

The Leader's Report of Cabinet Issues

1. ECC's Local Transport Plan (2015 – 2021): Strategy and Priority Projects for Stimulating Economic Growth

Cabinet has agreed a strategy for delivery of the Local Transport Plan (LTP), and a prioritised list of schemes to support and stimulate economic development. The schemes have been designed to align with the strategic aims of the South East Local Enterprise Partnership (SELEP) and the Council's own Economic Growth Strategy. The Cabinet has also authorised the Cabinet Member for Highways and Transportation to make the final selection of priority projects for submission to SELEP as part of the Economic Plan for Essex (EPfE) currently being assembled, and to update those priorities on a rolling basis.

The Government advocates the development of a Strategic Economic Plan (SEP), to be initiated by each Local Enterprise Partnership. The SEP must illustrate how economic development will be stimulated by a range of initiatives, including transport infrastructure. Substantial funding has been pledged by the Government. The planning period for this funding covers the period up to 2021, which means that schemes must be deliverable within what is, in terms of delivery of transportation projects, a short period of time. It is anticipated that, across the SELEP area, approximately £200m may be available for transport projects.

As a result, the Council needs to consider what transport schemes it believes it should support in order to deliver growth. In deciding which schemes to prioritise, it makes sense to assess those schemes so as to maximise the impact on economic growth in Essex. Accordingly, a high level revision to the existing transport strategy has been prepared specifically to take advantage of this opportunity, including a listing of transportation projects which would have the best chance of assisting economic growth.

2. Main Modifications to the Replacement Minerals Local Plan

Cabinet has agreed a number of main and minor modifications to the Essex Replacement Minerals Local Plan, as recommended by the Planning Inspector in order to make the Plan sound. It has also authorised a period of public consultation on the modifications and agreed that, provided that no matters arise from the Inspector's report other than the main modifications, the Plan can proceed to Council for adoption without further reference to the Cabinet.

The Council has a statutory responsibility to plan for future minerals supply, and it fulfils this by preparing the Minerals Local Plan to support the achievement of sustainable development within the County until 2029. The Plan has been developed following seven rounds of consultation and engagement since 2005 with the public and with other interested parties. Subsequently, the Government appointed a Planning Inspector to undertake the formal examination process, with hearing sessions taking place in November 2013.

Following the formal process, the Inspector has stated that he considers modifications to be necessary in order to make the Plan sound. The recommended modifications seek to protect against the over-allocation of sand and gravel reserves whilst ensuring that needs can be met if demand exceeds the Inspector's expectations. As such, they are comparatively minor, reflecting the weight of evidence as it has unfolded at the examination in public. The Council can only adopt the Plan once the Inspector has declared it to be sound.

3. Risk Management Strategy 2014 – 2017

Cabinet has approved the Council's Risk Management Strategy for 2014 – 2017.

The Council has a strong and coherent approach to risk and develops and adheres to a Risk Management Strategy in accordance with recommended best practice. The Strategy for 2014 – 2017 builds on and replaces the previous strategy, setting out the Council's approach to the management of risk over the next three years. It is designed:

- to increase the likelihood of the Council achieving its goals and delivering outcomes
- to improve the identification of opportunities and threats
- to improve governance, stakeholder confidence and trust
- to establish a reliable basis for decision-making and planning
- to allocate effectively and to use resources for risk treatment
- to improve organisational resilience
- to help with the recognition and management of risks, and the minimisation of the cost of risk
- to anticipate and to respond to emerging risks, internal and external influences and a changing operating environment
- to implement a consistent method for measuring risk.

The Risk Management Strategy will be reviewed annually to ensure it still meets the needs of the Council and takes account of organisational changes and new legislation. It will be re-presented to the Cabinet in the event of significant changes.

4. New Operating Model Youth Service

The Youth Service has a gross budget of £3.8m and a net budget of £2.7m for 2014/15. Cabinet has given approval to accelerate the journey towards the future operating model for the Youth Service. Considerable activity has already been undertaken to ensure that the Service is ready for this way of working:

Cabinet has agreed to implement an operating model for the Youth Service which represents the most appropriate way to ensure that young people in Essex continue to be able to access the same activities as are currently available whilst achieving savings in the budget. The continued move to a community capacity building model with the guidance and support of officers builds on the success of the current service in moving in this direction. Charging schools for certain services received by their pupils will enable the services to continue.

The Council is committed to the outcome “Young people of Essex get the best start in life”, which contributes to employment and wellbeing. A key indicator of success in delivering this outcome is the number of youth sessions run per week. The Youth Service has been on a transformational journey since 2010 when all the provision was delivered directly by County Council employees. During 2011 the service started working collaboratively with some community groups; however the majority of the provision was still delivered by youth workers, with an average of 249 youth work sessions per week.

