Ministry of Housing, Communities & Local Government

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Ministry of Housing, Communities and Local Government
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Maria G. Christofi
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25 November 2026

Best Value Notice issued to Newham Borough Council on 8 May 2025

As you know, the Department issued a non-statutory Best Value Notice ("Notice") to the London Borough of Newham on 8 May 2025, following concerns about governance, leadership and organisational culture, and service delivery, including the Regulator of Social Housing's C4 judgement. A revised Notice was issued in July 2026 to provide further assurance that improvements were becoming embedded and could be sustained through changes in political and officer leadership.

We are grateful for the constructive engagement that you and your senior team have maintained with the Department throughout this period.

Ministers recognise the progress demonstrated by the Council since the Notice was issued. Leadership has stabilised and the Council has strengthened its approach to governance, financial management and scrutiny. It has also set a balanced 2026/27 budget without further Exceptional Financial Support, building on the transition away from EFS recognised in the revised Notice reissued in July. The independent Newham Transformation and Improvement Board has also reported continued improvement, including in housing and reducing temporary accommodation costs.

Progress is also being made in key services, although further improvement delivery is required. In housing, the Regulator of Social Housing has reported constructive engagement and progress against the Voluntary Undertaking, while improvement work continues in Adult Social Care following the January 2025 Care Quality Commission regulatory judgement. Following the May elections, the Council has also put in place member development and sector-led support for the new political arrangements.

While this progress provides greater assurance over the Council's ability to continue its improvement, improvement is not yet secure, and material risks remain. These include medium-term financial sustainability, the affordability and delivery of the capital programme, sustaining improvements in housing and Adult Social Care, and embedding cultural and organisational change.

Based on the available evidence, Ministers are assured as to the London Borough of Newham's ability to comply with its Best Value Duty under Part 1 of the Local Government Act 1999 and the revised Notice will end on 25 November 2026.

The Department expects the Council to maintain momentum and continue addressing these remaining risks. We will maintain close monitoring and engagement with the Council, supported by continued independent assurance and challenge through the Newham Transformation and Improvement Board, the external auditor and other relevant assurance activity, to test whether improvements are being sustained and embedded.

Should we deem it necessary to seek further assurance through a Best Value Notice in future, based on the available evidence, a further Notice will be issued.

It is important to ensure transparency in relation to the challenges faced by local authorities and our engagement on these. A copy of this letter will therefore be published on GOV.UK, in line with the Best Value Notice previously issued to the Authority. You are encouraged to make a copy of this letter available on the Council's website, and to share it with the Newham Transformation and Improvement Board, Full Council and Audit Committee. We will notify the Authority's external auditor of this decision.

A member of the Local Government Stewardship team will be in touch with you to discuss future engagement. We look forward to receiving updates on your continued progress.

Yours sincerely,

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Directors, Local Government Reform and Strategy, MHCLG