

Cabinet	FP/836/05/12B
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2011-12 ANNUAL REPORT

Report by the Leader of the Council

Enquiries to:

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Purpose and recommendations

The purpose of the 2011/12 Annual Report (attached as Annex A) is to show where we spent taxpayers' money during the year, demonstrate our progress in delivering against our EssexWorks priorities, show the impact of our achievements and identify where further focus on improvement is needed.

Recommendations

- (i) That Cabinet Members note the performance achieved during 2011/12, as outlined in the 2011/12 Annual Report

Monitoring Officer Comments

There are no legal implications in respect of the decision being made.

S151 Officer Comments

The attached Annual Report provides service context to our 2011/12 expenditure as set out in the draft Statement of Accounts. There are no specific S151 issues.

2011/12 Annual Report



Essex County Council

Foreword

Welcome to our Annual Report for 2011/12. The key purpose of this report is to show where we spent taxpayers' money during the year, demonstrate our progress in delivering against our EssexWorks priorities, show the impact of our achievements and identify where further focus on improvement is needed.

The Coalition Governments focus on deficit reduction has meant public sector budget cuts with local government particularly hard hit. Despite these economic challenges we have continued to meet the needs of our residents without cutting major frontline services. This is thanks to a deliberately aspirational 2008-2012 EssexWorks vision to provide the best quality of life in Britain, and our early action to drive out inefficiencies, reduce costs and deliver significant savings through our EssexWorks: Customer First Programme.

Key achievements in 2011/12 include:

Reducing our costs whilst working more efficiently, for example;

- An additional £7m savings achieved on top of our target of £101m for 2011/12
- £3.1 million savings expected from outsourcing of property and facilities to MITIE
- £5 million annual savings expected following our partnership with Ringway Jacobs

Providing a safe and stable environment for our children and young people, for example;

- Removal of Improvement Notice and government intervention on our Children's Social Care services
- Increase in fostering households and more children in our care remaining in the same placement

Supporting economic growth and maximising opportunities, for example;

- 1,381 people helped into an apprenticeship between 2009 and 2012 as part of phase 1 of the Essex Apprenticeship Scheme;
- 1,153 local jobs created or saved due to support provided by Essex County Council
- Recruited 300 volunteers to promote Essex during the 2012 Olympic Games

Strengthening partnership working to deliver better integrated services, for example;

- Essex selected to pilot Whole Place Community Budgets, requiring partners to work together, and with communities, to meet local needs
- 90% reduction in the number of days spent 'waiting' in acute hospitals for a social care service since 2010/11

Essex County Council has also made significant progress in improving corporate governance, and received recognition for our efforts by the Audit Commission. Though there is still more work to be done, we are proud of the progress made so far, including putting in place a more robust process for members' expenses.

We can be proud of what we have achieved since we launched the EssexWorks programme in 2008. But we have more to do in order to achieve our vision for the future, one in which Essex is a vibrant place where every individual and community has the opportunity to grow and reach their potential and play a part in our county's success

Cllr Peter Martin

Leader of the Council

Joanna Killian

Chief Executive

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Essex in numbers: Setting the scene

One County

1,413 million people residing in Essex – it is the second most populated County in England, making up nearly a quarter of the population of the East of England. Of these;

298,918 are children and young people

858,811 are adults aged 18-64

255,296 are adults aged 65+

57,850 active enterprises in Essex as at 2010/11

One Year

£2.610 billion Essex County Council gross expenditure – including Revenue and Capital budgets

1,109 social care staff working to support our most vulnerable children and adults

34,352 people receiving a social care service from us at the end of March 2012. Of these;

7,377 were children and young people

10,800 were adults aged 18-64

16,175 were adults aged 65+

554 state schools in Essex at June 2012, with 90 that have so far become Academies

196,206 pupils attending Essex state schools at January 2012

652,812 tonnes of household waste disposed (including recycled, landfilled and composted waste)

9,988 kms of road network managed by Essex Highways

One Day (averages)

5,000+ adult service users visited for domiciliary support

187 assessments and reviews carried out for adults aged 18+

211 new people contacted our adult social care line

181 contacts to our children and young people services

4 Child Protection reviews carried out

12 Looked After Children reviews carried out

One Hour (averages)

20 people visited County Hall Main Reception, 18 people visited Duke Street or Social Services Reception Desks

56 people visited our other reception desks

Up to **620** phone calls answered by our Customer Service Centre (in peak periods)

EssexWorks: Our vision

EssexWorks was introduced in 2008 as a framework which sets out clearly and simply those areas that are most important to delivering the best quality of life in Britain. It identified three key delivery programmes: Our People, Our World, and Our Economy, through which the Council would seek to provide a better quality of life for all its residents. Underpinning these three delivery programmes, and embedded in everything we do, are our overarching principles of 'Putting the customer first' and 'Delivering value for money'.

Resourcing EssexWorks, (our Budget and Corporate Plan for 2011/12), set out 7 key priorities, which alongside our overarching

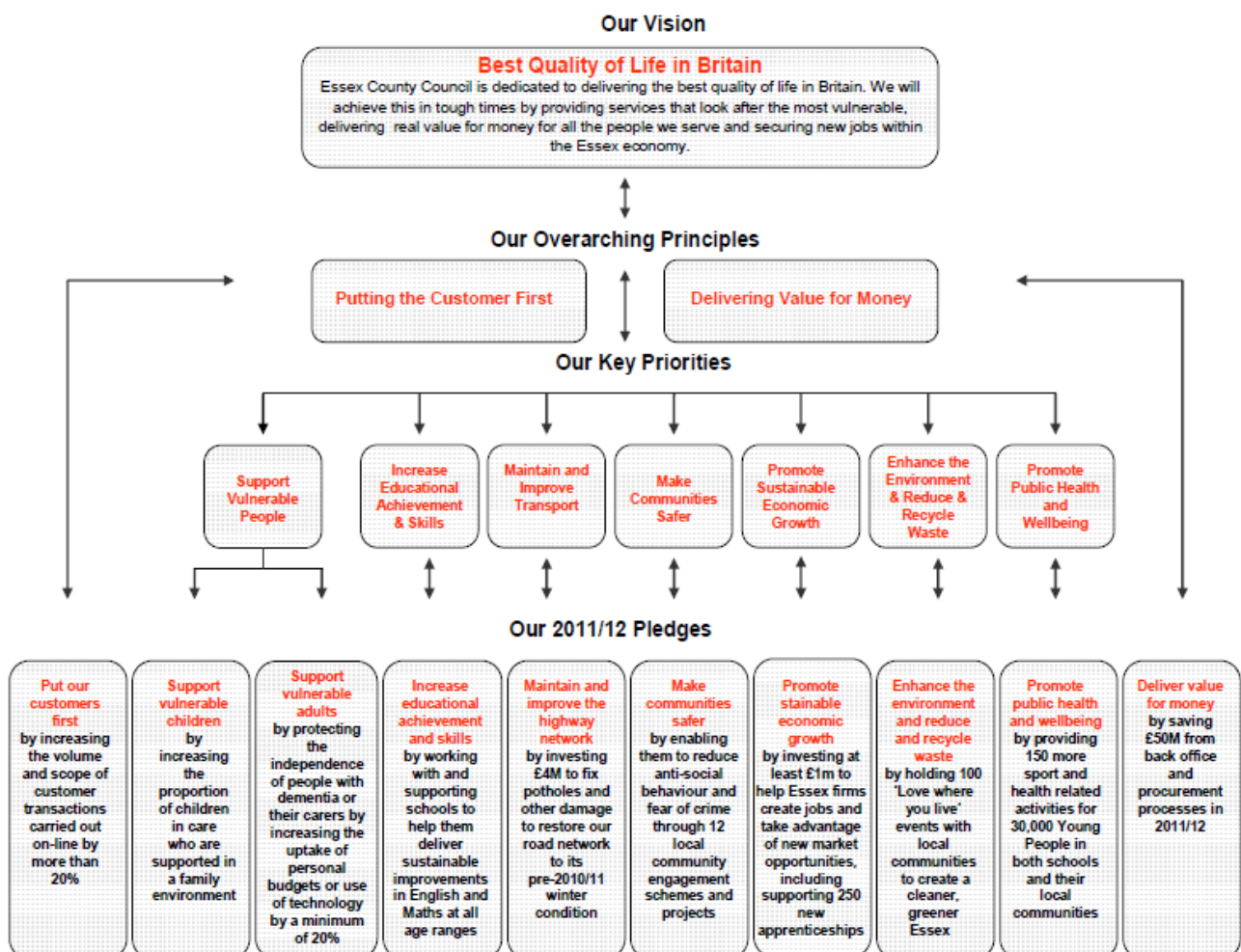
principles, represented the areas that Essex County Council can influence, that most affect the quality of life of Essex's residents.

Each priority area was underpinned by a series of Portfolio commitments setting out the focus of our work throughout 2011/12.

Each of our overarching principles and priorities was also supported by an annual Pledge to the people of Essex. These Pledges represented a key outcome in each area, and meeting these annual commitments will help us toward achieving our longer-term ambitions.

The diagram below shows our 2011/12 EssexWorks Planning Framework.

