



**Financial Intelligence Toolkit**

**2015/16 Subscription**

**Financial Benchmarking - Unit Costs**

*Preliminary Report*

**Lancashire**

## Overview

This report compares unit costs between local authorities in England, using budgeted expenditure from authorities' Revenue Account (RA) returns for 2015/16. The report is intended to act as an initial guide for further investigation into areas where unit costs differ to those of similar authorities and where there may potentially be scope for savings.

Please note that this is a **preliminary report**, which will be updated later in 2015. This only affects **adult social care** unit costs. Changes to the official statistics means that the latest adult social care client numbers (for 2014/15) will not be released until Autumn 2015. In the meantime, this report uses client numbers from 2013/14. These are the same figures as used in last year's subscription, though they have now been updated from provisional figures to final figures. All expenditure data, including for adult social care, has been updated.

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## Summary of Key Points

### Potential Savings

- Overall, Lancashire would achieve notional savings of £163.3m if it set its unit costs in each service area to the bottom quartile of the nearest neighbour group. Setting unit costs to the group median would generate savings of £26.5m, while setting unit costs to the top quartile would result in additional expenditure of £123.7m.

### Overall Unit Costs

- Overall, Lancashire's unit costs (excluding schools) are 6.7% higher than the nearest neighbour average, and are ranked 2nd highest out of the 16 authorities.
- Compared nationally, Lancashire's unit costs are 8.5% above average, and are ranked 4th highest out of 27 comparable authorities.
- Lancashire's overall unit costs decreased by 6.8% between 2014/15 and 2015/16. Compared to its nearest neighbours, its relative unit costs decreased from 1st highest to 2nd highest in the group.

### Unit Costs by Service

- Education (excluding schools) - Lancashire's unit costs are 25.4% lower than the nearest neighbour average, and are ranked 13th highest out of the 16 authorities. Nationally, its unit costs are 21.2% below average, and ranked 19th highest out of 27 comparable authorities.
- Adult Social Care - Lancashire's unit costs were 0.7% higher than the nearest neighbour average, and ranked 9th highest in the group. Nationally, its unit costs were 3.1% lower than average, and ranked 15th highest out of 27 comparable authorities.
- Children's Social Care - Lancashire's unit costs are 16.4% lower than the nearest neighbour average, and ranked 14th highest out of 16 authorities. Compared nationally, its unit costs are 18.9% lower than average, and ranked 21st highest out of 27 comparable authorities.
- Public Health - Lancashire's unit costs are 25.5% higher than the nearest neighbour average, and ranked 2nd highest in the group. Nationally, its unit costs are 33.0% higher than average, and ranked 2nd highest out of 27 authorities.
- Highways & Transport - Lancashire's unit costs are 34.4% higher than the nearest neighbour average, and ranked 2nd highest out of 16 authorities. Compared nationally, its unit costs were 24.2% higher than average, and ranked 7th highest out of 27 comparable authorities. Please note that unit costs exclude levies for Integrated Transport Authorities (paid by metropolitan districts), and transport costs borne by the Greater London Authority, which may affect national comparisons.
- Housing Services (General Fund only) - Lancashire's unit costs are 98.3% lower than the nearest neighbour average, and ranked 12th highest in the group. Nationally, its unit costs are 98.3% lower than average, and ranked 22nd highest out of 27 authorities.
- Cultural & Related Services - Lancashire's unit costs are 8.1% higher than the nearest neighbour average, and ranked 5th highest in the group. Compared nationally, its unit costs are 7.3% higher than average, and ranked 10th highest out of 27 comparable authorities.
- Environmental & Regulatory Services - Lancashire's unit costs are 44.5% higher than the nearest neighbour average, and ranked 2nd highest in the group. Nationally, its unit costs are 44.7% higher than average, and ranked 3rd highest out of 27 authorities.
- Planning & Development Services - Lancashire's unit costs are 38.8% lower than the nearest neighbour average, and ranked 12th highest in the group. Nationally, its unit costs were 35.2% lower than average, and ranked 18th highest out of 27 comparable authorities.
- Central Services - Lancashire's unit costs are 27.7% higher than the nearest neighbour average, and ranked 4th highest in the group. Nationally, Lancashire's unit costs are 52.6% above average, and ranked 4th highest out of 27 comparable authorities.

## 1. Methodology

### Unit Cost Calculations

Unit costs are based on local authorities' planned expenditure for 2015/16, as reported in Revenue Account (RA) forms. The expenditure is divided by relevant cost drivers; for example, the number of local residents, social care clients or road lengths. The latest available data is used for these denominators, which varies from year to year. Details on each denominator are provided in Annex A.







