



Bucking the Trend

HOW TOWER HAMLETS BECAME KINGS OF INNOVATION



Welcome



What comes to mind when you hear someone say the words “Tower Hamlets?”

Perhaps you think about the place – the home of London’s historic East End, the vibrant streets of Spitalfields or the glass skyscrapers of Canary Wharf?

Maybe you think about our diversity. The fact that we are a global borough in a global city with areas like Brick Lane and the Docks which for centuries welcomed people from all over the world.

Or it could be places like Victoria Park which welcomes 9 million visitors a year and has been voted in the top 10 parks in the country for the past decade.

It’s an often reached-for cliché to call an area ‘a place of contrasts’ but it is hard to describe Tower Hamlets in any other way.

Ours is a borough with extreme wealth but also extreme poverty. We’re home to the Tower of London – a Royal Palace – which stands in contrast to the post-war council housing blocks in the surrounding ‘hamlets’ that dot the borough’s skyline – alongside some of the UK’s tallest buildings in the Isle of Dogs.

Added to that, we have a young borough with an average age of just 30, and we are both the fastest growing and most densely populated place in the country. More and more people want to live, work and visit Tower Hamlets.

I grew up in Tower Hamlets. It is an incredible place with incredible people. My mission is to ensure our council reflects the borough it serves and gives residents the best opportunities in life. We know we cannot do everything, but what we can do, we aim to do very well.

For example, we have introduced universal free school meals for all children up to the age of 16 – the only borough in the country to do so, and we have brought back Education Maintenance Allowance and university bursaries to support students into higher and further education.

I’m sure you will feel positively about our borough after reading this supplement, but don’t take our word for it, visit us next time you are in the capital and see how Tower Hamlets offers the best of London in one borough.

Lutfur Rahman
Mayor of Tower Hamlets

On the money

The task of managing the finances at Tower Hamlets is one that falls upon Julie Lorraine, Corporate Director for Resources, who joined the council in September last year.



One of Julie’s first tasks was to get to grips with a backlog of accounts, while delivering a balanced budget to fund one of the most ambitious agendas in local government.

“There’s the old saying that you never get a second chance to make a first impression, and they are important,” says Julie.

“Before you even get to Tower Hamlets, you get a perception about the place and that’s usually from the media who tend not to report the good things that happen every day.

I knew the council hadn’t closed or published audited accounts for about six years, so I did think this role was going to be really challenging.

“I also knew Tower Hamlets had a £38m savings requirement in their budget and was committed to protecting frontline services and avoiding redundancies unless it was an absolute last resort.

“It seemed like a tall order, but when I got here, I

realised quickly that what someone might think of Tower Hamlets isn’t the reality of it at all.

“It’s probably one of the best-kept secrets in local government because, unless you get here and see it for yourself, it’s hard to understand the sheer levels of service that are seen as a minimum standard: from educational attainment, looked after children, home care to free school meals, the list the list goes on.”

Fixing historical issues

In the past six months, as well as delivering an ambitious budget for 2024-25, the council has now published all its outstanding accounts, either audited or in draft, and they have been through the period of public inspection.

That progress was recognised in December by a Local Government Association’s Peer Review. It described the council as having: ‘a good record of financial management, with strong foundations in

place to maintain the future financial sustainability of the organisation’.

TOWER HAMLETS' FINANCE FACTS		
Level of band D council tax rates	£1113	1st Quartile
Non-ringfenced reserves as % of net expenditure	64.4%	1st Quartile
Total core spending power per dwelling	£2,195	1st Quartile
Social care spend as % of core spending power	7.2%	1st Quartile
Adult social care requests resulting in a service	716	1st Quartile

Julie says: “The team we have here has been working really hard over the past eighteen months to resolve a lot of historical issues with accounts, and we have made the savings.

“That has helped deliver a great budget which allocates the right resources to deliver ambitious priorities like free swimming, free school meals, and a new Women’s Resource Centre. I always say we’re the support act to the heroes of the show – the operational services that need to deliver.

“There are of course challenges. For example, we need to bring in more income through commercial activity.

“It’s also great to have a lot of reserves, but they can only be spent just the once, so one thing we will not do is fund recurring costs from one-off sources of money.

“We’ve got to be able to live within our means, and that’s not just because it’s the right thing to do from an accounting point of view, it’s also because you can’t say to somebody ‘you’ve got free homecare’ and then take it away tomorrow.

