

The Leader's Annual Report

Essex is a great county, from towns inside the M25 to coastal villages looking out to Suffolk. We have vibrant urban centres, international ports and airports, universities and world class firms, alongside beautiful rural countryside and the longest coastline in England.

I am passionate about better lives for people in Essex and believe prosperity is the best route to achieve that - so people can help each other, and themselves. Essex County Council is also ready to step in - to protect vulnerable children, to help care for older people and to support our economy to flourish.

As a public body it is important we spend taxpayers' money wisely, on the issues that matter to our residents. To offset reductions in government funding, we must constantly manage demand, reshape and re-imagine services and look for opportunities to generate income. It is also important we work tirelessly to secure investment into the county that can help make Essex an even better place to live and work.

Our role is changing. The digital revolution opens up new opportunities for how services are delivered and how residents access information and choices. Increasingly our job is to create opportunities for people and communities to choose and act themselves, rather than to simply deliver services over which the public has no say.

This Annual Report sets out some key achievements over the last year, our areas of focus over the next four years and some important financial information.

Key Achievements of 2017/18

- 94% of Essex schools were judged good or outstanding - three points higher than the national average
- We helped 1,330 young people not in education, employment or training to move into employment or learning
- We gave substantial business support to 22 firms resulting in about £2.3m finance raised and multiple new products brought to market
- We've resurfaced over 400 miles of roads - nearly 4 times around the M25 - and filled in 5,000 potholes.
- Reduced the number of delayed transfers of care due to social care to an average of 1,100 days per month
- Commissioned an independent review into ECC owned property following the Grenfell Fire.
- Continued to invest in our country parks which has increased visitor numbers by 7.5% to almost three qtrs. of a million
- Supported the creation of 11,370 apprenticeships in the county, and we'll continue to invest to ensure our economy has the skills it needs to thrive.

- Promoted activities and delivered services which helped reduce the amount of household waste over the last 12 months by 32kg per household
- Begun construction work on 64 housing units - 41 units for private sale and 23 units for independent living for people with learning disabilities

Opportunities for Community Funding

During 2017/18 I launched three separate initiatives that give local communities access to funding to make improvements in their local area:

- **The Local Connections Fund** - £500,000 committed to support community-led activity, using a crowdfunding platform known as The Essex Crowd Movement. Depending on the number of individual pledges (min. £2), ECC will match the fundraising efforts of qualifying projects up to the value of £5,000.
- **The Local Services Fund** - £500,000 to support more formal, traditional services by being more locally responsive and to improve local places. The fund is being administered by the Essex Association of Local Councils who publicise the fund to parish councils, housing associations, and other formally constituted local groups.
- **The Essex Lottery** - The lottery is open to anybody aged 16 or over who is physically based in Essex. Tickets cost £1 and the Jackpot can be £25,000.

The Local Connections Fund

The Local Connections Fund is run via the Essex Crowd (<https://www.spacehive.com/movement/theessexcrowd>), an online crowdfunding platform. This digital approach is designed to make it easier for more people to share and fund projects that would make their neighbourhoods better still. Essex County Council has committed over £500,000 to help back these ideas - with a maximum per project of £5,000.

There is no formal application cycle; people can upload their ideas when they have them, although individual crowdfunding campaigns will typically be no more than three months in duration.

Ideas come from local people, backed by individual and organisational financial and in-kind support. The Essex Crowd offers ECC the opportunity to back locally-popular projects that can make a difference - e.g. local creches; community festivals and events; or Christmas lights.

The current number of schemes in the crowdfunding pipeline number twenty five at the 'idea' stage and two actually fundraising.

In time, the hope is that a number of different agencies will support projects including Essex districts and Clinical Commissioning Groups aligning funding to help projects.

The Local Services Fund

The Local Services Fund (<http://www.ealc.gov.uk/local-services-fund/>) is administered by the Essex Association of Local Councils on ECC's behalf. It offers revenue funding, providing formally constituted groups with the opportunity to submit proposals for localised services, capped at a maximum of £10,000 for a single year project or £5,000 for three year schemes.

The Fund allows local organisations to decide on service mix in their area - a different, more localised way of working. Match funding to see locally-appropriate activity- e.g. verge maintenance; community cafe offer; a community handyman; or a 'men's shed' service.

In the next and future rounds of funding, applicants will be required to seek endorsement from their local County Councillor before submitting an application. If this endorsement is not forthcoming, the application will not be considered.

A formal panel will meet on a twice-yearly basis and there is an expectation that the ECC contribution will be match funded by the bidding organisation.

The Essex Lottery

The Essex Lottery is an exciting weekly lottery which has been set up by Essex County Council to give local charities and good causes an easy and effective way to raise extra funds. In total 60p from every £1 ticket sale goes to the good causes - more than double the National Lottery.

So far over 253 charities and good causes from right across the county of Essex have signed up to benefit from the lottery and almost 3000 tickets have been sold. Tickets are available from www.essexlottery.co.uk

Our Budget for 2018/19

We have set high ambitions for Essex and for Essex County Council in the face of a difficult financial context and the Council has a strong record of sound financial management, focusing on providing efficient services that matter to residents.

We have a legal responsibility to operate within a balanced budget. With the changes and reduction in grant funding, coupled with increasing and more complex demand for services like caring for the elderly, protecting vulnerable children and supporting those families who need it, the financial situation continues to be challenging as we work to build a budget that works for Essex residents both now and in to the future.

The Council will spend a gross budget (including schools) of £1,847m and a capital programme of £299m to deliver our priorities in 2018/19.