Unit costs are based on Net Current Expenditure (NCE), which is comprised of expenditure on employees and running expenses, net of sales, fees and charges, internal recharges and other income. It does not include (i.e. is gross of) capital items and specific / special grants. NCE excludes levies paid to Waste Disposal Authorities and Integrated Transport Authorities, and this should be borne in mind when making any comparisons between authorities where their costs may be recorded differently, due to differing structural arrangements for such services.

Unit costs are adjusted by the Area Cost Adjustment (ACA) to control for geographical variations in the cost of providing services. These adjustments use the ACA figures for 2013/14 as published by DCLG.

Differences in unit costs are measured using standardised scores. This measures the number of standard deviations that an authority's unit costs are above, or below, the group average. Scores are capped at  $\pm 3$ . Using standardised scores has a number of advantages over other approaches:

- It reflects the **significance** of differences. For example, if an authority has unit costs that are 10% above the group mean, then this is significant if the average authority in the group has unit costs within  $\pm 5\%$  of the mean. It is less significant, however, if the average authority has unit costs that are  $\pm 20\%$  of the mean. Standardised scores control for this variation or "spread" of unit costs.
- Standardised scores have **useful statistical properties** for assessing whether an authority's expenditure is significantly higher or lower than other members of the group. This is based on the assumption that the scores follow a normal (or "bell shaped") distribution; in which case, the following rule of thumb applies:
  - Around two-thirds of authorities (68%) would be expected to have a score between 0 and  $\pm 1$ .
  - Most authorities (95%) would be expected to have a score between 0 and  $\pm 2$ .
  - Nearly all authorities (99.7%) would be expected to have a score between 0 and  $\pm 3$ .

Unit costs are colour coded based on its standardised score, as follows:

Code	Unit Costs	Description	Scale
	More than 2 standard deviations below average	Significantly lower	
	Between 1 and 2 standard deviations below average	Moderately lower	
	Less than 1 standard deviation above or below average	Slightly higher or lower	
	Between 1 and 2 standard deviations above average	Moderately higher	
	More than 2 standard deviations above average	Significantly higher	

Finally, while standardised scores are used to assess the relative significance of unit costs, the results are also presented as percentage differences from the mean. This is because percentages are more familiar and intuitively easier to grasp. Note, however, that the service with the most significant difference in unit costs (as measured by the standardised score) will not always have the largest percentage difference from average.

## Comparator Authorities

For benchmarking purposes, two sets of comparator groups are used in this analysis: (a) Lancashire's Nearest Neighbour group, and (b) all comparable authorities across England. These comparator groups are explained below.

### (a) Nearest Neighbour Group

To enable a like-for-like comparison, this analysis makes use of CIPFA's statistical Nearest Neighbour groups. These identify councils with similar economic and social characteristics and groups them on a statistical basis. These groupings were last updated in late 2014.

For Lancashire, the Nearest Neighbour group is shown in the table below:

**Table 1 - Nearest Neighbour Group**

■ Lancashire	■ Worcestershire
■ Nottinghamshire	■ Lincolnshire
■ Staffordshire	■ Gloucestershire
■ Derbyshire	■ Suffolk
■ Cumbria	■ Essex
■ Kent	■ Norfolk
■ Northamptonshire	■ North Yorkshire
■ Warwickshire	■ Devon

### (b) National Comparator Group

When making national comparisons, it is necessary to consider the services provided by each authority. Unit costs should only be compared among authorities with similar functions and responsibilities.

It is not possible to simply compare all authorities with expenditure in a given service area. For example, both shire counties and shire districts provide Environmental and Regulatory services, but the precise nature of the services provided will differ between the two tiers.

To enable national comparisons, authorities are therefore categorised into three groups, according to whether they provide (1) both upper-tier and lower-tier services, (2) exclusively upper-tier services, or (3) exclusively lower-tier services.

As a Shire County, Lancashire falls into Group 2, as shown in the table below. All national comparisons in this report are made with reference to this grouping of 27 authorities.

**Table 2 - National Comparator Groups**

Group	Authority Type	Lower tier	Upper tier	Fire*	No.
Group 1	Metropolitan districts, London boroughs and unitaries without fire responsibilities	✓	✓		120
	Unitaries with fire responsibilities	✓	✓	✓	3
Group 2	Shire counties with fire responsibilities		✓	✓	11
	Shire counties without fire responsibilities		✓		16
Group 3	Shire districts	✓			201

\* Expenditure on fire and protective services is excluded from this report, so does not affect comparisons.

