



Ministry of Housing, Communities & Local Government

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**Ministry of Housing,
Communities and Local
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15 July 2026

Best Value Notice issued to Newham Council on 15 July 2026

The Department issued a non-statutory Best Value Notice to your Authority on 8 May 2025, which is now due to be formally reviewed. Ministers are grateful to you and your senior team for your constructive engagement since then and the recent improvements made.

The Department has considered all available evidence to assess your Authority's improvement in response to the Notice and ability to comply with the Best Value Duty under Part 1 of the Local Government Act 1999 ("the 1999 Act"), including all engagement and material shared with us in response to the Notice, published Authority papers, and reporting from the external auditor, the independent Newham Transformation and Improvement Board, the Care Quality Commission and Ofsted.

Ministers recognise clear progress in strengthening leadership, governance and financial management. The Authority has appointed a permanent Chief Executive and Director of Adult Social Care, developed a Medium-Term Financial Plan to support its transition away from Exceptional Financial Support, and the independent Newham Transformation and Improvement Board reports that the Authority has engaged constructively with external challenge and support. Ofsted's January 2026 inspection of Children's Services also recognised significant improvement. The Authority has taken steps to address service and housing pressures, including completing diagnostic work on temporary accommodation and agreeing a Voluntary Undertaking with the Regulator of Social Housing.

However, many improvements remain at an early stage and must be underpinned by longer-term stability in the Authority's senior officer leadership. Delivery across services is uneven, including a 'Requires Improvement' rating for Adult Social Care from the Care Quality Commission published in December 2025. Further work is needed to evidence, embed and sustain improvement, particularly through the transition to new and upcoming political and officer leadership.

The Department requires further assurance that the Authority is making arrangements to secure continuous improvement in the exercise of its functions and

arrangements, having regard to economy, efficiency and effectiveness. Ministers have therefore decided to issue the Authority with this revised Best Value Notice.

To provide further assurance of progress, the Authority should continue to:

- Strengthen financial sustainability by delivering savings consistently and demonstrating sustained control over demand pressures, particularly in temporary accommodation, with clear evidence of impact against the Medium-Term Financial Plan.
- Address any recommendations from the upcoming external assurance review to be commissioned as a condition of Exceptional Financial Support agreed in 2025/26, and provide associated updates as requested by the Department.
- Work closely with the Newham Transformation and Improvement Board, acting on its recommendations and demonstrating how external challenge is informing delivery.
- Embed the updated governance framework, ensuring roles, responsibilities and scrutiny arrangements are consistently applied and effective in supporting timely and well-evidenced decision-making.
- Embed organisational culture change across all levels of the Authority, ensuring expectations, behaviours and accountability are consistently understood and demonstrated by officers and members, and reflected in service delivery and organisational performance.
- Manage the transition to new political and officer leadership effectively, maintaining continuity of improvement and stability in key statutory roles.
- Deliver sustained improvement in priority service areas, particularly housing and Adult Social Care, evidencing consistent performance, robust governance and measurable impact over time, with regulators' concerns addressed.
- Strengthen data quality, performance management and organisational grip, and maintain pace in implementing recommendations from inspections, reviews and diagnostic work, demonstrating delivery against milestones and clear evidence of outcomes.
- Engage with the Department, providing regular, evidence-based updates on progress, risks and the sustainability of improvements.

The Department will continue to look to your independent Newham Transformation and Improvement Board for regular updates on the Authority's improvement. The Board should continue to provide regular written updates to Full Council, to be shared with us and published for transparency.

Whilst your Authority may continue to receive and be awarded government funding whilst under this Notice, we would emphasise that receipt of funding does not indicate our 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.

The Notice will remain in place until we confirm otherwise. It will be reviewed after six months from the original Notice's 12-month review point in May 2026, after which point we will confirm whether the Department has the necessary assurance or if further action is needed. The Notice may be withdrawn or escalated at any point based on the available evidence.

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. However, a failure to demonstrate continuous improvement may be judged to contribute to Best Value failure and the Secretary of State will consider using their statutory powers as appropriate.

It is important to ensure transparency in relation to the challenges faced by local authorities and our engagement on these issues. A copy of this Notice will therefore be published on GOV.UK. We encourage you to make a copy of this Notice available on the Authority's website and to share a copy with the Newham Transformation and Improvement Board, Full Council and the Audit and Governance Committee. In line with this, we will notify your external auditor of this action.

The Department recognises that you are making use of the range of support offered by the Local Government Association and encourages you to continue doing so. A member of the Local Government Stewardship team will be in touch with you to arrange ongoing engagement and we look forward to receiving updates on your progress.

Yours sincerely,

James Blythe

Deputy Director, Local Government Stewardship and Interventions