By 2012/13, the ambition was that the service should move to a new operating model of delivery via community capacity building. Community capacity building is where young people, their communities and other organisations, supported by youth workers, design and deliver youth provision in their locality.

In 2013/14, the Youth Strategy Groups were established and budget allocated to these groups to meet identified local needs. At this time an average of 422 youth sessions were delivered per week, 30% of these via the ‘community capacity building’ model, i.e. where youth workers move from providing direct youth work to supporting community groups to develop their provision of youth services.

From 2014/15 onwards it is proposed a £3.4m budget will be allocated to the Youth Service. Key performance outcomes, indicators and measures will be rigorously monitored by the Commissioners. The current work on supporting other organisations to provide youth services, which is a key measure of success, will be accelerated to a target of 500 sessions, with 100% to be delivered by the community by the end of 2015.

The Youth Strategy Groups will work closely with Commissioners and youth service specialists to identify local needs and collaboratively commission solutions accordingly.

5. Establishment of a Special School Academy in Langham

Cabinet has agreed that sponsors should be sought to establish a new special academy on the School Road site of Ramsden Hall School in Langham for 64 pupils aged 10 – 16, including residential provision for a maximum of 25 pupils. The school is intended to operate with effect from 1 September 2014, or as soon as practical thereafter, but no later than January 2015.

Establishment of the new academy is dependent upon the downsizing of the existing Ramsden Hall School, currently operating on a split site in Billericay and Langham. Cabinet has therefore also agreed that consultation should be undertaken on proposals to reduce the size of Ramsden Hall School, so that it ceases to have a site in Langham.

Establishment of the new school was recommended as, although the merger of Ramsden Hall School with the former Heath Special School had dealt with performance issues at the former Heath Special School, the distance between

Billericay and Langham meant that there were benefits in the school sites operating as separate schools once again. This view was supported by the school.

6. Delivery of two new Primary Academies in Colchester

Pupil place projections for Colchester have evidenced a significant increase in the demand for primary school places over the next 2-4 years, due both to growth from within the existing population and the effect of new housing development.

Cabinet has agreed to the construction of two 420-place primary school academies at Braiswick and Severalls in Colchester, with opening dates of September 2015 and September 2016 respectively. This follows a successful bid for funding from the Government's Targeted Basic Need programme, and a formal consultation exercise on proposals to increase primary school provision within Colchester. Cabinet has also agreed to the use of the existing Local Education Partnership as the delivery vehicle for the contract to build the schools, due to its successful track record and as it is likely to represent the most cost effective way of delivering the schools on time.

7. Economic Plan for Essex

The South East Local Enterprise Partnership (SELEP) is in the process of preparing a Strategic Economic Plan (SEP) to support its negotiation of a 'Local Growth Deal' with HM Government. The Local Growth Deal is the mechanism through which HM Government will allocate funding from its Single Local Growth Fund (SLGF) – a national pot bringing together capital funding for Transport, Housing and Skills Infrastructure.

As a partner in the SELEP, Essex County Council is working to influence the development of the SEP. In common with other partners, the County Council is refreshing its economic plans and has put forward a programme of transport and non-transport development projects that could be delivered with support from the SLGF.

Once the SEP is developed, approved by the SELEP Board (26th March) and submitted to HM Government (31st March), a period of negotiation on the SELEP Local Growth Deal will begin with HM Government. This negotiation will determine the amount of SLGF devolved to SELEP partners. It is likely to conclude in Autumn 2014 with SLGF funding devolved from April 2015. The deal will form the basis for a final version of the Council's Economic Plan for Essex (EPFE), an initial draft of which is being prepared alongside our contribution to the growth deal.

Cabinet noted the early draft of the SEP which was submitted to HM Government in December 2013 and the indicative list of projects to be included in the SEP including the transport projects.

Cabinet has agreed that the Council's contribution to the delivery of the projects in the agreed SEP is capped at £115million over 6 years and authorised the Deputy Leader and Cabinet Member for Economic Growth and Infrastructure to agree, in consultation with the Leader of the Council and the Executive Director for Corporate Services the final amount following negotiations with HM Government.

Cabinet has delegated authority to the Deputy Leader and Cabinet Member for Economic Growth and Infrastructure to negotiate the Essex element of the Growth Deal with HM Government as part of the SELEP negotiating team.

The EPfE will be used to support Essex partner's engagement in SELEP's negotiations with HM Government on the Growth Deal. The Council hopes to negotiate the best possible share of the Single Local Growth Fund through these discussions. A further draft of the EPfE will be developed following the outcome of negotiations with HM Government and further discussions with partners, prior to wider public engagement and final approval by the Cabinet.