“What we have achieved is a budget that is affordable and sustainable and we’ve covered a three-year period.”

Innovation has been at the heart of the budget,

both in allocation of resources and in how additional income to the council has been managed.

“One of the biggest pressures on us is homelessness and one of our biggest areas of expenditure is investment in homes,” says Julie. “You could decide to spend more money on things like bed and breakfast accommodation, or you could say ‘why don’t we build more houses and reduce the problem?’ That’s very Tower Hamlets.

“We’re also acquiring housing that has already been built to bring that into our housing stock in a much quicker timeframe.

“There are other examples of innovation, too. We saw we needed to raise council tax, but wanted to protect people as much as possible during a cost-of-living crisis. So we raised council tax by 2.99 per cent, but it only applies to households earning more than £49,500.”

So eight months into the role, what separates Tower Hamlets from other organisations Julie has worked at?

“I think that when it comes to ‘the important numbers’ the council really focuses on improving lives. Yes, it is also the asset base, interest rates, affordability, and inflation - but it’s how good is the educational attainment of all looked-after children? How many school places have we got? How many free school meals delivered? Have we got older people receiving home care? We empty about 7.4 million bins a year, are we doing that well? These not the traditional accounting numbers, but they show what difference our money makes on the ground.”

“The pace and the buzz of working here is phenomenal. I’m 59 and was looking for a job that kept my brain engaged. I didn’t want to put myself out to pasture and trust me, I haven’t!

“It makes me feel excited, determinedly energetic and privileged to be part of it all.”

A tower of strength



We have set a new course to deliver one of the most ambitious agendas in local government. To achieve this, we have been transforming and our efforts are beginning to bear fruit.

This has included bringing in-house management of 23,000 council homes, our leisure services, and this year we are investing significantly into our insourced waste service. We have also appointed a new senior officer leadership team with the skills and commitment to meet our challenge of delivering high-quality services and leading 6,000 highly motivated staff.

By establishing a three-year medium-term financial strategy, we’re taking an ‘invest to save’ approach to services to deliver the best value for our communities over the medium and long term, not just one-year budgets.

Our mission is to create a borough for all by working alongside our communities, and continuing to build trust through transparent and sound financial management.

We are on a journey of continuous improvement. Through our Transformation Advisory Board, we are demonstrating our desire to listen, to be mentored and to be critiqued by those with years of experience in both the public and private sectors.

There is still a lot of work to be done. We are proud of the progress we’ve made so far and look forward to achieving more alongside our partners and local communities. We are open to sharing our experiences and helping other local authorities.

If you see anything that you would like to know more about, please get in touch.

Stephen Halsey
Chief Executive, Tower Hamlets





A Council at the heart of the community

The historic former Royal London Hospital building in Whitechapel, which for over two centuries helped the sick and those in need, today continues to serve the local community as Tower Hamlets Town Hall.



Yasmin Ali, Town Hall Project Manager

Tower Hamlets Council bought the building, which dates back to 1757, for £9m and began a multi-million-pound project to restore, renovate and extend the iconic structure that had fallen into disrepair.

As well as preserving the Grade II-listed building, the move to Whitechapel in 2023 provided local people with a permanent and more accessible town hall while also saving the council £5m each year in rent for Mulberry Place, its previous town hall for more than 30 years.

Yasmin Ali, Town Hall Project Manager, said:

"Bringing one of London's most iconic buildings back into use has been a labour of love. Like many people here, I have relatives who were born in this building so I know how much it means to our community to be open once again."

"It was four years of meticulous planning, design and construction. That created jobs for local people, apprenticeships and local supply chain opportunities."

"We worked closely with Historic England to preserve the building's integrity and retained the external façade, brickwork, and clock while the windows were replaced with the same look and feel as the original building."

"The Town Hall has been laid out with a focus on the needs of our residents. The entire ground floor is dedicated to public use and houses one of our new Residents' Hubs which support our residents with housing and welfare issues, while the upper floors accommodate workers from the council and partner organisations."

"We have a brand-new glass-walled council chamber, and the building has a café and event spaces for hire which will help generate new income."

Earlier this year, the council's Town Hall Team won the

Civic Trust Award and a Civic Trust Special Award for Reuse and Adaptation. The latter recognized the project as 'an exceptional scheme' that benefits 'the community and its users by maintaining its cultural heritage and restoring a culturally significant site.'

