

Ministerial Envoys to the London Borough of Tower Hamlets



Ministerial Envoys

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Dear Minister of State

This letter provides Envoys' assessment of progress to date at the London Borough of Tower Hamlets. This is the first report since the intervention began on 22nd January 2025. As set out in the Ministerial Directions, we are to report to you on the council's progress after four months, and at regular intervals thereafter.

In this new model of intervention, you have been clear that it is for the council to lead their improvement journey, and that as Envoys, we should work in partnership with the council to advise, mentor, monitor and challenge and provide assurance to you on their progress. We have taken a collaborative and transparent approach, operating on a no-surprises basis. We feel that we have made progress in gaining the council's trust and building the relationships needed to best support them going forwards. We have thus far had positive feedback from the council on how the approach is working, and the Mayor and the Chief Executive have stated their intentions to also work in this collaborative and honest way.

The Ministerial Directions outline that the Statutory Intervention in Tower Hamlets should focus around five Best Value themes: Leadership, Governance, Culture, Partnerships and Continuous Improvement. These themes are symbiotic and therefore must be seen in the round. However, for the purposes of this report we have organised our comments into sections to enable ongoing tracking of progress against the Ministerial Directions and the Best Value themes.

1. Introduction

- 1.1. Since arriving at Tower Hamlets, those we have met in the council have made us feel welcomed. We have regular meetings with the Chief Executive which allows for regular information exchange and discussion of the key issues. We have been working closely with the Senior Strategy Advisor to the Chief Executive, whose support to the intervention is commendable. We have met with the Cabinet, the Labour Group, several of the ungrouped members and offered meetings to all members. We have also implemented six-weekly feedback sessions with the Mayor and the Chief Executive.

- 1.2. The council has issued written communications to all staff on the intervention (through newsletters and intranet articles), and ran a session on 21st May for staff to attend to ask questions of the Chief Executive and the Lead Envoy, to further introduce staff to the Envoys and the improvement programme. The Envoys were also introduced at the Leadership Conference on 29th April which had managers attend from across the organisation.
- 1.3. Since our arrival, the council has been focused on developing a first cut of an improvement plan that reflects the requirements of the Ministerial Directions. They have set out their progress to you in a letter from the Mayor, Lutfur Rahman, and Chief Executive, Steve Halsey, sent on 28th April. We have summarised our view of the council's progress against the Directions at paragraphs 1.7-1.16.
- 1.4. Now that introductions have been completed, initial communications delivered, and a framework for the required improvement work is in place, we expect to start meeting with more staff and stakeholders to support the organisation to deliver the work at pace. We have not always felt that staff have prioritised making time for meetings with the Envoys, and meeting some individuals has taken longer than it needs to. We are particularly keen to meet the wider Mayor's office and advisors, and are awaiting a meeting with backbenchers which is scheduled for 2nd June.
- 1.5. This report comes at a juncture as the council is moving from planning into delivery mode. As they do so, we hope to see the council proactively engage the expertise that we provide so that we can best and most efficiently support, mentor and challenge the organisation throughout the period of the intervention.
- 1.6. This report sets out our early observations and opinions. We would stress that at this early stage of the intervention, we are still in the process of gathering data and evidence to support the council to develop their baseline across the areas for improvement identified in the Best Value Inspection (BVI) report and required by the Ministerial Directions and to set out their vision for success. It is too early to make conclusive judgements.

Reconfiguration of the Transformation Advisory Board into a Transformation and Assurance Board

- 1.7. The Transformation Advisory Board has been reconfigured, with a new Board, the Transformation and Assurance Board (TAB), set up, chaired by the Mayor. The council has appointed external advisors to sit on the Board and support the improvement work: Sir Steve Bullock has been appointed as Leadership Lead, Carolyn Downs as Governance Lead, and Jenny Rowlands as Culture and Partnerships Lead. Membership of the TAB also includes the Chief Executive; the Envoys; Kate Herbert, the London Government Association's (LGA) Principal Advisor for London; elected members from the two political groups (Aspire and Labour); and a representative of the Ungrouped members. At the time of drafting these were Cllr Abu Talha Chowdhury (Aspire), Cllr Sirajul Islam (Labour) and Cllr Nathalie Bienfait (Green Party) for the ungrouped. The council has also appointed Professor Shafi Ahmed to be the Community Lead for the TAB. We are still considering whether the TAB would benefit from direct partnership representation. The council has a number of experienced people to draw on for support and advice, and they should

utilise the expertise on offer proactively, using the TAB to test, challenge, scrutinise and assure their improvement work.