## 2. Potential Savings

### Overview of Potential Savings

This section considers the notional savings that could be achieved by setting your authority's unit costs to certain benchmark levels.

Benchmark levels are set relative to your authority's national comparator group, as identified in Table 2. The three levels are (i) the bottom quartile, (ii) the median, and (iii) the top quartile.

The table below shows the theoretical savings that would potentially result if Lancashire's unit costs were set to one of these levels. This is disaggregated by service group. As can be seen, the total savings would range from £163.3m to -£123.7m (where negative values indicate increased expenditure).

**Table 3 - Potential Savings from Alternative Unit Costs (£m) by Individual Service**

Service	Bottom Quartile	Median	Top Quartile
Education (excluding schools)	0.826	-12.635	-26.724
Adult Social Care	52.239	-7.499	-55.123
Children's Social Care	-3.271	-23.081	-58.367
Public Health	23.744	18.402	11.189
Highways & Transport	26.612	14.975	0.878
Housing Services (GFRA only)	-0.074	-6.875	-13.229
Cultural & Related Services	3.415	1.371	-1.476
Environmental & Regulatory Services	37.380	27.963	19.112
Planning & Development Services	0.729	-0.962	-6.451
Central Services	21.743	14.847	6.512
<b>Total (excluding schools)</b>	<b>163.341</b>	<b>26.506</b>	<b>-123.681</b>

*Negative figures indicate increased expenditure. Savings will be negative if your authority has unit costs that are currently below the relevant benchmark level.*

Lancashire's greatest potential savings are in Adult Social Care (£52.2m). This reflects both the relatively high unit costs in this service area, and its significant share of the overall budget.

### 3. Change in Unit Costs 2014/15 to 2015/16

This section highlights the change in Lancashire's unit costs, compared to its nearest neighbours, between 2014/15 and 2015/16.

In 2015/16, Lancashire's overall unit costs (excluding schools) decreased by 6.8%. Its ranking, relative to the nearest neighbour group, decreased from 1st highest to 2nd highest in the group. The change for each major service is presented in the table below.

**Table 4 - Change in Unit Costs Relative to the Nearest Neighbour Group**

Service Area	Unit Costs (£ per unit)			Nearest Neighbour Ranking (1 = high)			Units
	2014/15	2015/16	Change	2014/15	2015/16	Change	
Education (exc. schools)	49.09	45.24	●	14th	13th	●	Residents (all)
Adult Social Care	11,563.14	11,353.23	●	9th	9th	●	Adult Clients (all)
Children's Social Care	16,758.16	15,463.75	●	13th	14th	●	Children in Need
Public Health	50.71	58.13	●	1st	2nd	●	Residents (all)
Highways & Transport	7,644.49	6,807.78	●	2nd	2nd	●	Road length
Housing Services	0.11	0.11	●	13th	12th	●	Residents (all)
Cultural & Related	18.21	17.47	●	5th	5th	●	Residents (all)
Environmental & Regulatory	98.14	71.71	●	1st	2nd	●	Residents (all)
Planning & Development	5.31	4.17	●	10th	12th	●	Residents (all)
Central Services	29.57	28.87	●	3rd	4th	●	Residents (all)
<b>Total Expenditure (exc. schools)</b>	<b>726.35</b>	<b>677.18</b>	●	<b>1st</b>	<b>2nd</b>	●	Residents (all)

