

Jim McMahon OBE MP

Minister of State for Local Government and
English Devolution
2 Marsham Street
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Gavin Jones CBE Dr Dave Smith Denise Murray By email

19 June 2025

Dear Gavin, Dave and Denise,

I am writing to inform you that I have today published your fifth report, together with my response. I would like to take this opportunity to thank you for your continued work and support provided to Thurrock Council as Commissioners.

Since the intervention started in September 2022, the Council has made significant improvements, for example, to its governance arrangements and financial management, with improvement activity driven forward by a clear commitment from the leadership, and an improved corporate capacity at the senior levels. However, the improvements have been made starting from a low base since the financial and systematic issues the Council faced in 2022 were vast.

Your latest report makes clear that improvements to date remain fragile and there remain substantial areas in which Thurrock Council still needs to improve, embed and deliver before it can evidence it is meeting its Best Value Duty.

You consider that further improvements need to be delivered across a number of areas, which must then be sustained and embedded across the organisation and I note your recommendation that the intervention should be extended beyond September. The Council still needs to evidence deliverable plans to make corporate transformational savings to secure sustainable services and there remains a need for it to strengthen its internal controls, especially across internal audit and risk management. Financial sustainability remains the biggest risk. A robust transformation plan is needed to deliver the Council's proposed operating model and meet savings targets.

We have communicated to Greater Essex councils the government's current position on Thurrock Council's exceptional debt. This included the government's acceptance that Thurrock Council holds significant unsupported debt that cannot be managed locally in its entirety, and the government has indicated that we will provide an initial tranche of financial support for debt repayment for Thurrock Council in 2026-27 ahead of local government reorganisation. We will continue to work with the Council to ensure that any support is value for money for local and national taxpayers.

The Secretary of State and I are satisfied Thurrock Council is not yet meeting its Best Value Duty and that further time is needed to implement and embed the necessary changes and improvements.

I am minded-to exercise powers under section 15(5) and 15(6) of the Local Government 1999 Act to implement a new package that ensures the Council's compliance with its Best Value Duty. The proposal consists of issuing new Directions to the Authority until 30 April 2028 which require the Council to take actions to address the outstanding issues and priorities, as well as continuing to engage with Commissioners who would be able to exercise specific Council functions. It is my view that issuing new Directions to extend the intervention and appointing Commissioners would provide the additional support required by the Authority to secure compliance with the Best Value Duty and also would ensure that the intervention timetable reflects the broader context for the area and aligns it to the proposed timelines for local government reorganisation. This seeks to ensure there is external oversight and assurance of the Council's improvement journey as it prepares for any future arrangements, and provides flexibility to review the model of intervention throughout this period.

I would intend to review the proposed arrangements, if implemented, by Summer 2026 when I would expect there to be further clarity on broader plans for devolution and local government reorganisation across Greater Essex. I want to continue our dialogue and work in partnership with the Commissioner team and the Council to consider the next steps.

I am now inviting the Council and any other interested parties to make such representations as they wish about the Report and my proposal to issue Directions under section 15(5) and (6) of the 1999 Act. All such representations should be sent by email to interventions@communities.gov.uk or in hard copy to the address above marked for my attention, to be received on or before 2 July. They will then be carefully considered before a final decision is taken and announced.

This government is committed to resetting the relationship with local and regional government and establishing partnerships built on mutual respect, genuine collaboration, and meaningful engagement. I trust that I can continue to rely on your engagement and continued support.

Given the content of your report, I am copying this response to Council Leaders and Chief Executives across Greater Essex, together with MPs. I am also copying the Authority's Section 151 Officer and Monitoring Officer. Yours sincerely,

JIM MCMAHON OBE MP

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