- 1.8. The Board has met three times since its reconfiguration. The first session was a facilitated workshop held on 18th March, which focused on agreeing scope and ways of working. The council has asked the facilitators to observe the first six TAB meetings, to ensure the ways of working the Board has agreed are operating in practice. This is a helpful addition which is an example of the council inviting external challenge.
- 1.9. The Board had its inaugural meeting on 14th April. The council presented the first draft of its Continuous Improvement Plan (CIP), Programme of Cultural Change and Programme of Political Mentoring. The Board provided the council with advice and steers on the content and the implementation of the plans, and formally agreed these plans as a first iteration.
- 1.10. The Board had its second official meeting on 12th May. This meeting focused on member interface and behaviour, which is a priority area for improvement. We were pleased to see an open and frank discussion on political mentoring and member behaviour. It was a healthy debate where members were able to engage honestly on behalf of their wider groups. It is important that political group representatives aren't working in isolation and are able to bring their group's perspective to the Board, and that outputs and outcomes are cascaded.
- 1.11. The Board is scheduled to meet monthly for the first six months which will set a demanding pace and will require the council to drive their improvement work forward quickly and comprehensively. As they do this we look forward to seeing the papers provided to TAB and the processes around it mature. As required in the Directions, the council intends to provide the TAB with a delivery report against the CIP every three months. The first one will come to the June 2025 meeting. This report will then be presented to Cabinet, Overview and Scrutiny Committee (O&S) and Full Council.
- 1.12. We have regular meetings both collectively and individually with the TAB Leads to encourage a joined-up approach to supporting the council.

Continuous improvement and change plan

- 1.13. The council has produced an outline CIP, which brings together ongoing and new improvement workstreams under one umbrella. They have also produced outline plans for a Programme of Cultural Change and a Programme of Political Mentoring. These plans are a first cut, and the council is aware that they will all require further development. It was agreed that the council will take forward developing these plans at pace and will use a change control process to track progress.
- 1.14. Going forward, we expect to see progress on how the plans will be delivered, their impact and how success will be measured. The TAB has advised that the council need to consider how they intend to evidence that change is embedded and sustainable over time. We expect to quickly see these plans become central in the council's business as usual (BAU) work across the entire organisation. We also refer to this in the Leadership section.

Peer review

- 1.15. The council has been working to take action in response to the LGA Corporate Peer Challenge (CPC) report produced in 2023. A follow up review has been scheduled for early October 2025.

Improvement Lead

- 1.16. The Council has also taken all the necessary steps to recruit a permanent Strategic Director of Change who will lead this improvement work going forward.

Best Value Themes

2. Leadership

- 2.1. The statutory Best Value guidance emphasises that effective leaders have a clear vision and set of priorities for their area, and it is important that they model positive and effective behaviours at all levels of the council.
- 2.2. At this early stage of the intervention, we are still in the process of gathering data and evidence to support the council to develop their baseline for both political and officer leadership and to set out their vision for success.

Political leadership

- 2.3. The Mayor and the current administration have a clear political mandate arising from the local elections in May 2022. At that time, the Mayor identified a clear set of priorities in his manifesto and over the past three years these Manifesto pledges have given the council a political vision and set of priorities. There has been some political changes since May 2022, with some members changing allegiance. These changes have undoubtedly increased the political tensions in the council. With one year before the next local elections in May 2026, local politicians from all parties are beginning to prepare for these elections.
- 2.4. Effective political leadership must be demonstrated through adherence to the Nolan Principles and by exhibiting appropriate behaviour by all politicians within the council. The BVI report and the LGA CPC report identified negative behaviours across the chamber that inhibited council business. Since this time, progress has been made in some areas. All members have been offered support to complete Personal Development Plans and bespoke work has been done to support member development for scrutiny, including holding facilitated workshops. The O&S Committee chairing arrangements have improved significantly since June 2024 under the chairpersonship of Councillor Asma Islam who was elected to the role in October 2024. Following a new chair being elected at Full Council on 14th May 2025, we encourage the council to consolidate and maintain this improved chairing to ensure appropriate and apolitical scrutiny.
- 2.5. Audit Committee has also been chaired by an Opposition member since October 2024 and this has contributed to improved governance and oversight. The council has decided to bring in an independent chair of Audit Committee from July 2025 in order to ensure apolitical chairing, which we support.
- 2.6. Despite these improvements, some behaviours from all sides of the chamber continue to be problematic. Poor behaviour in the chamber sometimes goes beyond the usual

