



# Ministry of Housing, Communities & Local Government

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Tony Zaman  
Chief Executive  
London Borough of Hillingdon Council

15 July 2026

## **Best Value Notice issued to the London Borough of Hillingdon on 15 July 2026**

All Best Value Authorities are required to implement arrangements to secure continuous improvement in order to comply with the Best Value duty. The Department acknowledges the steps that Hillingdon is already taking to address issues, including establishing the Financial Modernisation Plan and Governance Review Improvement Plan and engaging with sector support through the Local Government Association (LGA). However, Ministers remain concerned as to Hillingdon's compliance with its Best Value Duty under the Local Government Act 1999 and consider that action is necessary to address those concerns transparently and at pace. They have therefore decided to issue Hillingdon with this Best Value Notice ("Notice").

This Notice is a formal notification that ministers have concerns regarding your council and requests that the Council engages with the Department to provide assurance of improvement. We expect authorities that have been issued with a Best Value Notice to continue leading their own improvement.

This Notice is issued following:

- Significant concerns about the Council's financial sustainability and resilience, reflected in the relative scale and forecasted reliance on ongoing Exceptional Financial Support.
- Serious concerns about financial management, governance and assurance, including seven statutory recommendations issued by the external auditor and weaknesses in the quality, reliability and use of financial information to support decision-making.
- Evidence of systemic governance weaknesses, reflected in a 'no assurance' internal audit opinion for 2024/25, concerns regarding the effectiveness of scrutiny and risk management arrangements, and CIPFA's assessment (as part of the independent assurance review carried out in May 2026 as a condition of the Council's Exceptional Financial Support agreement) that there is a lack of challenge, clarity of strategic direction and organisational grip.
- Concerns about organisational culture highlighted by external auditors and the May 2026 independent external assurance review.

The Council has engaged constructively with the Department about the challenges it faces. However, given the seriousness of the issues identified, and the pace to deliver the level of change required, we are setting out its expectations of the Council in providing assurance of progress. The Council should:

- Continue taking urgent steps to improve its financial sustainability, ensuring robust plans are in place and the Council takes all appropriate action to manage financial risk and to support its financial recovery, including delivering against the recommendations made by the May 2026 independent external assurance review, which will be shared formally with you and the Authority shortly, and providing associated updates as requested by the Department;
- Continue to address external audit findings, including the timely implementation of all statutory recommendations;
- Ensure effective governance and scrutiny processes are in place that enable decisions and improvements to be made at pace, and performance to be accurately monitored;
- Ensure sufficient finance capacity and capability is in place;
- Continue to engage constructively with external challenge and sector support; and
- Engage with the Department on at least a quarterly basis to discuss progress against the actions above.

We expect the Council's improvement board to provide regular written updates to Cabinet, to be published and shared with the Department. These updates will help to inform the Department's engagement with the Council through this Notice and should provide assurance regarding progress, risks and delivery. The improvement board should consider all aspects of the Council's improvement journey, including progress against any expectations and requirements set out in other correspondence from the Department, and reflect these within its work.

Whilst your Council may continue to receive and be awarded government funding whilst under this Notice, we would emphasise that receipt of funding does not indicate its broader view of the performance of the Council, 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 the Department confirms otherwise. It will be reviewed after 12 months, at which point we will confirm whether it deems it necessary to continue to seek assurance through such a Notice, in which case it will remain in place. The Notice may also 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 the Department's 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 letter available on the Authority's website and to share a copy with the improvement board, Full Council and the Audit Committee. In line with this, the Department will notify the Council's external auditor of this action.

The Department notes that the Council has already engaged the support of the LGA and would encourage you to continue making use of the full range of support they have to offer. A member of the Local Government Stewardship team will be in touch with you to arrange regular engagement on this Notice. We look forward to receiving updates on your progress.

Yours sincerely,

**James Blythe**

Deputy Director, Local Government Stewardship and Interventions