EssexWorks Planning Framework



EssexWorks: Our Pledges

As part of the EssexWorks programme we make pledges to the public that we commit to deliver. In 2011-12 this is what has been achieved:

Increase the volume and scope of customer transactions carried out online by more than 20%

The aim of this pledge was to increase the number of online transactions completed via the Essex County Council website, supporting part of our Customer Strategy to offer more opportunities to access services online. Through better signposting, updates and a new website, we have successfully provided these opportunities, seeing a **26% increase in online transactions** compared to 2010/11 (15,528 to 19,560). In addition to this, we have also started to see a move away from more traditional offline transactions towards online transactions, with a significant change recorded for Home to School Transport applications with 55% being completed online in 2011/12 (39% in 2010/11).

Increase the proportion of children in care who are supported in a family environment

The best environment for children and young people to grow is a warm and supportive family environment. In 2011/12, the overall number of children in care reduced from 1,584 to 1,483. The percentage of children and young people living in residential care reduced from 13.1% to 10.4%, whilst the **percentage in foster care increased from 71% to 75%, and 94 children achieved permanence through adoption**, compared to 45 children in 2010/11.

Protect the independence of people with dementia or their carers by increasing the uptake of personal budgets or use of technology by a minimum of 20%

People using personal budgets report more choice and control over their support and greater freedom to achieve their outcomes. Assistive technology (or telecare) helps people remain independent, feel safe and continue to live in their own homes. Through training sessions and successful promotion activity, we have exceeded our original target with **59% (634) more people choosing to manage their care in these ways** during 2011/12.

Work with and support schools to help them deliver sustainable improvements in English and Maths at all age ranges

Pledge success will be informed by progress in the summer 2012 exams. We have seen improvements in educational achievement. The summer 2011 exams provided evidence of continued improvement in areas across Early Years Foundation Stage, Key Stage 2 and at GCSE level. However, much more needs to be done to bring Essex results in line with our pupils potential and a strategy for improvement has been drawn up.

Invest £4m to fix potholes and other damage to restore our road network to its pre-2010-11 winter condition

The early arrival of snow and ice in late 2010 and into 2011 resulted in the continuation of the recent trend of extreme winter weather. During 2011/12 Essex County Council invested £4.015 million to fix potholes and other damage. **Repairs were carried out across the County to more than 2,200 streets with in excess of 25,000 individual defects being repaired.** Wherever practicable, our approach was not only to repair the defects but to also strengthen in order to increase resilience to future winter damage. Provisional 2011 annual road condition survey results suggest we have achieved our objective of maintaining the condition of the classified road network (A, B and C roads).

Essex is investing an additional £11m in 2012/13 into repairing the county's roads caused by severe weather.

Enable communities to reduce anti-social behaviour and fear of crime through 12 local community engagement schemes and projects

Phase 1 saw the approval of four projects; Community Safety Action Zone in Basildon; Days of Action in Colchester and Tendring; and outreach work in Chelmsford. Phase 2 enabled the commissioning of further Days of Action projects through local Community Safety Partnerships. These were in Chelmsford, Epping Forest, Maldon, Harlow, Uttlesford and Rochford. As a result of these projects, **a total of 15 schemes have been delivered across the County during 2011/12.** 2011/12 crime data shows a reduction in anti-social behavior incidents across each of Essex's 12 districts compared to 2010/11.

Invest at least £1m to help Essex firms create jobs and take advantage of new market opportunities, including supporting 250 new apprenticeships

This pledge focused on supporting and nurturing a sustainable economy. The Essex Innovation Programme, which works to create the best possible environment for businesses to exploit the full potential of their new ideas, supported 25 companies. **Turnover for these firms was predicted to have increased by more than £779,000.** A further 26 companies were assisted to access Research & Development funding support through a partnership project with TUVNEL, who manage the EU and Innovation Funding Support Service. **Applications were submitted to the value of £600,000,** with outcomes expected by end of June 2012. The Essex Apprenticeship scheme was developed to stimulate youth employment and economic growth. As at March 2012, 404

young people were supported into an apprenticeship **of which 291 were in the Energy and related industries against the Phase 2 target of 250.**

Hold 100 'Love where you live' events with local communities to create a cleaner, greener Essex

The key aim of the Love Where You Live (LWYL) campaign during 2011/12 was promoting and facilitating 100 live events to create a cleaner, greener Essex and to encourage people to participate in community activities and events. The pledge was very successful and at the end of the year **119 events had been held with more than 1,600 people estimated to have participated.** The LWYL website received more than 2,600 visits and more than 10,500 page views.

Provide 150 more sport and health related activities for 30,000 young people in both schools and their local communities

The aim of the pledge was to inspire young people to take part in Sport and health related Physical Activity using the inspiration of the London 2012 Olympic and Paralympic Games. In 2011/12 **34,119 young people had participated and 209 events had been delivered.** Examples include more than 900 pupils participating in the Essex Schools & Riders Day in May 2011, and the Essex Winter School Games which engaged with 68 schools in January 2012.

Save £50m from back office and procurement processes in 2011/12

During 2011/12 **we achieved £51.95 million savings** against our budget, from improved procurement processes, removing duplication and streamlining our back office functions.

Our Principles: 'Achievements at a glance'

Putting the Customer First

Essex Local HealthWatch is in development, enabling a stronger voice for patients and a seat on the new Health and Wellbeing Board at Essex County Council

14,195 people received a Personal Budget during 2011/12 (1,487 more people than in 2010/11)

2,653 people received a cash payment either through a Personal Budget or Direct Payment, a 14% increase compared to 2010/11

Launched a new 'look and feel' to the Essex County Council Website, 3,946 more visits to the Your Council page in April 2012 compared to March 2012

Successful co-location of the Post Office in Writtle library, just one example from the range of services and partnerships co-located within Essex libraries over the past year to provide seamless services

Delivering value for money

£7m additional savings achieved on top of a target of £101m for 2011/12

£147.7 million of procurement savings achieved, almost achieving our four year target of £150 million one year early

Essex selected as one of four areas to pilot Whole Place Community Budgets during 2012.

£3.1 million anticipated savings following the outsourcing of our property, facilities and utilities management services to MITIE

£2.2 million external income generated by Essex Legal Services in 2011/12

£401,000 (revenue) and £1.8 million (capital receipts) saved following a rationalisation of our property portfolio

Essex Highways set achieve £5 million annual savings, whilst ensuring that for every pound we commission, a greater proportion is spent on front line services

Essex library service expect to generate income for Essex of around £230,000 following the first full year of our contract to deliver public library services for Slough Borough Council

Our Priorities: 'Achievements at a glance'

Support vulnerable people

Received OFSTED recognition for continued progress of our Childrens Social Care services – leading to **removal of the Improvement Notice and Government intervention** and grading of 'Adequate' for the effectiveness of our Safeguarding and Looked After services

71.5% of children in care for more than 2.5 years have been in their current placement for over 2 years, compared to 65.9% in 2010/11

Essex County Council became the first authority to get Government support for Social Investment, to fund programmes to support families

The number of fostering households increased by 36 during 2011/12

Over 13,000 carers had their needs assessed, although this represents a reduction of 2,000 compared to 2010/11, carers' needs are met in a number of ways

65% of adults completing a reablement service left the process able to self care, 8% higher than in 2010/11

Increase educational achievement and skills

5 'good' and 'outstanding' schools have partnered with underachieving schools to support them in driving up standards

400 more pupils achieving 5 or more GCSCs at grade A*-C (or equivalent) including English and Maths compared to 2010

More children in care achieved 5+ GCSEs at grade A*-C or equivalent (including English and Maths) increasing from 11 in 2010 to 16 in 2011

Primary school absence fell below the 5% barrier for the first time to 4.8% - taking Essex into the top quartile of councils for 2010/11 academic year

12 school infrastructure projects, resulting in 600 additional primary school places across Essex, were completed in 2011/12

Between 2009 and 2012 (Phase 1), 1,381 people have been helped into apprenticeships through the Essex Apprenticeship Scheme as a direct result of Essex County Council investment

Our Priorities: 'Achievements at a glance'

Maintain and improve the transport network

Six major schemes successfully delivered during 2011/12 with significant impact for Essex residents and the local economy

76% of footpaths and Public Rights of Way were assessed as being easy to use down from 80% achieved in 2010/11 but still considered a positive result

17% increase in cycling in 2011 compared to 2007 baseline levels – compared to a 3.6% increase in 2010 to 2007 levels

Increase in the number of bus passenger journeys by over 1.8 million to 45.1 million in 2011/12

89% of local bus services ran on-time during 2011/12, continuing a trend of year on year improvement

21 companies assisted to introduce Travel Plans in 2011/12, against a target of 16

Make communities safer

32.64 anti-social behaviour incidents per 1,000 population in 2011/12, down from 37.97 incidents per 1,000 population in 2010/11

29% reduction in the number of people killed or seriously injured on the roads in Essex, since the Essex casualty reduction intervention plan was introduced in 2007 – this equates to 254 fewer casualties

40% reduction in the number of children and young people (0-17 years) killed or seriously injured on the roads in Essex, compared to 2007 – this equates to 61 fewer child casualties

£262,555 was saved for Essex citizens in 2011/12 as a direct result of Essex Trading Standards intervention, with most of that potential loss impacting on some of our most vulnerable citizens