political theatre, distracts the council from doing its business and limits scrutiny and debate. Whilst all sides are saying they are trying to change their ways, this is not yet evidenced in a range of public meetings. It is positive that the Mayor has clearly stated that he recognises these issues and the responsibility of the group leaders to support behaviour improvement. It will be important for each politician and political group to reflect on their own behaviour in the first instance rather than always see this as a problem created by the other political groups. A greater focus on ensuring appropriate, robust and apolitical chairing across all civic meetings is an important first step.

Political Mentoring Programme

- 2.7. The council has been working closely with Sir Steve Bullock, the council's appointed TAB Advisor for political leadership, and his work to date has focused on a number of 1:1 meetings with the Mayor and Cabinet and a broader group of members as part of developing robust development and mentoring arrangements in collaboration with the LGA.
- 2.8. In the first cut of the Political Mentoring Programme, the council has focused on member behaviour, capacity and capability. We have also encouraged the council to further develop their plans to focus on the interrelationships between members, managing conflict, conflicts of interest and the role of an elected member holding office in a political environment. We have advised the council to undertake work to understand the perspective of all councillors on behaviours, standards and the remedial action necessary. There is agreement across the TAB that some bespoke and individual work with members will need to be developed. The council agrees that it will be important to monitor whether and how the measures implemented impact on member behaviour, and be ready to amend the approach accordingly.

Officer Leadership

- 2.9. Officer leadership stability, capacity and capability are vital factors in ensuring strategic grip and promoting improvement across the organisation. The council has made progress over the past year to reduce reliance on interim arrangements and is in the process of appointing a permanent Strategic Director and a number of permanent Directors which is a positive step. It will be important that all of the senior posts work together to build the council's corporate leadership capability to drive and deliver the improvement work.
- 2.10. There are a comprehensive set of senior management meetings at appropriate levels of the council and these are effectively chaired by the Chief Executive, or have effective chairing arrangements. Specialist officers regularly attend the Corporate Management Team (CMT) meeting to present reports, or to attend for specific items. These meetings are well managed and inclusive.
- 2.11. We have observed that the effectiveness of officers when engaging with members is variable. This effectiveness is dependent on the confidence and experience of council meeting chairs and assigned officers. When behaviours of members become problematic, the role of the Monitoring Officer and Chief Executive becomes crucial. The new Monitoring Officer delivered a robust and clear speech at her first Full Council meeting on 14th May, setting out her expectations of members and making clear her role in

maintaining order in the Chamber. The Chief Executive recognises his vital role in supporting the Monitoring Officer.

