



Ministry of Housing,  
Communities &  
Local Government

Max Soule  
*Deputy Director, Local Government  
Stewardship and Interventions*

**Ministry of Housing, Communities &  
Local Government**  
2 Marsham Street  
London  
SW1P 4DF

Stephen Halsey  
Chief Executive  
London Borough of Tower Hamlets  
*By email*

[www.gov.uk/mhclg](http://www.gov.uk/mhclg)

22 January 2025

Dear Mr Halsey,

I am writing to inform you that, after careful consideration, today Directions have been made under section 15(5) of the Local Government Act 1999 (“the 1999 Act”) in relation to the London Borough of Tower Hamlets (“the Authority”). I enclose a copy of the Directions, together with an Explanatory Memorandum, which will be published on gov.uk, together with this letter. These Directions will come into effect immediately.

Having reviewed all representations, the Minister for Local Government and English Devolution has confirmed his view that the Authority is not meeting its Best Value Duty. The statutory support package is formed of actions your Authority is directed to take and the appointment of a Ministerial Envoy, Kim Bromley-Derry CBE DL, and two Assistant Envoys, Shokat Lal and Pam Parkes. These individuals are best placed to take up these roles due to their individual knowledge and experience in local authority leadership, decision-making and governance. The Minister has decided to enlarge the Envoy team to include two Assistant Envoys rather than one to bring greater diversity of thought to the team and ensure their approach is current with the challenges and best practice of local authorities today. The Minister recognises the expertise of the appointees and is confident that they will be key to resolving the issues at the Authority. The Directions will be in place until 31 March 2028.

The Authority is directed to cooperate with the Ministerial Envoys, who are accountable to the Minister in that they have been nominated by them and can have their nominations withdrawn by them. The Ministerial Envoys are in place to provide oversight to ensure the Authority takes the necessary steps to achieve the best possible outcome for Tower Hamlets residents and the public purse. Accordingly, the Ministerial Envoys will periodically report on whether the Authority has made sufficient improvement to be able to comply with its Best Value Duty on a sustainable basis.

The Directions require your Authority to take certain actions as set out in Annex A. In summary:

- Reconfigure the existing Transformation Advisory Board into a Transformation and Assurance Board (the Board).
- Undertake recruitment of a permanent appointment to lead the improvement work in the Authority and progress against the Directions.
- Prepare and implement programmes of cultural change and political mentoring.
- Prepare and implement a Continuous Improvement Plan.
- Work with the LGA to agree a review visit to the 2023 Corporate Peer Challenge.
- Cooperate with the Envoys and provide assistance and access to them as set out in the Directions and required to deliver improvement.
- Have regard to recommendations from the Board.
- Report to the Board, the Authority and Minister on delivery against these Directions.

The Minister expects Carolyn Downs CB, former Chief Executive of the London Borough of Brent and Lead Peer during the Local Government Association's Corporate Peer Challenge of the Council in September 2023, to be invited to play a role on the reconfigured Transformation and Assurance Board.

The Directions also require your Authority to pay the Ministerial Envoys reasonable expenses and such fees as the Secretary of State determines to be paid to them. The Minister is mindful of the need for the Envoys' remuneration to represent value for money for local taxpayers. In recognition of the nature and scale of the intervention, the Minister has determined fees of £1,100 per day, to a total of 120 days annually, for the Ministerial Envoy and £1,000 per day, to a combined total of 120 days annually, for the Assistant Envoys. The Minister also expects the Envoys to be paid reasonable expenses in accordance with the rules for senior officers set out in your Authority's staff handbook.

The Directions will remain in force until 31 March 2028 unless the Minister considers it appropriate to amend or revoke them at an earlier date.

Finally, you will wish to note that the Minister has asked for a report after four months and then intervals to be agreed with the Ministry. This allows for a process for regular review. The Minister has not ruled out the possibility that further actions be taken in the future.

I am copying this letter to your Authority's Section 151 Officer, and to its Monitoring Officer.

Yours sincerely,

**Max Soule**  
**Deputy Director, Local Government Stewardship and Interventions**