97% of Essex manufacturers, importers and producers who were visited were either compliant with Trading Standards regulations or brought back into compliance by the end of 2011/12

6.4% of test purchases (such as alcohol, tobacco, spray paint) resulted in a sale to the underage during 2011/12, against a target of 10%

Our Priorities: 'Achievements at a glance'

Promote sustainable economic growth

9 businesses assisted to find markets in China during 2011/12

Essex, Norfolk and Suffolk County Councils have signed an agreement to create a long-term region-to-region collaboration to increase exchanges of trade, investment, knowledge and expertise

Essex is the largest strategic Local Enterprise Partnership outside of London, with a combined population of 3.9 million people, and over 130,000 businesses supporting 1.3 million jobs

45% of Essex County Councils total spend was spent locally in 2011/12, compared to just under 37% in 2008/09

1,153 jobs were created or saved by Essex County Council, up from 1,104 in 2010/11

140 companies signed up and assisted as part of the Essex Manufacturing Innovation & Growth programme over the last three years

279 Essex businesses awarded grants totalling £322,569 in 2011/12, to train and develop 518 employees to increase business competitiveness, with 25 gaining level 2 qualifications and 43 gaining level 3 qualifications

£130,000 of EU Funding was secured in 2011/12 to promote tourism opportunities

Enhance the environment and reduce and recycle waste

Over half of Essex household waste was recycled, reused or composted in 2011/12

28.6kgs less of household waste generated by every Essex household in 2011/12 compared to the previous year

Over 17,000 tonnes less household waste sent to landfill in 2011/12 compared to the previous year

More than £900,000 saved on Landfill Tax expenditure, due to reduced volume of waste sent to landfill

Visitor numbers to Essex Country Parks increased by 9% in 2011/12 compared to the average of the previous 3 years (a 3 year average is taken so as to normalise any significant variations caused by events such as weather)

Our Priorities: 'Achievements at a glance'

Promote public health and wellbeing

Shadow Health and Wellbeing

Board established, leaving us well-placed to meet the requirement of a fully operational Statutory Board by 2013

Co-located public health staff from the North and South Essex Cluster

Primary Care Trusts into Essex County Council, as part of the transfer of a range of PCT functions to local authorities

90% reduction in the number of days spent 'waiting' in acute hospitals for a social care service

since 2010/11, equating to a total of 4,508 fewer days of delays

Obesity in reception year pupils

better than national levels, 8.6% of pupils reported to be obese in 2010/11 academic year, compared to an England average of 9.4%

Hadleigh Farm 2012 Olympic

Mountain Bike venue attended by around 1,000 local school children during the Training Day event, followed by successful delivery of the official London 2012 Test Event

Putting the customer first

Developing services through engagement and better understanding of local needs

Local HealthWatch organisations are being created as part of the Health and Social Care Act to enable patients, carers and the community to better voice their opinions to decision makers. Work has begun on establishing an Essex Local HealthWatch, which will build on the work already achieved by the Essex and Southend Local Involvement Network. Healthwatch Essex will be established by April 2013 and have a seat at the new Health and Wellbeing Board at Essex County Council, with the power to refer issues to a new national body, HealthWatch England.

Other ways in which we have sought to improve and better share understanding of local needs includes; the launch of Essex Insight as a neighborhood information system; and the development of a Market Position Statement describing demand and funding for our adult social care services to seek feedback from existing and potential suppliers on how we can work together to tackle the challenges and take advantage of the opportunities that lie ahead.

Providing choice and control to enable people to retain their independence

Essex County Council has a range of innovative ways to help people to maintain their independence and remain in their own home for as long as possible, as part of an approach called Self Directed Support. The most recent of these is the Right to Control initiative, which Essex County Council is helping to pilot, designed to give disabled people more choice and control over the support they receive. Another important way in which we provide help is through Personal Budgets, which enable our service user's greater freedom over the services they

choose and how they achieve their outcomes. 14,195 people received a Personal Budget during 2011/12 (1,487 more people than in 2010/11). We have also seen rise in the number of people receiving cash payments either through a Personal Budget or Direct Payment to 2,653 people, a 14% increase compared to 2010/11. New contracts were awarded this year under the Self Directed Support Service to help people who have chosen to take control of their own support through a personal budget to help them manage their care in the most appropriate way. This could include recruiting a personal assistant to help support them.

Improving the customer experience

Our EssexWorks Customers First programme has been established to look at changing the way we work in order to put our customers at the heart of everything we do. This is an important and exciting project that will enable us to save £7 million through 2012/14; serve our customers more efficiently; and provide the foundations to collaborate with other organisations in the county. As part of the project, processes have been re-designed across nine areas including Highways, Fostering, Social Care and Adult Community Learning.

We have launched a new look for the Essex County Council Website, paving the way for a package of further improvements for customers. The improvements will enable residents to access the information and services they need in the most efficient way. Enhanced functionality will enable more residents to book, report and pay for services online at a time and place that suits them. Already, website visits recorded during April 2012 suggest around 3,946 more visits to the Your Council page compared to March 2012.

The number of physical visits to libraries is declining, in line with the national trend, with

a decrease from 7,480 to 6,739 visits per 1,000 population during 2011/12. Virtual visit (online) information is being reviewed so as to understand patterns in customer behaviour towards virtual visits. We are committed to retaining this valuable community service and resource. Our library service has successfully co-located a number of services and partnerships within libraries over the past year to enable customers to access services in one location. These range from the Post Office in Writtle library to arrangements with the district and borough councils of Braintree, Castle Point, Chelmsford, Epping Forest, and Uttlesford in libraries in their respective areas. Similarly, the successful co-location of North Weald Parish Council in North Weald library continues to develop, while over 600 partnerships are now in place in libraries across the county with other sectors and organisations including children's centres, job centre plus, and health.

Our Customers Perspective

Our 2011/12 resident tracker survey (carried out before the launch of the new Essex County Council website) showed 73% of respondents have heard of the Council's website and 38% have used it in the past. Among those who have used the website, 74% were satisfied with how easy it was to use and 66% with regards to ease of finding things. The website was used most often to find out about services, with only 24% using an online service and 16% using the website to report a problem. However, 49% of respondents said they would use the website to report a service problem or issue. One in ten respondents has used the ContactEssex service, of which 66% are satisfied with the quality of service.

Looking Forward

We will continue to improve our Essex County Council website, with further improvements to the online presence of key services such as Fostering, Adult Community Learning and

School Admissions. Although changes to the website will suit many of our customers' busy lifestyles, our residents will always need the help of our customer service teams. Therefore 2012/13 will see the development of enhanced Customer Services provision. By resolving a greater proportion of customer calls at the first point of contact, routing callers to the right person with the right information – or to an appropriate automated telephone service, and enabling customers to self-serve through our website, we not only improve our customers' experience in dealing with us, but also reduce wasted time and cost. This will also enable us to provide a more seamless service to our customers by reducing the 630 separate telephone numbers currently listed on our website to a core set of around 10 numbers for customers to access our services.

Spotlight On: Community Budgets

It makes sense that decisions on the shape of local services should be taken locally - with a more local feel to the public sector. Community Budgets are a flagship initiative of the Coalition Government intended to enable a broad range of partners to work together, and with local communities, to agree common outcomes, pool resources and join up activities to achieve those outcomes. In 2011 Essex was selected as one of four areas to pilot Whole Place Community Budgets during 2012. The programme is a key element in our next phase of transformation and will see public sector partners work together across four key areas; Health and Wellbeing; Economic Opportunity; Community Safety and; Families with Complex Needs. The pilot will see us work with Central Government and other agencies to ensure that local priorities and needs are addressed and that control over key spending decisions rest with local partners. This will ensure the delivery of better integrated and more responsive services that improve the lives of Essex residents whilst also cutting waste and duplication to help us continue to deliver in today's challenging financial climate.

Delivering value for money

Spending tax payer's money wisely

The money that Essex County Council spends each year is not our money – it is the money of the residents in Essex. It is essential that this money is spent wisely and directed to where it is needed most.

In 2011/12 we delivered an additional £7m savings on top of the target of £101m. This further supports our programme to modernise practices and become more efficient. During the programme we faced tough economic challenges but our early action has enabled us to meet the needs of our residents without the need to cut major frontline services. By the end of 2012/13 we expect to exceed our overall target of £300 million, with total savings and efficiencies in the region of £370 million. Through improved procurement, we achieved savings of £68.3 million during 2011/12. We set ourselves a target of £150 million in procurement savings between 2009/10 and 2012/13. Having reached the end of the third year of this target period we have already achieved £147.7 million of savings, and therefore have almost achieved our four year target, one year early.

Reducing our costs, whilst working more efficiently

We have introduced self-service technology for our employees, such as ePayroll which has seen the introduction of payslips and expenses online. This project has saved Essex County Council in the region of £900,000. Over the next six years our IS Modernisation programme will deliver significant savings. The programme has already delivered savings of £1.8 million in 2011/12.

Through our Customer First programme, we have streamlined the business support function across the Council and started to

change the way our Corporate Services work by removing duplication and streamlining processes.

We have outsourced our property, facilities and utilities management services to MITIE in a deal which will deliver the same quality services to the authority but at a lower cost, generating significant financial savings of around £3.1 million. We have also significantly rationalised our property portfolio which over time will reduce operating costs. Already, savings of £401,000 in revenue and a further £1.8 million in capital receipts has been saved.