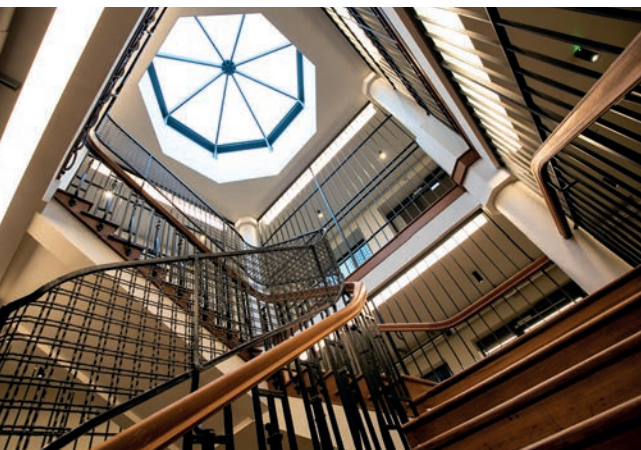
"The feedback has been fantastic," Yasmin said. "Staff and visitors to the Town Hall tell us they love it. Historic England have removed the building from its 'at risk register' and we keep winning awards."

The new Town Hall is also a cornerstone of the wider regeneration of Whitechapel. The new Elizabeth Line station is directly opposite the building, Whitechapel Market is undergoing a facelift, and plans are underway for a new life science cluster between the NHS and Queen Mary University London that will support 5,000 jobs.

Yasmin says: "Whitechapel is such an important part of London's history as the gateway between The City and east London. It is incredible to have had the opportunity to make our own history."

TOWN HALL PROJECT

- 403 employed people from Tower Hamlets
- 1,160 weeks dedicated to apprenticeships throughout the project
- Over 160 hours of work experience provided.
- £6m of goods and services procured from local businesses.
- Over 300 hours of tours and events with schools, colleges, and universities.



Groundbreaking investment in youth

When it comes to blazing a trail, Tower Hamlets' approach to supporting children and young people has set the local authority apart.



Steve Reddy, Corporate Director for Children's Services

The average age in the borough is just 30 and the council has invested heavily in its young people to help level the playing field in one of the country's most disadvantaged places.

Last year, the council became the first in the country to introduce universal free school meals to all primary and secondary schools, having provided them to all primaries since 2014.

It also supported young people into college and university through a new Education Maintenance Allowance (EMA) and a university bursary scheme. But that's not all. The council has also invested £13.7m to create 'Young Tower Hamlets' - a new youth service which has been designed and shaped by the young people it now serves.

"Tower Hamlets has one of the youngest populations of any local authority area but also high poverty rates, with nearly half of the children here living in deprivation or households really struggling with the cost of living," says Steve Reddy, Corporate Director for Children's Services.

"The question we've asked is, how do you help those families? How do you help keep these children safe and away from crime? How do you help them to stay in education, have more opportunities later in life and fulfil their potential?"

For example, the roll out free school meals across primary and secondary schools saves a family £550 a year per child and removes the stigma of not having enough money for food.

Steve says: "Access to nutritious meals boosts concentration and educational attainment, along with improving long-term health. So, it will save the public money in the long run and help create better citizens."

"It also sends an important message to our pupils: you matter - so we're going to make sure you get fed properly at school."

Around 97 per cent of schools in Tower Hamlets are rated Good or

Outstanding by Ofsted and the borough. Last year, Mayflower Primary School in Poplar was voted the best primary school in the country and the borough has one of the highest secondary school attendance rates in the country.

Bridging the gap between school and further or higher education is equally important for the council. In autumn 2022, it introduced bursaries for both - £400 EMA payment to pupils in further education, and £1,500 university bursaries to help cover costs such as accommodation, books and resources.

Since then, £1.8m has been awarded or allocated to more than 3,200 young people.

"We are home to world-leading educational institutions and the purpose of the EMA and university bursaries is to ensure poverty isn't a barrier to our young people continuing in education," says Steve.

"If you're a child growing up in Tower Hamlets and you're looking up at the skyscrapers of the City and Canary Wharf, why can't you have a job in one of those shiny buildings?"

During May 2023, 400 young people in the borough took part in a series of four interactive 'Hackathon' events, with workshops to design their future youth service.

"Co-production was at the heart of designing the new service," says Steve. "Today, the Young Tower Hamlets service provides safe spaces where young people can participate in educational and enjoyable activities - and access any additional support they might need. It also performs more serious tasks, such as providing targeted whole-family support for vulnerable people."