Cabinet has endorsed the Economic Plan for Essex text. A professionally designed version based on this text will be prepared for publication. The EPfE sets out, for the Essex area over the period from 2014 to 2021:

- partners' ambitions for growth;
- an analysis of the challenges and opportunities facing the Essex economy; and
- partners' plans to deliver growth-enabling development projects; provide support to businesses and key growth sectors; and enhance the skills of the workforce.

8. The Deanes School

Cabinet has considered and agreed the way forward on a number of issues in the light of the determination by the Schools Adjudicator that The Deanes School should not be discontinued.

The proposals to relocate and expand Glenwood School on The Deanes School site are no longer appropriate or possible as land at the site will not now be available as planned. The Cabinet has therefore authorised the publication of a statutory proposal to revoke the previously approved enlargement and transfer. The sum of £14m for the rebuilding of the school will continue to be provided, and the exploration of alternative options for the relocation and rebuilding of the school with 150 places (and possibly 60 further places for children with ASD) will proceed. A further report on this will be brought to a future meeting of the Cabinet.

It has been agreed to assist The Deanes School in revitalising its offer for September 2014 by funding urgent condition work and appropriate modest remodelling and rationalisation work, to a maximum value of £2.5m. This is based on utilisation of a proportion of the current accommodation, potential for rationalisation, and an initial estimate of the work that can realistically be carried out on site during 2014/15. The funding arrangements for this, together with provision for the ongoing cost of borrowing, have been agreed. Should The Deanes School remain as a maintained school, any further maintenance works will be considered in 2015/16 and future years on the same basis as any other Essex maintained school.

Cabinet has reconfirmed its decision to fund up to £2m for additional accommodation for 150 pupils each at The Appleton School and The King John School. Finally, it has authorised the Head of Infrastructure Delivery to approve the final scope and costs of the works at The Appleton, The Deanes and The King John Schools within allocated budgets.

9. Membership of Improvement and Efficiency Social Enterprise

Cabinet has approved the Council's membership of Improvement and Efficiency Social Enterprise (iESE) Limited and has appointed Councillor Roger Walters as a non-Executive Director. It has also agreed that the Council should subscribe to the iESE innovation club at an annual cost of £5,000 (to be funded via the Essex Innovation Fund).

iESE is a non-profit distributing company limited by guarantee which has an overarching objective to advance the improvement and/or efficiency of public bodies across the UK. The Council has, like most local authorities in the UK, benefitted from the services provided by iESE, particularly in the field of waste management. Becoming a member will benefit the Council by providing the ideal gateway for political and managerial leaders to meet periodically to share innovations emerging elsewhere that could be applied to local public services, discuss strategic priority setting and strengthen joint working. Membership of the Innovation Club also offers a number of additional benefits, including financial discounts and support days from an iESE Principal Consultant.

10. A127 Corridor for Growth – Economic Plan

The A127 is a strategic corridor for south Essex linking the M25 with Southend and London Southend Airport. To the east of Basildon it is the priority route for traffic traveling to Southend and the Airport, and links to the A130 and A13. To enable growth along this corridor and the wider Thames Gateway area, significant improvements are required.

Cabinet has approved the "A127 Corridor for Growth Economic Plan", which has been developed in partnership with Southend Borough Council. It sets out the case for, and details of the improvements required and the growth this can unlock. This is a working document and will evolve as further work is progressed around the improvements. The plan will be submitted to SELEP in support of the Single Local Growth funding bid, once it has been finalised in partnership with Southend Borough Council.

11. Passenger Transport Procurement Proposals 2014

Cabinet has approved the procurement proposals in respect of the Passenger Transport contract from 2014 onwards, together with the subsequent appointment of operators and the award of call-off contracts. These will ensure that the Council is able to meet its statutory responsibility with regard to transport for children and vulnerable adults and the provision of local bus services.

The approach agreed will continue the current practice of delivering price efficiencies through tenders, but also introduces improvements such as the implementation of a framework agreement and more robust processes to ensure that price reductions

are realised into savings. It will also future-proof the procurement process and support the more transformational review of how passenger transport is procured and delivered in the future, expected to be completed by 2016.

12. Essex Better Care Fund Submission

The Better Care Fund (BCF) was announced in June 2013 providing an opportunity to transform local services so that people are better provided with integrated care and support. It encompasses a substantial level of funding (£3.8bn in 2015/16) to help local areas manage pressures and improve long-term sustainability.

The Government's intention is for NHS and local government social care services to become fully integrated within a five-year timescale. The BCF is intended to help take forward integration, and to act as a catalyst for change. From 2015/16 it is to be a single pooled budget of NHS and local authority resources but in the meantime, funding will continue to be transferred to the Council from NHS England.