Delivering our services in different ways

We have recently set up Essex Highways, an innovative partnership with Ringway Jacobs to deliver more cost effective ways of providing Highway services. Essex Highways replaces ten separate contracts with a single integrated service. The contract will be looking to save the authority around £5 million annually, while ensuring that for every pound we commission, a greater proportion will be spent on front line service provision.

We have remodelled our library services to enable it to be delivered in a more commercial manner. In January 2011, our library service entered into a ground-breaking outsourcing contract to deliver a full public library service on behalf of Slough Borough Council. Having completed the first full year of contract delivery, the service is on course to deliver income for Essex from trading, of around £230,000 this year. Meanwhile, the service continues to explore further opportunities as this market develops.

Essex Legal Services generated an external income of £2.2 million in 2011/12. Public Law Partnership is an innovative partnership with District and Borough Councils and other

County Councils in the area which is delivering services to all partners through joint working and sharing of resources. This saw savings of £1.1 million achieved across the partnership during 2011/12 through traded services, collaboration projects, innovative use of shared IT systems and procurement projects.

Our Customers Perspective

Our 2011/12 resident tracker survey showed three in ten respondents (31%) agree that Essex County Council provides value for money. The largest proportion of respondents in 2011/12 neither agreed nor disagreed (46%). Over half of Essex residents responding (52%) did not feel well informed about the reasons why the Council needs to make financial savings. This suggests we need to do more to inform residents of how and why we are making financial savings.

Looking Forward

We are now planning our next ambitious programme to modernise services, to ensure financial stability and, at the same time, support our ambition of joining up services not only within the organisation but also with our partners.

We will continue to integrate our services to make it easier for customers, while removing inefficient processes and duplication. We will collaborate with other County Councils in procurement activities to achieve even greater economies of scale. We will also continue to develop commercial opportunities and explore ways to deliver income growth for Essex.

Spotlight On: Essex Highways

One of the largest integrated highways partnerships in the UK, the strategic partnership between Essex County Council and Ringways Jacobs Ltd is officially named Essex Highways.

Ringway Jacobs bring with them a proven track record and extensive experience of delivering highways services for other local authorities across the UK.

The ten year contract (with an option to extend for a further period of up to five years) has an estimated value of over £1billion, and will be looking to save the authority around £5 million annually. The partnership will optimise the efficiency of highways services, ensuring that for every pound we commission, a greater proportion will be spent on front line service provision and improving customer satisfaction.

The new partnership will deliver the majority of highways and transportation services in Essex, including infrastructure and structures maintenance, improvement works, public rights of way, winter service, gully emptying and surface dressing.

Essex Highways is committed to using the latest technological innovations to improve efficiency and enhance customer services for Essex residents. Examples of this include enhancements on the website www.essex.gov.uk/highways and vehicle tracking technology to enable residents to check works being carried out, such as winter gritting.

The performance of the partnership will be tracked against robust key performance indicators, monitored by a core commissioning team located centrally at Essex County Council.

Support vulnerable people

Safeguarding our young people

We have continued to build upon the strengths identified in our 2011 inspection, evidenced through the recognition of our progress by OFSTED, the subsequent removal of the Improvement Notice and Government intervention, and the grading of 'Adequate' for the effectiveness of our Safeguarding and Looked After services. Key areas of improvement include a reduction of 43 children in need per 10,000 children compared to 2010/11 as a result of our preventative activity with partners. Of these children, there are now fewer going into care because of increased family support and fewer children subject to a Child Protection Plan.

Families are our focus and where ever appropriate, we want our children and young people to remain within family based care. In 2011/12 we became the first authority to gain Government support for Social Investment, an innovative way of raising finance to secure better service delivery. This investment will be used to fund programmes that support very vulnerable children remain within or return to their families. For those children who have been placed within our care, we have worked hard to improve placement stability. Fewer children had 3 or more placement moves during 2011/12 (8% compared to 8.8% in 2010/11), whilst 71.5% of children in care for more than 2.5 years have been in their current placement for over 2 years (65.9% in 2010/11). We continued our successful programme to recruit and retain foster carers with an increase of 36 fostering households by March 2012. We were among the first councils in the country to sign up to a Charter with our foster carers committing to working together as a professional team. We had an OFSTED inspection of our Adoption service, which was rated 'Good' with outstanding features.

Safeguarding our vulnerable adults

Safeguarding Essex (formerly the Essex Adult Safeguarding Unit) have been working hard across childrens and adults services to increase people's awareness of safeguarding issues. A 25% increase in the number of safeguarding concerns received, particularly to report suspected abuse of elderly people, and a 19% increase in safeguarding referrals, is possibly indicative that people are now more vigilant. Projects undertaken during 2011/12 include engagement with minority groups to assist with identifying and addressing abuse, and AskSal (the safeguarding telephone advice line) flyers now routinely included in citizenship packs. Safeguarding is about prevention as well as timely intervention and support. Unpaid carers play a particularly critical role in looking after vulnerable people. We estimate that around 30,000 people aged 65 years and older act as carers. During 2011/12, over 13,000 carer's assessments and reviews were completed. Although this represents a reduction of 2,000 compared to 2010/11, carers' needs are met in a variety of ways including appropriate signposting or provision of care packages to people as a service user in their own right. The reablement service, provided by Essex Cares, is a programme of short-term care to help people regain independence lost due to an event such as a fall resulting in hospital admission. 2011/12 saw 717 more people receiving a reablement service, and 931 more people taking up telecare compared with 2010/11. Of those receiving reablement, 65% completing the process left reablement able to self-care, 8% higher than in 2010/11. There was also a 15% reduction in those being re-admitted to hospital during their reablement programme.

Our Customers Perspective

Approximately 987 service users completed the 2012 Adult Social Care Survey, the

majority of responses were received from people aged 65 or above. Overall, 90.6% said they were satisfied with the care and support services they receive, of which 32.8% reported being extremely satisfied. Two thirds rated their quality of life as 'good', and 92% of those responding said that the care and support they receive helps them to have a better quality of life. Three quarters of respondents felt they had adequate to good control over their daily life.

A review of research information and feedback from children and young people in care showed that 96% said the care they receive is good/very good. Three quarters said coming into care was right for them at the time and a similar percentage felt being in care is right for them now. The majority reported that they like living in their current placement. Common feedback on what children and young people in care would change includes being with their family, being able to see their family more and wanting to move home to live with family. Many children said that the last time they moved to a new placement, this move was in their best interest, but only a quarter said they were offered a choice of placements.

Looking Forward

One of our key challenges for the future will be coping with the anticipated rise in the cost and length of time that people will need support. Previous projections suggest an increase in older people with social care needs, more people over 85 years with dementia, and more adults with learning disabilities. We think the key to managing this demand will be prevention and promotion of independence through services such as reablement, and working closer in partnership with other organisations to better align health and social care services.

Inspection outcomes have confirmed that our children's social care services are now much improved from the position a few years ago.

This helps confirm the service is on the right track; but also acts as a reminder that there is still work to be done to improve support for children and their families. Funding secured through Social Investment and Community Budgets work will enable us to provide more intensive support to children and young people and families with complex needs. We are also developing our Early Help offer to families to provide the right response when it is needed. We are working to increase the range of local foster care placements available so that more children in our care do not need to go out of Essex or to residential homes.

Spotlight On: Warm Homes

The NHS Cold Weather Plan established the Warm Homes Healthy People fund for Winter 2011/12. The aim of the fund was to improve public health by assisting local authorities to support vulnerable people at risk of suffering harmful effects to their health from severe cold, especially arising from cold housing. Essex County Council, working in partnership with NHS North East Essex and ten Essex Citizens Advice Bureaux, successfully bid to deliver an initiative based a project model of 'taking advice to the door'. Advisors not only tackled heating issues but were also able to signpost and advise on other matters, e.g. benefit claims. The project successfully engaged with 2,100 clients living in the most disadvantaged areas in Essex. Overall, clients appeared happy to embrace the ideas in the information pack and confirmed a willingness to try some of the recommendations.

Overall headline project outcomes are:

- £210,100.10 Debt Managed
- £9,500 Debt Written Off
- £318,601.20 Benefits Claimed/Other Financial Gain
- 2,975 Recorded Outcomes, of which 1,545 relate to reduced Fuel Poverty
- 1,007 Signposts and Referrals

Increase educational achievement and skills

Improving outcomes for every child

Improving the educational outcomes for Essex children plays an important part in improving their life chances, health and long term life expectancy. A key focus for Essex is to raise aspirations and link the provision of education to the needs of employers and future skills needed in the county for economic growth and sustainable employment.

A system of Academy sponsorship between 'good' and 'outstanding' schools to sponsor underachieving schools has begun. 5 of these have come to fruition or started in 2011/12.

52% of Essex pupils at age 5 achieved the required standard at the Early Years Foundation Stage in 2011, following a trend of continued improvement since 2007. However, the performance of our statistical neighbours has improved at a greater rate with an average of 60%. The move to a single term entry at the Early Years Foundation Stage is expected to have an impact. At Key Stage 2 our position is in line with the national picture. We have seen a further 400 pupils achieving 5 or more GCSEs at grade A*-C (or equivalent) including English and Maths compared to 2010, just behind the national position for 2011.