**Key:**

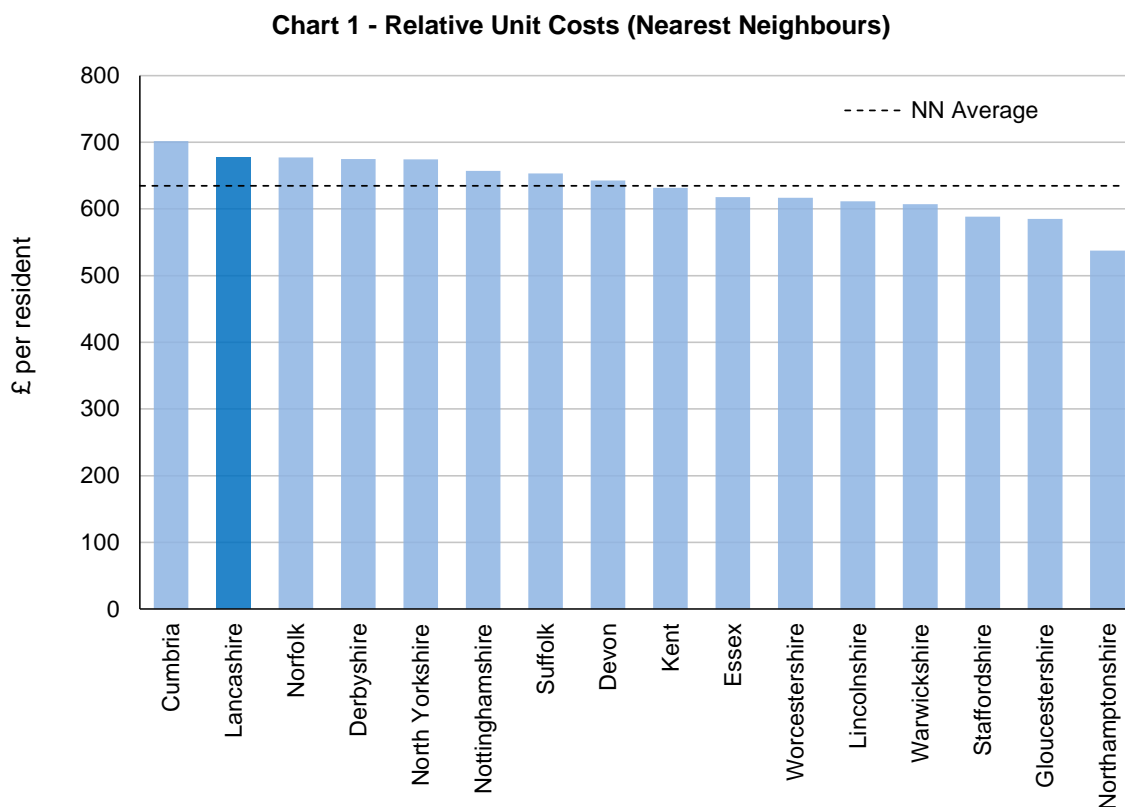
- Decreased unit costs / improved rank
- Unchanged unit costs / unchanged rank
- Increased unit costs / worsened rank

Please note that the figures for 2014/15 supersede the unit costs presented in the previous year's FIT report, as in some cases they include updated denominator data (for example, the number of clients for Adult Social Care).

## 4. Overview of Unit Costs

### Nearest Neighbour Comparison

In 2015/16, Lancashire's expenditure per resident was 6.7% higher than the nearest neighbour average (excluding schools). It was ranked 2nd highest out of the 16 authorities in the group, as shown below.





The table below shows Lancashire's unit costs, in each major service area, relative to its nearest neighbours. As can be seen, the biggest difference, measured in percentage terms, was in Housing Services.

**Table 5 - Unit Costs compared to Nearest Neighbours\***

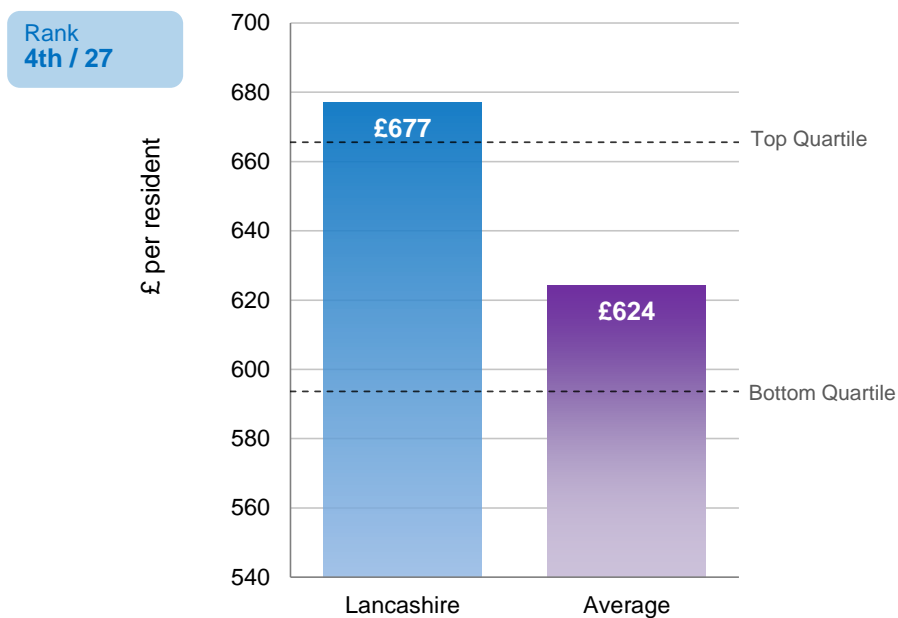
Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank out of 16 (1=high)	Units
		Your authority (£ per unit)	NN average (£ per unit)	(%)	(std. dev.)		
Education (excluding schools)	53.577	45.24	60.64	-25.4%	-0.76 ●	13th	Residents (all)
Adult Social Care	321.864	11,353.23	11,279.31	0.7%	+0.03 ●	9th	Adult Clients (all)
Children's Social Care	139.715	15,463.75	18,493.40	-16.4%	-1.13 ●	14th	Children in Need
Public Health	68.835	58.13	46.33	25.5%	+1.73 ●	2nd	Residents (all)
Highways & Transport	73.040	6,807.78	5,064.01	34.4%	+1.34 ●	2nd	Road length
Housing Services (General Fund)	0.131	0.11	6.70	-98.3%	-0.96 ●	12th	Residents (all)
Cultural & Related Services	20.686	17.47	16.16	8.1%	+0.40 ●	5th	Residents (all)
Environmental & Regulatory Services	84.916	71.71	49.63	44.5%	+1.93 ●	2nd	Residents (all)
Planning & Development Services	4.941	4.17	6.82	-38.8%	-0.83 ●	12th	Residents (all)
Central Services	34.184	28.87	22.60	27.7%	+0.46 ●	4th	Residents (all)
Other Service Expenditure	0.000						
<b>Total (excluding schools)</b>	<b>801.889</b>	<b>677.18</b>	<b>634.61</b>	<b>6.7%</b>	<b>+1.02 ●</b>	<b>2nd</b>	<b>Residents (all)</b>
Total (including schools)	1,659.685	1,401.58	1,131.55	23.9%	+2.34 ●	1st	Residents (all)