"We have invested a lot, but we have done it wisely and we are beginning to see the difference it makes. It is creating opportunity in every corner and providing more support on prevention, so we won't see as many young people and families struggling in terms of finances, health and wellbeing - or engaging with criminal behaviour."

"Ultimately, we can help our young people find and stick to a path where they are working towards the kind of futures that they really want."





What is your 'go to' place?

Cohesive communities in the UK's most densely populated place



Simon Baxter,
Corporate Director
for Communities

When it comes to examples of how to forge community cohesion in an inner-city area, Tower Hamlets is one of the best.

CCTV unit, for example, and many of our campaigns such as violence against women and girls, or against nitrous oxide, are done together."

Bringing people together and celebrating different communities and the place itself has also had a profound impact on cohesion. Tower Hamlets is known for its destinations, which often add to community cohesion by hosting events that bring people together. From the London Marathon to community fairs, the council has been careful to use its position to achieve more rather than take it for granted.

For example, every year, Victoria Park hosts All Points East Festival - a six-day paid-for music event over two consecutive weekends. The council's deal with promoter AEG means that, in between, it can use the infrastructure to put on a free festival called In The Neighbourhood for up to 20,000 people, where local acts can perform and community groups can come together with local businesses.

Simon adds, "We are blessed with 120 parks and open spaces, and there is always something going on. We have one of the biggest summer events programmes, where the council and our community groups put on 500 free family events in our parks. Through it, 58,000 free meals were also provided to young people last year.

"We also make sure our cultural and historic centres mark and celebrate everything we can in our communities. For example, every year we have a host of events for a Season of Bangla, Black History Month, and lots more. Its also a partner effort. Queen Mary University London will soon put on its annual Festival of Communities, which attracts thousands of people.

"The beauty of Tower Hamlets is there is always an opportunity. Last month, we hosted the London Marathon which brought people together and showcased the borough in all its glory. Next week there will be something else. That's what makes Tower Hamlets so special."

Today, Tower Hamlets is proud to have the highest Muslim population in the UK, which makes the borough a target for the far-right - as it was in the 1930s when its large Jewish population made it a target for Oswald Mosely's fascists at Cable Street.

The Council's Tension Monitoring Group was set up to give a community perspective on such issues and create a safe space for views to be openly expressed. It is made up of key residents, faith organisations, community groups, the council, police and other statutory organisations all represented.

Since October last year, the TMG has met regularly to discuss the impact of the Israel-Palestine conflict on community tensions. This has included the sensitive issue of the public putting up flags and how to handle that in a way that reduces tension.

"We're often approached by other councils wanting to know more about how the TMG works and that is another endorsement of our work in a complex environment," Simon Baxter adds.

The council has built other infrastructure to help reduce crime and antisocial behaviour. Its THEOs (Tower Hamlets Enforcement Officers) offer a physical presence in hotspot areas across the community to provide support to the police.

Simon says: "Our partnership with the police is very important. We work together on tackling organised crime through our

For a borough that is the fastest growing and most densely populated place in the UK, combined with issues of extreme wealth and deprivation and an incredibly diverse population, one might think that it would struggle to have people living in harmony.

But that is not the case. In fact, a recent Residents Survey showed that 86 per cent said that they get on well with each other.

So what does this success come down to?

Simon Baxter is the council's Corporate Director for its new Communities directorate, which brings together elements such as parks and events, community safety and public realm.

He says:

"Tower Hamlets must be one of the most vibrant and dynamic places anywhere in the world. We combine being a visitor and employment destination with looking after our communities.

"We know cleanliness and appearance is a key factor in people's happiness and perception of public safety, and also in nudging behaviours that help to reduce crime and antisocial behaviour.

"We also know how important large cultural events are in helping to bring people together and build a better understanding and tolerance of different traditions."

But having such a diverse borough is not without its challenges.



those residents were bemused and irritated by the comments.

We know from our place campaign research, that many people in London don't know where Tower Hamlets is - let alone those outside the capital. So misconceptions are easy.

The chances are you have been on a trip to Spitalfields, Stepney, Wapping, St Katherine's Dock, Canary Wharf, Bethnal Green, Whitechapel, Bow - and had a great time. I used to go to the Lovebox festival in Victoria Park when I was younger and thought I was in Hackney!