The educational attainments levels of our children in care have shown improvement at all levels. 16 children in care achieved 5+ GCSEs at grade A*-C or equivalent (including English and Maths) compared to 11 children 2010. This has been as a result of close and regular contact with the children and their schools, and where issues have arisen; support to ensure access to an appropriate curriculum and progress back to full time education. All children in care between Key Stages 2-4 have access to ten sessions of 1:1 tuition in English or Maths.

2011 attainment results showed some positive progress in the achievement of pupils with Statements of Educational Need (SEN) compared to their non SEN peers; however the gap (59% in Essex at Key Stage 2) remains higher than we would like (53% gap for England) and we intend to improve this. A key element of our Schools and Education Strategy is a fresh and strong approach to supporting the attainment of children with special educational needs, including a capital funding strategy for new / refurbished schools.

Positive progress has been made in reducing school absence rates for both primary and secondary pupils. In 2010/11 primary school absence fell below the 5% barrier for the first time to 4.8% - taking Essex into the top quartile of councils. Whilst in 2010/11 secondary school absence fell to 6.7%, compared to the national position of 6.5%.

Improving training opportunities

In March 2012 7.3% of 18 to 24 year olds in Essex were unemployed, compared to 8.3% nationally. The Essex Apprenticeship scheme was developed in response to a previous decline and a need to stimulate youth employment opportunities and support economic growth. Since 2009, phase 1 has helped 1,381 people into apprenticeships, exceeding its target of 1,250. 79.1% either completed or remained on a programme (against a target of 70%), and on leaving the programme 68.2% have already secured employment or progressed into full time education. As at March 2012, 404 young people were supported into an apprenticeship of which 291 were in the Energy and related industries against the phase 2 target of 250.

Our Customers Perspective

Based on survey work undertaken in 2012 with young people from schools across Essex, results suggest that 73% of primary age pupils and 58% of secondary school pupils enjoy school 'always' or 'most of the time'. This is an increase from 68% and 52% respectively from the previous year.

The survey is delivered in Essex schools during the spring term of each year and we are now in our sixth year of research. Just over 12,000 pupils in Years 4 and above took part in 2012.

93% of primary pupils reported that they try their best at school 'always' or 'most of the time' compared to 83% of secondary school pupils. This is an increase from 90% and 79% respectively from the previous year.

Results also showed that pupils in year 11 and year 13 appear to enjoy school more than in lower age groups and girls are more likely than boys to enjoy school and try their best at school.

In response to what they feel would help them do better in school (both at the primary and secondary stages) young people gave a range of suggestions including fun / interesting lessons and help from teachers.

Half of secondary pupils expressed a desire to go onto University when they leave school, 15% want to study to get a job at 18 years, 9% want to get a job at 16 and 5% want to undertake an apprenticeship.

Looking Forward

We are determined to do much more to enable Essex children to raise their aspirations and reach their true potential. Essex is a leading voice in the national debate of the new role of the Local Authority in relation to education. Strategies are currently being developed to improve performance in schools. Effective preventative and early intervention services are essential in supporting vulnerable

children and young people to reach their potential. Despite positive progress we know further focus is needed. This will in part be through working with our Children's Centres with the aim that all centres be judged Good or Outstanding by Ofsted, and further focus is given to targeting support for vulnerable children and families.

Spotlight On: STEM subjects

Essex County Council undertook a project with six schools, local industry and a range of partners, to raise awareness of the increasing number of opportunities available to young people who study science, technology, engineering and maths (STEM), with the aim of increasing participation in STEM based subjects and careers post 16. Twelve Year 11 students from James Hornsby School and Beauchamps School in Basildon were given the opportunity to take part in an Engineering Saturday School at Prospects College. The aim was to offer the students an insight into engineering and hopefully enthuse them to apply for an Apprenticeship when they leave school. Eight of the students attended on a regular basis. As a result of their commitment and based on feedback from the Tutors around their level of potential, three were invited to Prospect's Recruitment and selection Day and offered the opportunity to meet Recruitment Managers from a number of high profile local Companies. The fact that these students had attended the Saturday School was viewed very positively by the Companies and has resulted in all three being invited to the next stage of the recruitment process. Two of the other students have been offered places at Prospects on a level 2 programme and two others have gone on to apply for full time College places.

Maintain and improve the transport network

Delivering improvements to our roads and footways

Essex County Council is delivering the largest major schemes programme in recent times. Six major schemes were successfully delivered during 2011/12 with significant impact for Essex residents and the local economy.

Chelmer Valley Park and Ride has taken more than 2,200 cars off the city centre's roads every weekday. Witham Station Second Assess has improved accessibility between and within the station. Basildon Enterprise Corridor Improvements support over 40,000 jobs and 8,000 businesses within the corridor. Roscommon Way Extension Phase 1 Canvey Island supports development opportunities and job growth of up to 1,700 jobs. Harlow A414 Dualling has improved journey times into the town by over 2 minutes per car, 76% of the time, during a weekday. Finally, the Moulsham Street Streetscape Improvements in Chelmsford have increased economic vitality and pedestrian experience.

76% of Essex Public Rights of Way (based on a 5% random sample) were assessed as being easy to use by members of the public. Despite a decline on the 2010/11 result (80%) this is still considered as good. A working version of a digital map of Public Rights of Way was completed during 2011/12, allowing us to deal with customer enquiries more efficiently and effectively.

Encouraging the use of sustainable transport

2011/12 was a good year for cycling, with an increase in cycling of 17% in comparison to 2007 levels. This is a vast improvement on the 3.6% increase between 2007 and 2010. This was largely as a result of the continuing infrastructure projects, improvements,

promotion and training programmes especially in the cycling towns of Colchester and Harlow. The Cycle Colchester initiative included seven new upgraded cycle routes; improved access to the town centre and more than 1,200 cycle parking spaces. The Cycle Harlow project included personalised travel planning (PTP) which was carried out in the Stewards, Passmores and Great Parndon areas, aimed at encouraging residents to make use of the cycling and walking networks and buses available to them. PTP can help people save money when travelling and also improve fitness, health and wellbeing.

Whilst the authority has limited ability to influence the number of bus passenger journeys recorded in Essex, results show an increase by over 1.8 million to 45.1 million in 2011/12. Essex County Council's continued support for local bus services, improved co-operation with commercial operators plus economic factors, such as rising fuel prices and the use of free bus passes are all thought to have played their part in this year's results. An average of 89% of local bus services ran on-time during 2011/12, continuing a trend of year on year improvement.

Our Customers Perspective

The 2011 National Highways and Transportation (NHT) survey was carried out in August 2011. The overall satisfaction score for Essex Highways and Transportation against key benchmarking indicators was 53.92, placing Essex 17th out of the 22 participating County Councils. This represents a small improvement on the score of 53.00 achieved in 2010/11. Street lighting services achieved the highest level of public satisfaction (70%).

The area of greatest concern for respondents focused on satisfaction with the condition of highways. Road condition was identified as

being most important by 89% of Essex respondents, with 79% considering it to be the area most in need of improvement.

Public satisfaction with the condition of cycle routes increased by 8% to 44% in 2011/12 compared to the previous year whilst satisfaction with local bus services increased from an average score of 48.21 in 2010/11 to 58.44 in 2011/12.

Looking Forward

A big focus for the coming year will be embedding Essex Highways, the recently formed strategic partnership between Essex County Council and Ringway Jabobs Ltd. This new partnership will optimise the efficiency of highways services, ensuring a greater proportion of spend directed to front line services and improving customer satisfaction.

The successful delivery of major schemes projects in 2011/12 represents a small part of the £110 million that has been secured for major schemes in the County during the last 5 years. Schemes such as Sadlers Farm junction and the A13 Passenger Transport Corridor in the south and Park and Ride Colchester and the Northern Approaches Road in the north are continuing. Four schemes worth £11.8 million have been secured as part of the Growing Places fund administered by the South East Local Enterprise Partnership (LEP). This funding will enable capacity improvements at the A12 Boreham Interchange, support housing and business growth in Colchester Northern approaches, enable junctions and improvements for the Enterprise Zone in Harlow (supporting an additional 8,000 jobs) and support a business park in Colchester.

Provisional road condition data suggests we have maintained the condition of the classified network and investment into this area will continue, alongside a focus on sustainable transport choices. However, we predict a trend of deterioration over the

coming years for the unclassified network, as indicative funding levels are not sufficient to maintain the entire road network. Essex is investing an additional £11m in 2012/13 into repairing the county's roads.

Spotlight On: Sustainable Travel

The Defence Support Group (DSG) in Colchester has been working with Essex County Council's Sustainable Travel Planning team since 2010 on their Travel Plan. The DSG provide expert in-house maintenance, repair, overhaul, upgrade and support services for the UK Armed Forces' air and land systems.

DSG have put in place a package of measures to encourage a modal shift away from single car occupancy to more sustainable modes of travel for both commuting and travelling on business.

In order to reduce their business miles employees are not permitted to use their cars for business use. Instead, DSG have implemented video conferencing across multiple sites. The carbon footprint of the organisation is regularly monitored to ensure that DSG is on track to minimise levels of pollution.