\* Values are left blank for 'Other Service Expenditure', and for services where your authority does not have primary responsibility. This reflects the lack of expenditure in these service areas and/or the lack of client data.

## England Comparison

Relative to all comparable authorities across England, Lancashire's unit costs were 8.5% higher than average, and ranked 4th highest out of 27 comparable authorities. This is illustrated in the chart below.

**Chart 2 - Relative Unit Costs (All Comparable Authorities)**



The table below provides details of Lancashire's authority's unit costs relative to all comparable authorities across England.

**Table 6 - Unit Costs compared to England Average\***

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank out of 27 (1=high)	Units
		Your authority (£ per unit)	England average (£ per unit)	(%)	(std. dev.)		
Education (excluding schools)	53.577	45.24	57.39	-21.2%	-0.60 ●	19th	Residents (all)
Adult Social Care	321.864	11,353.23	11,716.83	-3.1%	-0.12 ●	15th	Adult Clients (all)
Children's Social Care	139.715	15,463.75	19,077.31	-18.9%	-0.89 ●	21st	Children in Need
Public Health	68.835	58.13	43.71	33.0%	+1.97 ●	2nd	Residents (all)
Highways & Transport	73.040	6,807.78	5,483.20	24.2%	+0.91 ●	7th	Road length
Housing Services (General Fund)	0.131	0.11	6.53	-98.3%	-1.07 ●	22nd	Residents (all)
Cultural & Related Services	20.686	17.47	16.29	7.3%	+0.33 ●	10th	Residents (all)
Environmental & Regulatory Services	84.916	71.71	49.56	44.7%	+1.80 ●	3rd	Residents (all)
Planning & Development Services	4.941	4.17	6.44	-35.2%	-0.64 ●	18th	Residents (all)
Central Services	34.184	28.87	18.91	52.6%	+0.84 ●	4th	Residents (all)
Other Service Expenditure	0.000						
<b>Total (excluding schools)</b>	<b>801.889</b>	<b>677.18</b>	<b>624.26</b>	<b>8.5%</b>	<b>+1.11 ●</b>	<b>4th</b>	<b>Residents (all)</b>
Total (including schools)	1,659.685	1,401.58	1,112.40	26.0%	+2.48 ●	1st	Residents (all)

\* Values are left blank for 'Other Service Expenditure', and for services where your authority does not have primary responsibility. This reflects the lack of expenditure in these service areas and/or the lack of client data.

Section 5 provides additional details on each of these services.