The misguided comments, for which the MP subsequently apologised, gave us the ideal opportunity to tell our real story.

To explain why more people want to live, work and visit Tower Hamlets; that we have the third largest economic output in the country because of Canary Wharf and famous markets like Brick Lane and Columbia Road; that we have destinations everywhere from the Tower of London to Young V&A and the London Docklands Museum; we have Victoria Park voted in the top 10 parks in the country for the last decade; that we have famous venues like The Troxy, Wilton's Music Hall, Rich Mix or Whitechapel

Gallery; events like All Points East festival headlined by Stormzy last year, and the London Marathon that passes through Tower Hamlets more than any other borough (9.5 miles); that we are London's history - from the docks to the suffragette movement in Roman Road, to the Battle of Cable Street; and that, best of all, our people stand up for our borough.



It is that energy and positivity that we want to harness in turning a challenge into an opportunity. So we have launched a 'go to' social media campaign, where we are asking people to name their 'go to' local place - and celebrate our borough by using #onlyintowerhamlets. My personal favourite area is Petticoat Lane, with its endless supply of incredible Chinese and Korean restaurants.



If you want to know more about our borough - like where fish and chips was invented, or which Lord of the Rings actor reads the questions at the quiz in his pub - why not spend a few minutes taking our Tower Hamlets quiz at www.towerhamlets.is/knowledge By Andreas Christophorou, Director of Communications and Marketing

Transforming the council

Change is never easy and, over the last two years, Tower Hamlets has seen some of the biggest changes of any local authority as the council has welcomed a new Mayor, town hall and Chief Executive.



The council has had to twin-track delivering existing and new priorities for residents while also changing its structure, culture, and ways of working to deliver its four-year corporate plan.

Last year, it introduced the People First transformation programme, with the simple objective of putting residents and staff first.

Ayesha Hakim Rahman (pictured), Acting Deputy Director of Strategy, Improvement and Transformation, says:

“Leading our council through this period of significant transformation required a multi-faceted approach. We realigned resources, embraced data-driven decision-making, empowered staff for service excellence and prioritised a user-centric design for all our resident interactions.

“It all starts with fostering a collaborative culture – one where everyone is aligned and accountable for delivering on our ambitious goals.”

Last year, the council delivered Innovation Month, with

over 20 events led by transformation experts, wider local authority leads, and internal staff. It was one of the council's most successful workforce engagement events to date, with 97% of participants saying they had a better understanding of transformation as a result.

Ayesha adds: “Building a high-performing and efficient workforce is paramount to servicing our community effectively. Last year's Innovation Month was a resounding success, with over a thousand staff bookings and nearly 60% of the workforce participating digitally. It was a testament to our commitment to employee engagement. It's crucial to address workforce needs on multiple fronts, and this initiative demonstrably improved staff understanding of the council's transformation journey.”

In the early stages of the programme, the council established a series of boards to consider positions with our budgets, restructures, efficiencies, and income generation. The new governance framework helped restructure the council, identify over £40m of savings and build a new target operating model.

Ayesha says. “Establishing robust governance frameworks was essential in the initial stages of our transformation programme. Our newly formed Transformation Advisory Board, comprised of esteemed external professionals, provides valuable transformation guidance and ensures we remain resident-centric in all our endeavours.”

The Transformation Advisory Board is chaired by Mayor Lutfur Rahman and includes Martin Esom, former Waltham Forest Chief Executive, Sir Stephen O'Brien, former Chairman of Bart NHS Trust and NHS Tower Hamlets, George Iacobescu CBE, Chairman and former Chief Executive of Canary Wharf Group and Alison Griffin, Chief Executive of London Councils.

In December, the Local Government Association Peer Review team commended the Transformation Advisory Board for its outstanding work, recommending that they oversee the Corporate Peer Challenge action plan for the council.



The work of the transformation team has been recognised by awards judges, with the team winning Silver for 'Best Transformation Team' at the Public Sector Transformation Awards, while also being shortlisted in the 'Workforce Optimisation' category at The MJ Awards later this year.

As Ayesha says: “We are incredibly proud to have received recognition from such highly competitive awards bodies for our transformation efforts. These acknowledgments, within just eighteen months of programme initiation, reflect the dedication and hard work of everyone involved. We remain committed to building a brighter future for Tower Hamlets, one where we deliver exceptional services through a continuously empowered and innovative workforce.”

