissued. The Notice may be withdrawn or escalated at any point based on the available evidence.

It is important to ensure transparency in relation to the challenges faced by local authorities and the department's engagement on these issues. A copy of this 'Best Value Notice' will therefore be published on gov.uk. I encourage you to make a copy of this letter available on the Authority's website, and to share it with the full Council and the Audit Committee. In line with this, we will notify your external auditor of this action.

A member of my team will be in touch with you to arrange further engagement. I look forward to receiving updates on your progress.

Yours sincerely,

Suzanne Clarke
Deputy Director, Local Government Finance