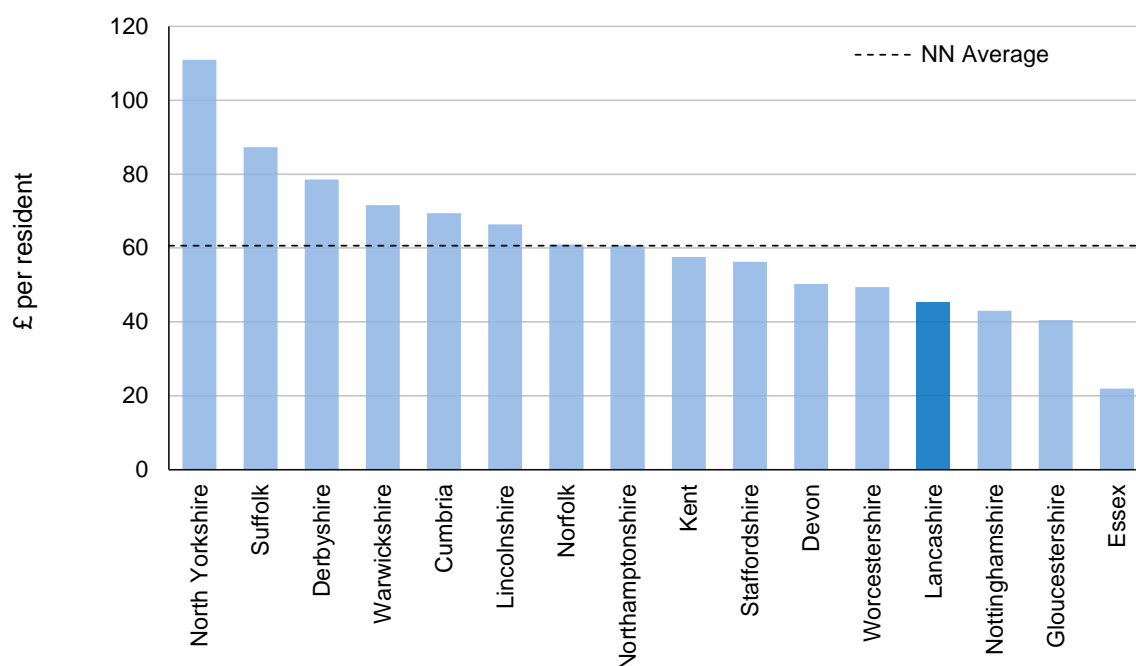
## 5. Detailed Unit Costs by Service

### Education

#### Nearest Neighbour Comparison

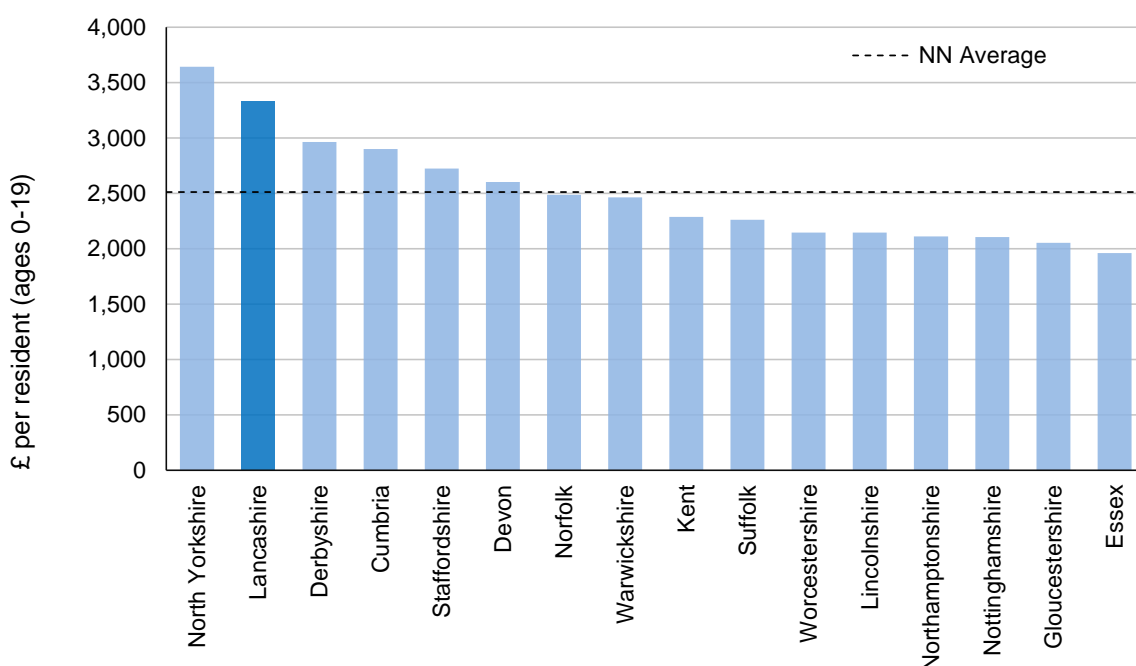
Excluding schools, Lancashire's unit costs were 25.4% lower than the nearest neighbour average, and ranked 13th highest in the group.

