



Ministry of Housing,
Communities &
Local Government

Rt Hon Steve Reed OBE MP
*Secretary of State for Housing,
Communities & Local Government*
2 Marsham Street
London
SW1P 4DF

Kim Bromley-Derry, Pam Parkes and
Shokat Lal
By email

19 January 2026

Dear Kim, Pam and Shokat

Thank you for your letter of 9 December and for your continued and clear commitment to supporting Tower Hamlets' improvement journey. I share your view that the long-standing and continued allegations made against the Council undermine public trust in the Council's leadership, governance and culture. Your planned 'deep dives' project to address these negative perceptions has my full support and I look forward to receiving updates and assurance on these issues. I see the project as critical to 'clearing the air' in Tower Hamlets and putting the Council on a good footing to move forward in its improvement journey with the trust of its residents.

When announcing the statutory intervention last January, the Government was clear that the Council would need to drive forward changes at pace and that further action would be taken if necessary. One year into the intervention, I welcome the early signs of progress and the Council's constructive engagement with you. However, I am concerned that the Council has not understood the severity of its situation or moved beyond planning into action and impact. Recent reports from the Council's external auditor and the Local Government Association suggest that the Council is not sufficiently mindful of its own position and is therefore not driving forward improvement work with the required urgency. The significant weaknesses and Statutory Recommendations from the auditor are also of material concern and call into question the Council's financial management and governance.

Having carefully considered the auditor's November Draft Annual Report and interim Value for Money Report for 2024/25, the Local Government Association's October progress review against the 2023 Corporate Peer Challenge and other relevant material, I consider that the evidence continues to amount to failings by the Council of its Best Value Duty in relation to the themes of Continuous Improvement, Governance, Leadership, Culture and Partnerships. I am also satisfied that the Council is now failing to comply with its Best Value Duty in relation to its Use of Resources. Given the evidence of ongoing concerns, I believe that an expanded and strengthened version of the intervention package is necessary to get the Council on track for sufficient improvement by the planned end of the intervention.

The proposed package builds on the strong working relationship between the Envoys and the Council and early successes under the Envoy model, but increases the powers available to you and your capacity to provide support in line with the scale of challenge. This includes through the appointment of an additional Assistant Envoy with expertise in finance. The package also puts the 'deep dives' project designed to address long-standing allegations on a statutory footing. I am optimistic that this will support the Council with the commendable aim of rebuilding public trust and help to put these issues to bed once and for all.

The proposals will be outlined to Parliament and published on gov.uk today. The period for the Council and other interested parties to make representations is now open. All representations should be sent by email to interventions@communities.gov.uk or in hard copy to the address above, to be received on or before Monday 2 February 2026. In light of this, I have extended the submission deadline for the Council's next report on the progress of the intervention to the end of the representations period, should the Council wish to make any amendments. I would also welcome the submission of your next report during this period. I will then carefully consider both reports and any representations received in deciding whether to make any, and if so, what Directions.

Finally, I would like to once again thank you all for your hard work and tireless commitment to supporting the Council for the benefit of its residents. I look forward to meeting in the coming weeks, if and when I decide to take any final decision regarding this matter.

Yours sincerely,

RT HON STEVE REED OBE MP

Secretary of State for Housing, Communities & Local Government