Capacity and capability to deliver change

- 2.12. Improvement work is taking place across the council. Much of this is in the individual directorates which are understandably focused on service delivery.
- 2.13. Although the council has made good progress in developing its CIP and politicians and senior staff are now aware of the statutory intervention, wholesale political and staff buy-in and involvement in the improvement journey is not yet in place. We expect to start seeing the CIP discussed at all levels of the organisation to ensure that it is embedded into BAU work. We believe full political, officer and stakeholder engagement in the improvement plan and process to be critical to its success. The recent Leadership Conference attended by the most senior 700 officers was a positive and effective launchpad which enabled the council to highlight the improvement journey and to develop a greater awareness of the plan. The council now need to move from a space of cascading communications to embedding the improvement work across the organisation.
- 2.14. We are aware that the Corporate Directors have contributed to the improvement plan in a range of forums, and that each Corporate Director has been assigned oversight of aspects of the CIP (as SRO). It is important that they lead much of the improvement work, and we expect to see this more visibly over the next six months. We have seen an initial example of ownership in the May TAB meeting, where the Corporate Director SRO presented. An Internal Assurance Board has been set up to sit underneath the TAB in the governance structure overseeing the improvement work, with membership consisting of the Chief Executive, Corporate Directors and Monitoring Officer. We will need to be assured that the Chief Executive is actively reviewing the corporate skills to ensure delivery the improvement work, and has robust plans in place to address any capability gaps, if required.
- 2.15. An effective and empowered corporate centre is key to delivering embedded and sustainable change, and currently, as the council recognises, they do not have sufficient capacity and capability at the corporate centre. The Council has taken positive, significant steps to address this by commissioning work titled the 'Empowering Services Review', from external consultants, to review the capacity, capability and structure of the corporate centre. At the time of writing we are awaiting seeing the consultants' final recommendations, which we hope when implemented will be a strong enabler for the wider improvement plan. Organisational change of this scale can be both disruptive and challenging for managers and staff and therefore we envisage the need for Envoys and the TAB to support the council in its effective implementation.
- 2.16. The council has recruited a Strategic Director for Change and Improvement, who will be the senior officer responsible for tying together and driving forward the improvement work across the organisation. This is a vital role and requires someone with strong experience and skills to lead the organisation through significant change. This role should lead the further development and delivery of the council's CIP, determine and establish plans for where there are gaps, and ensure coherence between this work and the Corporate Plan. The council expects that once this person is in post (expected summer

2025) and following implementation of the Empowering Services Review, they will have the capacity and capability to deliver the improvement work.

- 2.17. It is also necessary for members to own and lead the improvement work. The council has plans to report on the CIP to Full Council in mid-July following a discussion in the O&S committee, and on a quarterly basis thereafter. This is where members will have the opportunity to debate and shape the work, in addition to through their representatives on TAB. This is also why, as we have described above, it is important that the council treat this plan as an initial draft until it is comprehensively discussed and approved by Full Council.

3. Governance

- 3.1. How decisions are made in the council is intrinsic to ensuring best value and in serving the local community. The Best Value guidance states that councils must have robust governance and scrutiny arrangements in place to hold the Executive to account. Decision-making processes must be clear and transparent, including having clear schemes of delegation and accountability frameworks which are regularly reviewed and understood by all. The way in which decisions are made and who is accountable are a critical aspect of the leadership and culture of the organisation, and therefore closely relates to the other sections in this report.
- 3.2. At this early stage of the intervention, we are still in the process of gathering data and evidence to support the council to develop their baseline for governance and to set out their vision for success.

Governance improvement plans

- 3.3. The council has an outline plan to improve governance structures as part of the CIP, which will also consider the scheme of delegations for the authority as outlined in the Ministerial Directions. The council is at the very early stages of thinking on how to develop this plan, and they are considering commissioning an external provider to conduct a governance review to meet its objective of improving governance. Decisions on this piece of work and its implementation should be prioritised the first step in defining and shaping the improvements needed to strengthen governance structures and processes.
- 3.4. The CIP will also need to practically align with the council achieving its overarching strategic aims and ambitions. We expect this to become clearer as the CIP is developed further.

Decision making forums

- 3.5. The council has in place a range of boards and committees that take advice and reports ahead of final decisions being made by the Mayor. The route a report will go through can depend on the nature of the policy or operational decision. For example, key policy advice will usually go to CMT, then the Mayor's Advisory Board (MAB) before going to Cabinet and/or a scrutiny committee. It is not yet fully clear to us how all of the various boards and political committees connect; what the line of sight is between the different advisory forums; and what the distinct roles of the officer leadership team and the Mayor's office

are in advising on and making decisions. This is why it will be important for us to spend more time over the coming months with the key advising, decision-making and scrutiny forums, including the Mayor's office, to better understand the governance processes.