**Chart 3 - Unit Costs for Education, Excluding Schools (NN Group)**



Including schools, Lancashire's unit costs were 32.6% higher than the nearest neighbour average, and ranked 2nd highest in the group.

**Chart 4 - Unit Costs for Education, Including Schools (NN Group)**



The table below provides a breakdown of Lancashire's unit costs for Education, both including and excluding schools.

**Table 7 - Unit Costs for Education (NN Group)**

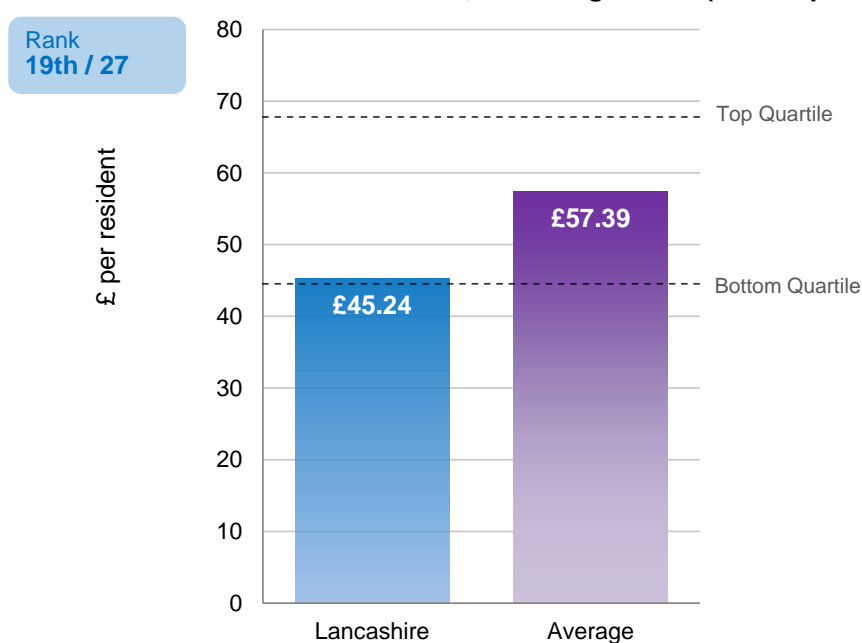
Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Post-16 Provision	5.406	93.62	275.10	-66.0%	-0.99 ●	15th / 16	Residents (16-19)
Other Education & Community	48.171	40.68	48.18	-15.6%	-0.47 ●	12th / 16	Residents (all)
Early Years*	57.090	827.54	790.20	4.7%	+0.36 ●	8th / 16	Residents (0-4)
Primary Schools*	424.418	4,463.99	4,338.61	2.9%	+0.43 ●	6th / 16	Pupils (primary)
Secondary Schools*	288.679	6,019.66	7,400.69	-18.7%	-0.50 ●	10th / 16	Pupils (secondary)
Special Schools*	87.609	35,875.92	29,762.26	20.5%	+0.87 ●	5th / 16	Pupils (special schools)
<b>Total (excluding schools)</b>	<b>53.577</b>	<b>45.24</b>	<b>60.64</b>	<b>-25.4%</b>	<b>-0.76 ●</b>	<b>13th / 16</b>	<b>Residents (all)</b>
Total (including schools)	911.373	3,330.84	2,511.80	32.6%	+1.73 ●	2nd / 16	Residents (0-19)

\* School functions

## England Comparison

Compared to other authorities across England, Lancashire's unit costs (excluding schools) were 21.2% lower than average. Overall, its unit costs were ranked 19th highest out of 27 comparable authorities, as illustrated below.

**Chart 5 - Unit Costs for Education, Excluding School (All Comparable Authorities)**



Including schools, Lancashire's unit costs were 37.5% higher than average, and ranked 2nd highest out of 27 authorities.

## Adult Social Care

Please note that these are **preliminary** unit costs, based on client numbers for 2013/14. The report will be updated to include client numbers for 2014/15 once they are released later this year.

### Nearest Neighbour Comparison

For Adult Social Care, Lancashire's unit costs were 0.7% higher than the nearest neighbour average, and ranked 9th highest in the group.