We have an outstanding track record of delivering value to tax-paying residents. We have delivered £350m of savings in the last 4 years by driving out inefficiency, generating income and reducing costs, and the budget now presented is based on delivering a further £59m of savings and efficiencies in 2018/19. This track record has enabled the Council not only to maintain services in new and improved ways at

lower cost, but also to invest for the future so that Essex is a better place in which to live and work.

Despite our efforts, price increases, population growth and increasing demand for services, particularly for social care, means we will need to utilise the 2% Social Care precept facility offered by government, and increase Council Tax by 2.99%. The precept is being used to insulate Adult Social Care from the savings required across other portfolios. The council tax for a band D property will be £1,221.75; this is an increase of £1.12 per household per week.

We need to ensure effective services not just for today, but for the future. Therefore we have ambitious plans for our capital investment - a capital programme of £299m, an increase of £32m on that for 2017/18. This investment will help deliver our strategic aims and priorities, and in some cases give us a return on investment. The programme includes investment in independent living schemes for older and vulnerable adults, generating greater supply of housing, sufficiency of school places (including schools for children with special needs), and in schemes to promote economic growth, including improvements to the roads and footpaths that we all use daily. We are also providing an extra £3m investment in our highways over the coming twelve months.

We are determined to achieve the best service for residents in the most efficient way, this demands that we fully exploit the digital opportunity; therefore additional investment is provided for digital transformation. We are also investing in our skills and capability to become more commercial and seek out opportunities to drive up income, which will have a specific focus over 2018/19.

The Revenue Support Grant will be phased out completely by 2020 (a £28m reduction in 2018/19) so our income will be derived from remaining specific grants, council tax, business rates, fees and charges and other trading revenues. Our responsibility to taxpayers demands focus on the generation of discretionary revenues, where we will use commercial thinking in all that we do. We will encourage payment for services as appropriate and where there is a demand for them and an ability to pay.

This budget will enable the delivery of our four strategic priorities:

- Enable inclusive economic growth;
- Help people get the best start and age well;
- Help create great places to grow up, live and work and;
- Transform the council to achieve more with less.

Enabling inclusive economic growth

Economic growth will improve not only the living standards of people in Essex but also their health and wellbeing, opportunities and life chances.

There are a number of challenges we need to overcome. While the number of well qualified people in Essex has increased, the workforce is less well qualified than the UK as a whole and productivity remains lower than elsewhere.

We all know there is enormous untapped opportunity in the economy of Essex and an entrepreneurial spirit that is hard-wired in to our DNA which will we capitalise on in the future.

Amongst other things in the next year we will:

- Develop a local Industrial Strategy for Essex
- Invest £14m in broadband and £126m into major road schemes and maintenance. With an additional £3m set aside for potholes and footpath repairs.
- Invest £87m into mainstream schools and £17m into special schools bringing an additional 2,750 places.

Help people get the best start and age well.

ECC has a critical role to safeguard and support the most vulnerable people in the county. Over 65s projected to increase to almost one third (32%) by 2030.

The council is a proactive children's service authority delivering integrated services to children and families, with just over 1,000 children in care. We have the third lowest rate of children subject to a child protection plan in the country.

With demand for services growing faster than our funding streams, especially in adult social care, we need to continue our shift from a reactive service, to one that is focused on prevention, early intervention, recovery and enablement. Working with communities, the NHS and our private care sector will help achieve this change.

Some of our priorities for next year are:

- Grow the Essex Fostering Service to increase market share, reducing placements in more expensive independent fostering agencies
- Seek to increase the number of care providers rated good or outstanding by continuing to invest in the PROSPER programme; dementia training and rolling out the Gold Standards Framework for End of Life
- Launch a major initiative to improve physical activity in the population

Help create great places to grow up, live and work

Essex will need to build at least 136,000 new homes over the next 20 years - a 22% increase in the current number of homes. We are committed to facilitating that housing growth in such a way that the characteristics of the county we cherish are protected and enhanced. We are not just building new homes, we are building communities.

In the next year we will work with MHCLG to develop a strong partnership approach towards securing new homes and infrastructure in sustainable garden communities.

The council has a key role to play as a custodian of our environment for this and future generations. Our stewardship requires that less waste is produced, less carbon emitted, more homes and businesses protected from flooding and the use of our green space is maximised. New housing growth in Essex has the potential to deliver more connected, healthier communities.

Next year we will develop a Great Green Plan for Essex to unlock the value of our green assets.

I believe that individuals, families and communities are the best guardians of their own interests. Where it is appropriate to do so, we should support communities to help themselves. But we also recognise there are times when public services need to step in.

Next year we will bring forward a number of initiatives to should support communities to help themselves by seeking to foster and build community capacity and capability:

- Continue investment to establish vibrant hubs in our communities that include library and registration services with other partners and our communities
- Develop a single point of access to optimise effectiveness of funded community schemes, including community agents and care navigators
- Develop new citizen-led approaches to enabling communities to improve well-being

Transform the Council to achieve more with less

We have delivered **£350m of savings** in the last 4 years by driving out inefficiency, innovating, generating income and reducing costs.

We are always conscious that the money that Essex County Council spends is taxpayers' money and we must invest it wisely on services that directly affect every resident and their communities and improve their lives.

And we need to ensure effective services not just for today, but for the future. Therefore we have ambitious plans for our capital investment - a capital programme of £299m, an increase of £32m on that for 2017/18.

This investment will help deliver our strategic aims and priorities, and in some cases give us a return on investment.

As part of our innovation and adapting to the digital revolution we are increasing our digital and commercial capabilities as we aim to transform our services to be better, faster and cheaper.

In addition next year we will:

- Deliver £59m of further savings

- Develop a more commercial approach to enable further investment in services
- Optimise the use of our buildings, through changing and modernising working practices