- 3.6. We have heard varying views and perceptions of the governance processes in Tower Hamlets, with some people feeding back that there is too much red tape, and others thinking that decisions can get held up at various points in the system. More work is required to determine the issues and how they can be solved to ensure robust assurance and governance processes that do not inhibit decision-making and delivery. We intend to work with the Monitoring Officer and the leadership team to support them in their approach to improve governance in the organisation and would stress to the council that their governance systems should be robust, transparent and fit for purpose and avoid unnecessary bottlenecks.

The Golden Triangle

- 3.7. The oversight of good governance sits with the three statutory roles, the Head of Paid Service, the Section 151 Officer and the Monitoring Officer. We are aware that this group meet regularly. The council has recently appointed a new Monitoring Officer after having an interim arrangement in place for the past year. This, together with the recent departure of the Section 151 Officer, and interim arrangements in place to cover this position, inevitably means that the Golden Triangle arrangement will need to be re-established with new officers. A strong golden triangle is critical in ensuring both effective political and officer leadership. We encourage the council to ensure that this arrangement is both visible and that it demonstrates evidence to the organisation of its impact on good governance and leadership. We will want to see evidence of the group dealing with some of the more challenging issues that arise in the council, and visibly providing robust challenge to the political leadership of the organisation and to one another. It will be important to create a culture for all levels of the organisation to feel empowered to challenge.

External Auditor's Statutory Recommendations

- 3.8. In February 2025, the council's external auditor issued three statutory recommendations to the council relating to procurement, the internal control environment and financial reporting. The council has accepted and agreed a plan to respond to these recommendations and will report on progress to address these recommendations to the Audit Committee as well as to the TAB (given they are significant workstreams of the CIP). Whilst it is too early for us to take a view on the council's response to these recommendations beyond the plan they have produced, it is important to stress the significance of these recommendations for their improvement journey. The concerns highlighted by the auditors reflect some of the issues flagged in the BVI report, including a lack of transparency and drive to achieve improvements in areas where weaknesses are identified, and it will be important that the council prioritise improvements in these areas to address recommendations.

Finance

- 3.9. The BVI report set out that there were no significant financial concerns and that remains the case. In order to continue to provide assurance that the council's finances remain stable through the next period, we will be working to better understand the council's

Medium Term Financial Strategy (MTFS), its delivery and approach to financial governance, including how this fits with the CIP.

4. Culture

- 4.1. The Best Value guidance sets out that culture is how organisational leadership and the established governance procedures are exercised in practice. We would describe culture in a local authority to be about a number of things. Firstly, it is about the people (officers/members/partners), the leadership, their ways of working and behaviours. It is also about the governance, how decisions are made and the levels of trust, transparency and autonomy in the system, as well as the operating environment for staff that enables individuals to carry out their roles, to collaborate within and across boundaries and to deliver services. Finally, it is about the council's values and how these are applied practically in the day-to-day running of the organisation.
- 4.2. It is too early at this stage of the intervention to make a definitive statement on the present culture of the council and how far or near they are to their desired state. We are still in the process of gathering insight and data against key areas of interest to support the council in developing a credible baseline for a cultural development plan alongside their vision for success.

Political toxicity

- 4.3. We discuss our observations of some of the behaviours in the Chamber under the Political Leadership section. Given that interactions and behaviours between elected members are played out in front of officers and the public in the public gallery, this sets the tone for culture in the organisation. We have been impressed by the extent of community interest in civic meetings evidenced through strong attendance by the public. This further emphasises the need for members to behave appropriately and act in accordance with the Nolan Principles in public settings.

Cultural change programme

- 4.4. The council's plans for cultural change are at an early stage. There are encouraging signs that the council's Corporate Director team are committed to the organisation and to Tower Hamlets the place. The council has committed to more detailed diagnostics of the wider workforce, employee representatives and partners before setting out a plan for change. As a key step, the council will conduct a staff survey in October 2025 (the most recent one was in 2022). They intend to run the survey on a yearly basis for a minimum of three years. This will enable the council to better understand cultural change over time in the organisation and we would expect the council to build on the proposed staff survey through extensive staff and member engagement. The council will also need to evaluate their governance frameworks and leadership and management programmes to help inform any cultural change programme. It is unlikely that a cultural change programme can be fully developed and gain traction until the council has embedded a Strategic Director of Change and Improvement and secured the expertise of a permanent Director of Human Resources & Organisational Development, discussed further below. We will continue to work closely with the council through their diagnostic and planning work and

would expect the programme for cultural change to have a clear plan, with impact and measurements, set out in six months' time.