Through the Travel Plan Accreditation Scheme the DSG were able to install a fleet of pool bikes for staff to use either for commuting to work or for business travel. These bikes are also used for staff to deliver small vehicle parts to Colchester Garrison. DSG support and encourage their staff in cycling and have improved the showers, lockers and changing rooms.

A recent Travel Plan initiative has been the introduction of a car share scheme. This was launched with a car share coffee morning for employees to join up and to find possible car share buddies for their home to work commute. Four car share parking bays have been marked out in the staff car park ready for the car share groups to use.

Make communities safer

Making Essex a safer place to live

When considering all crime, there has been a small downward trend since March 2009, punctuated by seasonal peaks, which is very much replicated across all similar local authorities. When comparing recorded crime levels between 2010/11 and 2011/12 there has been a small increase from 55.79 crimes per 1,000 population to 56.76 crimes. Crime remains lower than comparator areas. Essex (including Southend and Thurrock) had 60.46 crimes per 1,000 population in 2011/12 compared to 63.17 for similar areas.

Essex County Council has worked closely with the Safer Essex Partnership, members of which include Essex Police and other Local Authorities, to drive down all crime and in particular focus on reducing anti-social behaviour. In 2011/12 we supported delivery of 15 local community engagement schemes to address anti-social behaviour and local residents concerns in locations across Essex. When considering the number of anti-social behaviour incidents, there has been an overall reduction of 13.4%. When considered as a percentage per 1,000 population, there has been a reduction from 37.97 incidents per 1,000 population to 32.64 incidents.

Engaging with young people to improve road safety

The Essex casualty reduction intervention plan in 2007 led to a substantial reduction in children and young people (aged 0-17 years) killed or seriously injured on the Essex road network. Casualties reduced from 152 in 2007 to 87 in 2008. This reduction has been maintained at a similar level through to the end of 2011, which saw 91 casualties compared to 2007 levels. A number of activities were undertaken in 2011/12 to promote road safety, targeted at the most vulnerable groups within this age range. These activities included; over 4,000 10-14

year olds undertook Bikeability training Level 2-3 improving their confidence and safe cycling ability; over 4,000 students aged 16-18 years old attended interactive Young Driver days, highlighting issues such as mobile phone use, seat belts and drink/drug driving; in preparation for their transition to secondary school when many pupils start to make their own journeys to school, over 15,000 year six pupils (aged 10-11 years) participated in pedestrian training with Essex County Council staff and; one day scooter events were held offering practical assessments, bike checks and road safety advice. Five events have been held during 2011/12 with over 200 young motorcyclists attending.

Confronting rogue traders

Rogue doorstep traders who prey on the elderly and vulnerable pose a significant threat to the health and wellbeing of those citizens. Trading Standards tackles this crime in a number of different ways including providing a rapid response to all intelligence received about such crimes and wherever possible attempting to limit and recover any losses. In 2011/12 £262,555 was saved for Essex residents as a result of intervention, with most of that potential loss impacting on some of our most vulnerable citizens.

In 2011/12 97% of Essex manufacturers, importers and producers who were visited were either compliant with Trading Standards regulations or brought back into compliance by the end of the year. Inspection work focused on businesses in Essex that manufacture or import food or consumer goods from outside the European Economic Area. Every year 400 of these premises are inspected, with Trading Standards offering ongoing support and guidance to ensure continued compliance.

Effective programmes of work continued to be delivered to prevent sales of age restricted products (alcohol, tobacco, spray

paint, knives etc) to the under age. In 2011/12 6.4% of test purchases resulted in a sale to the underage, against a target of 10%. This excellent result was partly due to the investment made in educating retailers and signing them up to “Challenge 25” scheme.

Our Customers Perspective

Our 2011/12 resident tracker survey showed 90% of respondents feel safe outside in their local area during the day, falling to 60% after dark, showing that feelings of safety have remained fairly steady over time. However 69% of respondents do not feel well informed about what the Council is doing to tackle anti-social behaviour.

No Cold Calling Zones continue to be implemented across Essex using an intelligence led, risk based approach. Feedback during 2011/12 from residents covered by these areas reported more than 96% feeling safer in their own homes as a consequence of an NCCZ being implemented. Customer satisfaction with the Trading Standards service reached 81% this year, the highest since records began in 08/09.

Looking Forward

The Essex Crime and Disorder Reduction Strategy (2012-17) sets out the priorities of the Safer Essex Partnership. These include reducing anti-social behaviour, reducing crime and reducing domestic violence.

For the first time in the UK, trading standards and environmental health services will be joining forces across Essex County, Brentwood Borough and Braintree District Councils to provide an enhanced, customer focused service, which cuts through red tape, eases the burden on business and ensures better value for money. Trading Standards has signed a Memorandum of Understanding (MOU) with the Olympic Delivery Authority to become the appointed trading standards enforcement service for the Hadleigh Farm Olympic Mountain Bike Event, whilst another

MOU will see staff seconded and funded to help police the advertising and trading regulations at the main Stratford site.

Spotlight On: Inside Out

Over the past few years the Essex Drug and Alcohol Partnership (EDAP) was enabled by government to look innovatively at developing support for drug users in the Criminal Justice System. The drive was to help individuals achieve long term recovery from drug dependence and support reintegration into their communities and families, the ultimate aim being to support individuals into recovery and improve community safety across Essex.

The goal of the new Criminal Justice Interventions Service (Inside Out) commissioned by EDAP and delivered by Westminster Drug Project (WDP) is to enable drug misusing offenders to access treatment and support both in prison and in the community in a more joined up way thereby contributing to a reduction in re-offending and supporting the long term recovery from their addictions. As part of this, Inside Out, the first of its kind in the country, brings together elements of prison and community support to focus on breaking the cycle of drugs and crime, reducing the harm caused to communities and individuals. We have seen the number of individuals being released from prison and supported in the community as part of this programme rise from 43% to 74% in the first full year of operating and we are assured that this figure will continue to rise.

It has been shown that in Essex every £1 spent on drug treatment saves approximately £7 in other costs. A significant proportion of these savings can be identified in the Criminal Justice area and these savings represent reduced offending and Re-offending and ultimately less crime in an already safe county.

Promote sustainable economic growth

Strengthening the local economy

The impact of the recession is still putting pressure on the Essex economy. Despite challenging times, Essex is faring well compared to some areas. In September 2011, 673,600 people in Essex were classed as economically active and in employment, representing 73.2% of the resident working age population. This continues to compare favourably with some surrounding counties. In March 2012, the Job Seekers Allowance claimant count in Essex represented 3.2% of the working age population, compared to almost 4% nationally.

Since 2007 we have seen fewer new enterprises starting up and an increase in the loss of existing enterprises. There were 20 successful Inward Investment Projects in 2011/2012 against a target of 25 which is generally reflective of the global downward trend in Inward Investment to the UK and Europe. However 1,153 jobs were created or saved by Essex County Council (compared to 1,104 in 2010/11). This was partly due to successful Investor Development projects.

Strengthening links with a Global economy

During 2011/12 the International Trade team assisted nine businesses to find markets in China, and most recently signed a Memorandum Of Understanding (MOU) with Phoenix Publishing to set up a UK headquarters in Essex. Signing followed a trade mission to China at the end of March which included a visit to Phoenix Publishing's headquarters in Nanjing in Jiangsu Province. Representatives from Essex County Council as well as seven local small and medium enterprises (SMEs) participated in the mission. Outcomes from the mission included securing the agreement of the Jiangsu government to bring a

delegation of major offshore wind companies to see Essex, Norfolk and Suffolk inward investment opportunities. A signed MOU with the Shanghai SME Coordination Office, which is responsible for supplying services to Shanghai's 340,000 SMEs and provides Essex excellent access to the majority of China's most economically advanced Yangtse River Delta area. Finally, an agreement with the Jiangsu Department of Commerce which will see them work with Essex County Council to create an internship programme. The programme will enable students in the software industry to visit Jiangsu for a 3-month work experience internship in a Jiangsu software business.

Maximising opportunities

Essex is the largest Local Strategic Partnership (LEP) in England outside of London, with a combined population of 3.9 million people, and over 130,000 businesses supporting 1.3 million jobs. The South East LEP covers Southend, Thurrock, Kent, Medway, East Sussex and Essex, and is focused on supporting growth and enterprise. Essex has continued to lead the development of the South East LEP. During 2011/12 include the development of the Enterprise Zone at Harlow, and progress towards allocation of the LEP's Growing Places Fund. Twelve projects are moving to a final stage of appraisal ahead of receiving funding. In Essex, the money will be used to support the Chelmsford North East expansion; to improve access to the Enterprise Zone in Harlow; to provide a new park and ride facility in Colchester; and to support the development of the Knowledge Gateway at the University of Essex.

Tourism in Essex generates £2.5 billion a year, with approximately 52,000 people across Essex employed in tourist related roles. During 2011/12, £130,000 of EU Funding was secured for tourism. A further £350,000 of advertising value equivalent and

£278,000 of in-kind advertising was also leveraged. As part of our efforts to provide a warm welcome to spectators from around the world during the London 2012 Olympic and Paralympic Games, and maximise tourism opportunities for the local economy, we have recruited a 300-strong volunteer force of 'Essex Ambassadors'. These volunteers, deployed at major gateways, will act as the 'face of Essex'. The Visit Essex team have worked closely with the programme, developing promotional materials for the Ambassadors to distribute to visitors.