Health and Wellbeing Boards were required to agree and submit two-year BCF plans (meeting six national conditions) by 4 April 2014.

Cabinet noted that the Essex Health and Wellbeing Board would endorse submission of the Essex Better Care Fund plans to NHS England following its meeting on 27 March and agreed the headline proposals for spending the Better Care Fund in Essex from 2015/16. With regard to the establishment of a pooled BCG from 1 April 2015, this was agreed in principle, with Essex County Council to act as host on behalf of all partners. A further report regarding governance of the pooled fund will be submitted to a future Cabinet meeting. Finally, Cabinet agreed that the £27m to be received from NHS England should be spent as follows: £22.1m to be added to the base social care budget, with the remaining £9.4m likely to be spent on preparation for the Care Bill, subject to discussions with NHS England and Clinical Commissioning Groups and a further report to Cabinet.

13. Approval of the Information Services Delivery Programme

Cabinet has approved the Information Services Delivery Programme, together with a total investment of £13.5m required for implementation.

The Programme represents the culmination of the review of information and technology needs carried out over the last year. Its purpose is to invest in essential capabilities to deliver the Council's target operating model, to support the release of benefits by other programmes and to meet the Council's legal obligations on information management. The programme comprises four significant projects:

- sustaining core technology and end-user computing
- establishing the technology building blocks to support interoperability, information sharing and collaboration
- information management assurance

- cross-cutting programme support and corporate training.

The IS capabilities provided by the project will support the Council's transformation journey by enabling several key programmes, which will in turn be instrumental in assisting the Council to deliver its Vision for Essex 2013 – 2017.

14. Day Opportunities: Contracts Extension and Permission to go to Tender

Cabinet has approved a new approach to the procurement of day opportunities. Following completion of a final consultation exercise, the Cabinet Member for Adults Social Care will authorise a competitive procurement under the new model, consisting of a framework agreement with multiple day opportunity providers. The procurement exercise will commence in June 2014, with new contracts to be effective no later than 1 April 2015. To allow continuity of provision to service users pending the procurement, Cabinet has also agreed to extend the current block and spot contracts for day opportunities until 31 March 2015.

The Council currently places 2,100 adults into 'managed' day opportunities each year as part of a support package to meet eligible care needs. It manages this by means of two types of contract – block contracts, whereby a set fee is paid to a provider for the service at all times even if it is not being used, and spot contracts whereby a fee is paid for the service only at the times it is being used. A recent review in mid-Essex (which involved engagement with service users) has shown that the current model of provision remains traditional and change is needed to align with customer expectations and to enable more people to have a choice through a personal budget and direct payment. In addition, the use of block contracts has led to a lack of flexibility.

In the light of this, work has been ongoing to develop the strategy for day opportunities better to meet the needs of service users (there is no intention to reduce the levels of opportunities available). It is proposed to move away from the use of block contracts to a framework model, allowing providers to join from time to time whilst maintaining an opportunity to manage quality and price. A procurement process along these lines will open the market to existing and new providers, and deliver a consistent contractual approach. A significant programme of consultation and engagement with service users has already taken place, and a final, updated consultation exercise is planned from April 2014 to inform the final specification for the procurement process.

15. Increasing Independence – Working Age Adults

Cabinet has approved the implementing and embedding of an enablement and progression approach towards the provision of services to Working Age Adults with disabilities. This will enable the Council to review its services to ensure that it maximises independence and improves outcomes for working age adults who receive social services and their carers whilst at the same time achieving long-term savings for the Council.

The Working Age Adults service is facing increasing pressures in terms of rising demand relating to demographic changes coupled with decreased funding from

Central Government. The current service model is exacerbating this situation through creating life-long dependence on services, and in particular on more institutional forms of support such as residential care and traditional day services. This does not deliver the best outcomes for individuals, their families, the County Council or its partners.

Over the last three years a number of initiatives have been implemented to realise efficiencies, but this approach will not deliver the scale of change now needed. What is now required is a whole system approach to change that results in a re-modelled support pathway that reduces demand on, and costs to the Council and its partners, particularly Health. This forms part of the transformation agenda of the Council.

This project will reform the current service models and the relationship with the market, ensuring that adults with disabilities are fully involved in shaping the services and support they need to lead fulfilling and independent lives. The project consists of a number of interrelated work-streams that are designed to deliver both the new service infrastructure and the capability to facilitate change for individuals or families/carers.

It is based on principles of enablement and progression. Enablement is an approach that is focused on developing people's capabilities to do things for themselves and become more independent. Progression is the term given to the step by step approach to increasing skills and independence and in some cases can mean a move into more independent living arrangements.

Overall, the project will reduce future projected costs to 2017 by £22.8m. Other benefits of the project include delivering better outcomes for people with disabilities and managing demand more effectively in the system.