Workforce

- 4.5. It is clear that the staff at Tower Hamlets Council are passionate about their work and proud to work for the borough. There is a real buzz about the Town Hall, which makes for a positive and energising working environment.
- 4.6. The council performs well in pay equality as they appear to have no gender pay gap amongst its workforce. This should be commended and proactively celebrated.
- 4.7. We have been provided with some foundational workforce data which appears to be in order, albeit there is more data required to fully understand workforce performance and engagement at the service and team level.

Recruitment

- 4.8. The BVI report states that there is a perception of patronage within recruitment practices, and we think that this perception remains.
- 4.9. Since we have arrived in Tower Hamlets, elected members who have been involved in recruitment have stated that they have two priorities (in addition to the statutory responsibilities set out in the 1989 Local Government Act to ensure appointments are made on merit), which are to create a workforce that is representative of its local community; and to support internal talent. These priorities should be reflected in an agreed workforce/recruitment strategy which is clear on what factors will be prioritised and considered by members in appointments, so that the process is transparent. The council should recognise that there is still a perception of patronage within recruitment practices in some quarters, and should take steps to address this by ensuring transparency.
- 4.10. We were invited to participate and observe in the recruitment and selection process of five vacant Director positions. These positions are designated Chief Officer and Deputy Chief Officer posts that are subject to the elected member appointment process. The recruitment campaigns for these posts were already in train before the arrival of the Envoys and were managed by a credible executive search partner. Our involvement in these recruitment processes was sporadic due to the council's lack of prioritisation of Envoy diaries. Members' confusion around how to balance the different recruitment priorities described above was clear in some of the shortlisting panel discussions that we observed.
- 4.11. We have also participated in and observed the recruitment of the Strategic Director for Change and Improvement, and were content with how the shortlisting processes and interviews were managed.
- 4.12. We will continue to monitor and advise on Chief Officer and Deputy Chief Officer recruitment and support the council in the development of their recruitment policies as part of their wider Workforce Strategy.

Human Resources and Organisation Development capacity

- 4.13. It is evident that the council's Human Resources (HR) service model requires attention, and its Organisational Development (OD) focus and capacity is dissipated across council services.
- 4.14. The council is making some progress towards a decision to resource the expertise needed to focus on organisational cultural and workforce development, change and transformation.
- 4.15. The council has an interim HR Director who has been in post for seven months. We understand that it is the council's intention to recruit a permanent Director for HR and OD imminently. A permanent and experienced HR & OD leader would support the council in developing a Workforce Strategy that should encompass plans and programmes for leadership and management development, talent development, succession management, organisational design and change management. An experienced leader should be seen as a trusted advisor to the Chief Executive, Corporate Leadership Team and elected members.
- 4.16. The council include a plan titled 'Engaged, effective and empowered workforce' in their CIP, which will incorporate recruitment and HR transformation programmes and an OD strategy. We expect to see details of this plan and evidence of delivery in the next six months.

5. Partnerships and community engagement

- 5.1. The Best Value guidance promotes effective partnerships and collaborative working arrangements with a range of local stakeholders and service users, to promote local economic growth, social cohesion and pride in place. They also create the opportunity to maximise sharing resources and creating a more joined-up offer that meets residents' and service user needs. The Best Value guidance also promotes inclusive, open and fair consultation and engagement, including with communities and representatives of the local area.
- 5.2. The Mayor and council is very delivery- and outcome-focused for the communities they serve. This approach permeates all aspects of the council's work. The council has proactively encouraged, and benefits from, high levels of community engagement in local democracy, which should be commended.
- 5.3. It is important for the council to develop and demonstrate a shared vision which has been co-produced with partners across businesses, communities and key statutory agencies. It is too early to judge progress on effective joint planning, funding, co-design and co-production with key stakeholders, the strength of the governance arrangements around this work, and the inclusiveness and effectiveness of community engagement.