The East of England region has also performed extremely well in terms of getting local businesses registered on the Olympic portal 'Compete For'. As a result, over 300 of the Olympic contracts advertised on Compete For have been awarded in Essex, worth between £34,000 and £55,000.

Our Customers Perspective

The 2010 Essex Business Survey highlighted infrastructure as the top priority for public investment, specifically; IT/ICT; transport; and the road/transport network. The same survey showed that 35% of businesses are concerned about local traffic congestion.

Looking Forward

Essex is at the forefront of a number of developments to maximise opportunity and economic growth for the County. A long-term region-to-region collaboration with Norfolk and Suffolk County Councils will promote links between businesses, universities and industry to increase trade, investment, knowledge and expertise. This includes a two year contract to attract new inward investment from China. There are currently 94 Inward Investment projects in the pipeline with the possibility of creating or retaining a further 1,850 jobs. Further funding is available to the South East LEP, including through the Growing Places Fund. Looking to 2012/13 and beyond, Essex County Council will work to ensure that the South East LEP

maximises its potential, and that Essex continues to realise the benefits of the partnership.

Spotlight On: Making it easier to supply Essex County Council

In 2008/09, just under 37% of our total spend was spent locally. In 2011/12, this figure increased to 45%.

A group of local businesses from across the County have been working with us to improve the authority's procurement practices, from a supplier, and importantly, a small to medium enterprise (SME) perspective. The aim of which was making it simpler to do business with us, particularly from a local business perspective. Essex FSB (Federation of Small Businesses) has praised Essex County Council for changing our procurement processes to make it easier for small businesses to win contracts with us.

The main changes include;

- Reducing the number of questions in our pre-qualification questionnaire by over 50%, making it easier to complete and more relevant to SMEs and sole traders
- A 'Fit to Supply' checklist was developed to give suppliers a head start in determining their eligibility to supply us
- A standardised supplier feedback process to help suppliers improve future bids
- Publishing all contracts over £50,000 to help suppliers identify opportunities, and improved visibility of lower value contracts
- For certain spend thresholds at least one quote is encouraged to be from a local business

This is further evidence of our continued commitment to working with small businesses, vital to the economic health of our County.

Enhance the environment & reduce & recycle waste

Maintaining a clean, green environment

2011/12 saw the adoption of the Essex County Council Environmental Statement, identifying an overarching commitment to environmental issues. Sitting beneath this statement, the Adapting to Climate Change (ACC) action plan was introduced in May 2011 and the Corporate Emission Strategy (CES) in April 2012. The CES sets out expectations relating to managing greenhouse gas emissions across the Council for the next three years. The ACC highlights the types of severe climatic events that could be faced in the future and the impact these could have on our services. It sets out measures that Essex County Council can take both now and over the next ten years to adapt and build resilience to these types of event.

During the last two years Essex County Council has been identified as an exemplar flood authority and has featured as a case study within the Environment Agency Flood Risk Management guidelines publication. In February 2011 Essex became the first Lead Local Flood Authority to produce a Preliminary Flood Risk Assessment, which is a report on surface water flooding throughout the county. This was sent to authorities across the country as an example to follow. Essex was also the first authority to consult on the Sustainable Drainage Systems (SuDs) Design and Adoption Guide in November 2011.

Reducing and recycling waste

Landfill tax is currently £56 per tonne of waste, and set to rise by a further £8 every year until 2014, making it undesirable from a financial and environmental perspective.

During 2011/12 the diversion of waste from landfill, the proportion of waste recycled and composted and the overall generation of

waste all continued to improve compared to the previous 12 months.

The 2011/12 recycling and composting rate for household waste was 52%, an increase of almost 2% compared to 2010/11. Alongside this, overall waste arisings fell by over 1%.

The combination of increased recycling and composting activity together with a reduction in household waste arisings means that Essex has landfilled over 17,000 tonnes less household waste in 2011/12 compared to the previous year. As a result we have saved more than £900,000 on Landfill Tax expenditure.

This success has been achieved as a result of the improved performance of existing recycling services, increased public participation, and the roll out of new kerbside collection services. As part of the Inter Authority Agreement, all districts and boroughs are now on stream with waste food collections.

Our Customers Perspective

Our 2011/12 resident tracker survey showed a significant increase in respondents feeling that levels of litter or rubbish lying around in their area is a problem, from 33% in 2009/10 to 37%. However, 65% feel the Council is working to make the area cleaner and greener.

A local survey, carried out in August 2011, showed that customer satisfaction with Country Parks remained consistently high at 96%.

Looking Forward

We want to continue Essex's trend in increasing recycling and reducing the level of waste generated. A contract has recently been signed with Urbaser/Balfour Beatty securing them as service provider for the new residual waste treatment plants. The planning application has been raised for a new Mechanical Biological Treatment plant in Basildon, to treat and further reduce the amount of residual waste going to landfill. A tender process will also begin later in 2012 to identify a service provider for the Authority's Recycling Centres for Household Waste (RCHW's). The existing contract expires in 2013.

From a County Council perspective, we remain committed to reducing our own CO₂ emissions and our partnership with MITIE is an essential step to achieving this. We are setting ourselves an ambitious goal to reduce our emissions by 5% in 2012/13.

Spotlight On: European funding to protect the Essex Environment

Essex was appointed Lead Authority for Floodcom, an EU three year project, working with St Omer in France, the Manhood Peninsula in Chichester, Flanders and Chelmsford which are all affected by tidal and fluvial flooding. The project will attract more than €158,000 in match funding.

Essex also become a partner in a European project called Chargeahead (with a value of €163, 600 - 70% funded from Europe) which is seeking two partner Essex towns to be electric vehicle friendly by 2013 as well as developing a strategy and policy for electric and hybrid vehicles in Essex.

European funding success has been achieved for projects concerning historic defence sites. The Walls and Gardens project aims to promote better understanding of, and provide improvements to historic fortifications and their surroundings. World War Two Heritage aims to bring together a variety of sources (e.g. survey of defence sites, documentary research and oral history) tell the human story of the Second World War in the partner areas. Essex can contribute much to this as hundreds of pillboxes and other defence sites have been recorded and the Essex Record Office has an extensive oral history archive of recollections of the war and its impact on the county. Each project has partners from Belgium, France, the Netherlands and the UK. The projects will run until July 2014 and, taken together, will bring in about £350,000 of income.

£800,000 in funding was also secured for Maxigreen, a major environmental improvement project on the South Essex Marshes. The project, set to last until 2014, will improve access across the marshes, provide greater transport links and support tourist attractions.

Promote public health and wellbeing

Joining up Public Health Services

As part of the Health and Social Care Act, Essex is required to establish a Health and Wellbeing Board by 2013. The Board membership will include elected members and officers from Essex County Council and District Councils, representatives of the Clinical Commissioning Groups that will be responsible for commissioning primary health care and representation from patients themselves through the establishment of HealthWatch Essex. The Board will take on a role to work in partnership to improve the health and wellbeing of residents in Essex. Integrating services will be a key aspect of the Board's work. The establishment of a Shadow Board in October 2011 to lead these developments means we are well-placed to meet the requirement of a fully operational Statutory Board by 2013. We have also started consulting with partners on developing a Joint Health and Wellbeing Strategy which will drive the work of the Board.

Another key element of the Health and Social Care Act is the transfer of a range of Public Health functions from Primary Care Trusts (PCTs) to local authorities by 2013. In advance of the formal transfer, we co-located public health staff from the North Essex Cluster PCTs in April 2012 and staff from the South Essex Cluster PCTs in July 2012. Work started in 2011 to agree a partnership vision for public health.

An example of where joint working between social care and health has already achieved a successful outcome is the reduction in hospital discharge delays. Essex County Council and the PCT's in North and South Essex have been working closely with acute hospitals across the county to ensure that those discharged from hospital with a social care need do not experience a delay. 2011/12 figures show a reduction of almost

90% in the number of delayed days for people awaiting a social care service to enable their discharge from hospital. This meant a total of 564 days of delays across Essex in 2011/12 compared to 5072 in 2010/11. This included a 92% reduction in the number of people delayed whilst awaiting a residential care placement, and an 85% reduction in delays due to a late assessment.

Leading healthy lifestyles and securing an Olympic sporting legacy

Diet and nutrition are key contributors to the prevention of chronic ill health, however according to the 2006-2008 modelled estimates on obesity, nearly 25% of adults in Essex are estimated to be obese (similar to the national picture). Obesity in Essex children is currently better than the national picture. The number of pupils in reception year reported to be obese has remained relatively static over the past three years with the latest published data for the 2010/11 academic year showing Essex as 8.6%. This is ahead of the England average of 9.4%.

Physical activity can contribute significantly to people's general health and well-being, reducing the risk of premature death, reducing the risk of falls and protecting people from becoming overweight. The October 2011 Active People Survey showed 21.1% of Essex adults participates in 30 minutes of sport or active recreation (walking or cycling for recreation purposes) on 3 or more days a week. This is an improvement on October 2010 although remains behind other Counties. We have also seen a decline in the numbers of primary and secondary school pupils undertaking physical activity. Primary age pupils exercising five times or more each week has declined over the past five years from 45% in 2007 to 34% in 2011. There has been a similar decline for

secondary age pupils from 27% in 2007 to 24% in 2011.