Partnership working

- 5.4. It is evident that there are examples of positive collaborations between the council and operational partners. The recent 'Outstanding' Ofsted rating for Children's Social Care would not have been possible without strong partnerships and relationships with partners.

- 5.5. Since the intervention commenced there has been three meetings of the council's Partnership Executive Group (PEG), two of which the Envoys have been invited to and attended. It is therefore too early to assess the effectiveness of this arrangement. The council is focusing on developing a joint vision with partners, and we encourage them to work on how each of the strategic partners will contribute to delivering this vision. The council is also doing some work to reduce the number of partnership boards in existence (there are currently 40) as they are aware too many leads to inefficiencies.
- 5.6. It will also be important for the council to ensure their strategic and operational partners are included in the improvement journey and that their contributions are meaningfully incorporated into their plans to improve outcomes for residents, including considering how they are represented on the TAB. We will be engaging with a full range of statutory and non-statutory partners to build our picture of the work the council has undertaken in the last year and how we can support the council to continue to improve their relationships, consultation, co-design work and engagement practices going forwards.

6. Continuous Improvement

- 6.1. The best value guidance emphasises the need for a culture of ongoing improvement, through inviting external challenge and scrutiny, recognition of lessons learnt, and an embedded transformation function. We expect the CIP to become embedded as BAU which will enable continuous improvement across the organisation. The council's intention to agree the benchmark for what success looks like with Envoys will be a significant step.
- 6.2. The council's self-referral to the Regulator of Social Housing indicates a culture of willingness to learn from regulators and seek external challenge. Following the inspection they received a C3 rating in April. The council has acknowledged the judgement and we look forward to seeing how the council respond.

7. Next Steps

- 7.1. We have already set out that this report reflects our early observations, and that it is too early for us to develop substantive conclusions on many areas. The council has made some good progress in their initial response to the intervention and Ministerial Directions. We expect the council to build on the foundations laid thus far as it moves towards implementation of the CIP and we look forward to supporting the council during this next period.
- 7.2. To achieve embedded and sustainable change at Tower Hamlets, it is important that improvement moves beyond process, and is focused on evidence, outcomes and impact. This should include measurable and deliverable plans for each element of the CIP. The pace of change should not be rushed to ensure it is fully embedded and sustainable and generates strong evidence of its impact. The council need to set themselves clear benchmarks for success and measures of impact, and agree these with the Envoys. It is vital that the council lead on the co-production of these metrics as part of their work to ensure organisation- and stakeholder-wide understanding and buy-in of what needs to change.

- 7.3. Specifically, we expect to see significant progress in the priority areas of the CIP that are outlined in the Ministerial Directions. This includes, but is not limited to: developing and implementing the political mentoring programme; doing further diagnosis of the organisation's culture and formulating a practical cultural change programme that will have measurable impact; progressing the governance review in order to diagnose and then implement meaningful changes in governance practices; making meaningful progress on a recruitment and workforce strategy; making strides to implement the outcomes of the Empowering Services review; making significant progress to address the three statutory recommendations made by the external auditor; demonstrating further progress on building collaborative partnerships; and evidencing genuine ownership of what needs to change at all levels of the organisation.
- 7.4. As the programme moves into the next phase of delivery, it is essential the improvement work shifts from being owned by a small team of officers, to the plans being embedded into BAU council practices, driving wholesale change across the organisation. We expect to see evidence of political and officer leadership across the council gripping and driving the change programme, and working proactively with Envoys to seek our support and advice at the outset and throughout delivery. We would also expect the Mayor's office to give greater prioritisation to direct engagement with the Envoys. We are looking for the council to reflect carefully on the areas of failings identified in the BVI report and LGA CPC report, and feedback arising from the forthcoming CPC in October 2025. The staff survey and other engagement systems should track stakeholder perspectives on the impact of the CIP. This will help the organisation to move beyond process to achieve positive outcomes which demonstrate real change in leadership, culture, decision-making practices and behaviours.
- 7.5. You have asked for us to report at regular intervals, and we propose that we deliver our second report in the late autumn after the outcome of the next LGA CPC.

Yours sincerely,

Ministerial Envoys to the London Borough of Tower Hamlets

Kim Bromley-Derry



Pam Parkes



Shokat Lal