Essex's proximity to London and the 2012 Olympics provides a unique opportunity to promote sport and physical activity, and remove barriers to participation. Essex Carrying the Flame is an Education framework set up by Essex County Council to encourage participation in sporting opportunities whilst enhancing learning in all areas of the National Curriculum, and has directly engaged with 5,000 young people during 2011/12. Places People Play, delivered by Active Essex and hosted by Essex County Council, is a £135 million initiative to bring the inspiration of a home Olympic Games and Paralympic Games into local communities. Activities delivered during 2011/12 include; the funding of 14 projects, through *Inspired Facilities*, to modernise and extend clubs and local facilities for community sport, which totals an investment of £700,000; the setting up of 199 *Sportivate* projects for young people up to the age of 25 years to receive six weeks of sport coaching, which engaged with 2,700 young people across Essex.

Our Customers Perspective

Our 2011/12 resident tracker survey showed 74% of respondents do not feel well informed about proposed changes to the health services, with only 1 in 7 (15%) saying that they feel well informed.

A review of research information and feedback regarding the health and wellbeing of children and young people in our care suggests that most feel healthy and well most of the time and are more likely to have seen a health professional, than all children. However children in care have very low average scores for overall wellbeing compared to that of all pupils, and secondary aged children in care are significantly more likely to have poor emotional wellbeing.

Looking Forward

We will continue to build upon the good progress we have already made towards the transfer of Public Health responsibilities to Essex County Council by April 2013 (in line with the Health and Social Care Act). Integration of health and social care services will be a key aspect of the transfer, enabling these services to be delivered more efficiently, however further work needs to be done to raise awareness among residents.

Spotlight On: Dementia Strategy

The Dementia Strategy is being developed with health and social care partners to improve access to high quality diagnosis, treatment, support and advice for all people living with dementia and their carers in Essex, Southend and Thurrock. The aim is to provide an overarching statement of how partners can work together in order to improve quality of life for people with dementia, whilst responding to local needs.

The draft Strategy, published in June 2011, was subject to a 3 month public consultation. As part of the consultation responses many people living with dementia and their carers told us that whilst they welcomed the strategy they did not want to keep telling different people the same information.

Recent developments relating to the priorities identified in the Strategy and through the consultation include; a joint approach with health is being adopted for commissioning dementia support workers to assist people during the initial stages of diagnosis. The aim is to provide people with information to better understand the nature of their condition, how to access support and make plans for the future, and; the development of a Distance Learning programme "Dementia Care in Essex", specifically tailored to the requirements of the Council's Self Directed Support staff who work with people with dementia.

Our Finances: ‘At a glance’

Essex County Council spent £2.610 billion (capital & revenue) in 2011/12 on a wide variety of services, projects and initiatives. We take this kind of spending power very seriously and aim to build a budget that reflects the priorities identified by the people of Essex through various consultation mechanisms, as well as to meet our statutory obligations. Our priorities and pledges are set out elsewhere in this document. As part of our integrated service and financial planning process, we review our budgets to ensure that we have resources available to invest in our priorities and spend public money as effectively as possible. After allowing for the amount of Government grant that we receive and income, our net budget for 2011/12 was £864.245 million, leading to a Council Tax for 2011/12 of £1,086.75 per Band D property (set in 2010/11). There was no increase from the tax set in the previous financial year. The Council received a grant from Government the equivalent of a 2.5% increase.

The Council’s budget for 2011/12 was set against a series of austerity measures introduced by the new Coalition Government. As a result, the Council was required to make savings of **£100m**. This was achieved by the Council’s ongoing transformation programme to save **£300m** over four years, development of further savings programs and some of these were achieved ahead of schedule. Through careful financial planning and control the Council’s finances remain robust, resulting in a net under spend of £18.488m (£7.179m after allowing for partnership funds, reserve contributions and technical adjustments) against the overall final budget.

The Council ended the year with prudent balances, with earmarked reserves and general balances totalling £306 million. Although this might appear to be a significant sum, much of the money is being held for specific reasons and long term commitments. The three major commitments are funding the strategy for dealing with the county’s waste (£44m) over the next 30 years, balances relating to schools (£50m) and Private Finance Initiative (PFI) projects (£68m). Once these and other earmarked figures are taken out of the total, the balances are £63 million.

The Council has reduced the amounts we owe to suppliers and other creditors by £36m, and are owed by others by £30m.

Our cash management arrangements also performed well, with a return of 1.06% on sums invested during the year. This compares well with the benchmark Local Authority Seven Day rate at 0.38% for the same period. This was all achieved whilst remaining within the boundaries of the approved prudential indicators and treasury management strategy throughout the year, which is set out to ensure the security of the funds invested by the Council.

More information on our financial performance is included in the following pages.

Please note: All financial information has been prepared from the draft statements of account and could be subject to change as a result of the audit now underway.

Our Accounts: 'At a glance'

In 2011/12, the Council spent **£2.415 billion** on revenue activities. This includes everything except capital projects. That's around **£1,709** for every person or **£4,539** per Band D Equivalent property.

Where did the money come from?

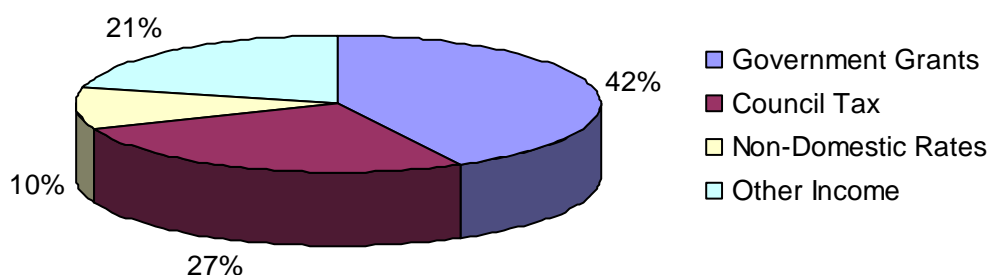
Most of the money the Council receives comes from Central Government. In 2011/12, the Council received grants of £1.1 billion for revenue activities.

Did you know?

Around **72%** of the grants received were specifically earmarked for Education and other Children's services.

In 2011/12 the Council Tax rate was frozen, with a slight growth in the number of properties throughout the County the income raised through Council Tax shows a slight increase of **0.6%**.

Charges and other income totalled **£363 million** this year. This includes funds received from other Government bodies such as other councils and the NHS as a result of the County Council taking on different responsibilities. This also includes charges to the public and businesses for specific activities.



How our money was spent: ‘At a glance’

Revenue Expenditure: £2.415 billion

54% or £1.3 billion was spent on education and other children’s services

22% or £526 million was spent on Adult Social Care; looking after elderly and vulnerable people

5% or £128 million was spent on Cultural, Environmental and Planning Services

6% or £148 million was spent on Highways, Roads and transportation

The remaining **13%** was spent on other services, including around 1% on Corporate and Democratic services, which is the cost of operating as a public authority, fulfilling our statutory obligations.

Capital Expenditure: £195 million

50% or £96.6 million was spent on Education schemes

41 % or £79.4 million was spent on Highways & transportation projects

9% or £18.5 million was spent on schemes for other council services

What is the Balance Sheet?

The Balance Sheet is a snapshot that shows the Council’s financial position at the end of the financial year. It includes information about the types and value of assets that the Council owns and the money that is due from and owed to external parties. It also shows the amount that Council has held in reserves.

£ 2,584m Land, Buildings, Infrastructure and other assets

£ 124m Money Owed to the Council

£ 124m Cash and Investments

£2,832m Total Assets

£ 360m Borrowing

£ 204m Money Owed by the Council

£ 234m Other Liabilities

£ 888m Total Liabilities*

£ 1,944m Net Assets *

*Excludes pension liability

There are two types of reserve, usable and unusable. The usable reserves are largely made up of money that has been put aside for a specific purpose, these are called ‘Earmarked Reserves’, and include for example funds put aside for schools and for rolling out the waste strategy. There is more information in the next section about the difference between these two types of reserve.

Balances & Reserves

As with most businesses, the Council needs to be prepared for the future, this means that it needs to put money aside to cope with the changing economic environment and to pay for assets that might need to be renewed.

The value of the **Usable Reserves** is **£306 million**

Of this, £243 million relates to funds held for specific purposes, leaving £63 million in the General Balance.

The unusable reserves are generally amounts that arise from the way in which the Council is required to report the value of its assets to comply with accounting standards. They are effectively accounting entries rather than cash amounts available to spend e.g. unrealised gains and losses that only become available if the asset is sold.

The value of the **Unusable Reserves** is **£742 million**

Treasury Management

The Council's surplus cash balances were invested in accordance with guidance issued by the Government. The primary objectives were:

- To safeguard the sums invested
- To ensure adequate liquidity
- Lastly, to consider investment returns or yield

Surplus cash balances were mainly invested on a short term basis, up to 364 days, until the funds were next required. Funds were invested only with the UK Government, other local authorities and other bodies with high credit ratings.

During 2011-12, our average daily cash balance was **£179.3 million**. Our average long-term borrowing during that period was **£360.1 million**.

This information is issued by
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