**Chart 6 - Unit Costs for Adult Social Care (NN Group)**

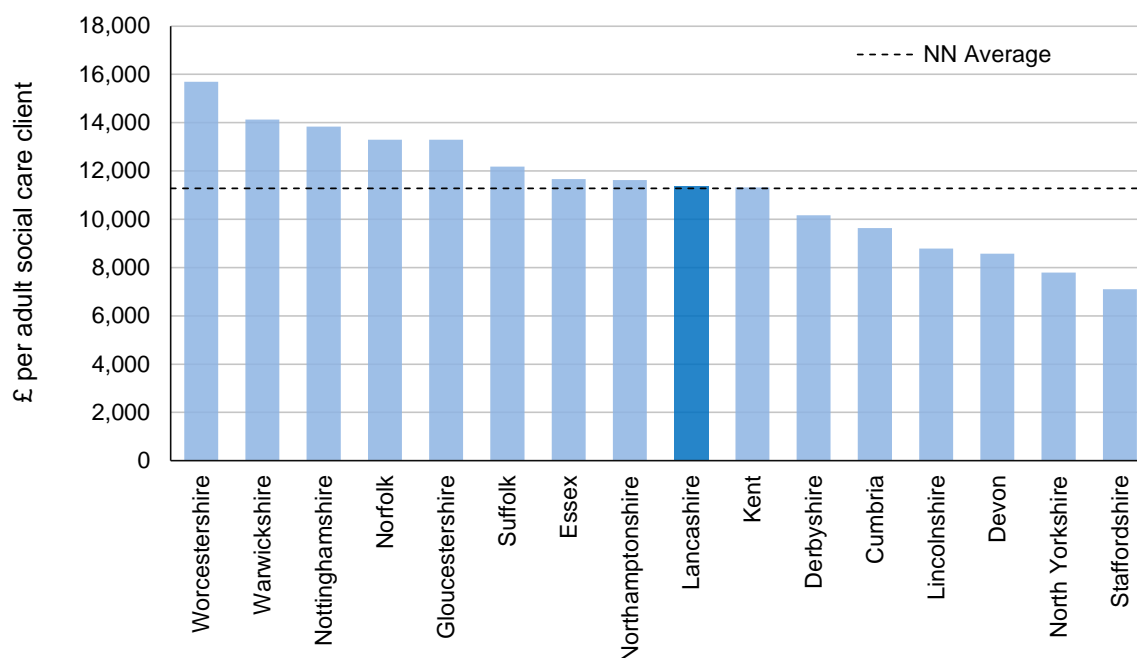


Table 8 provides a detailed breakdown of Lancashire's unit costs for Adult Social Care.

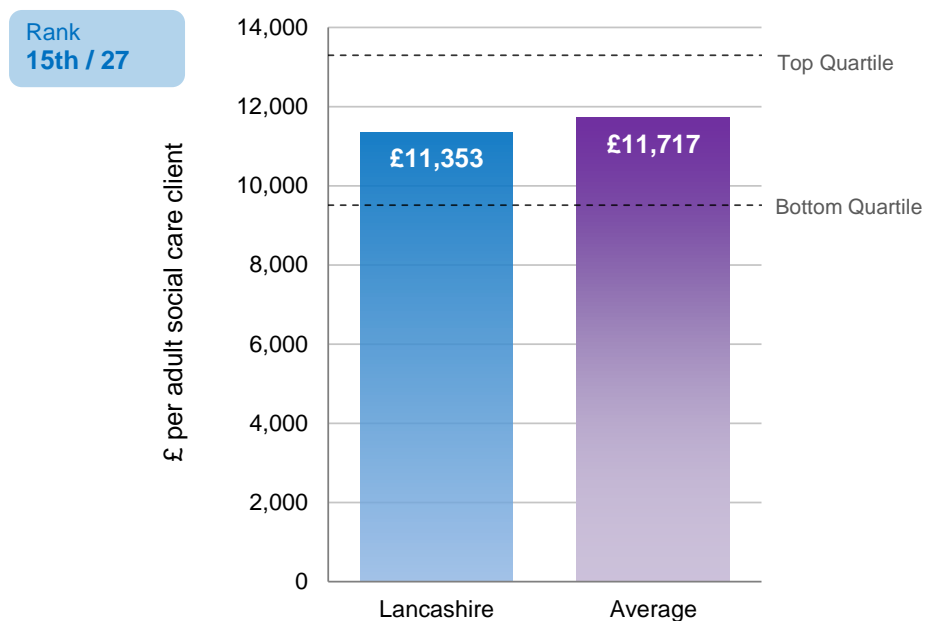
**Table 8 - Unit Costs for Adult Social Care (NN Group)**

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Older Adult Social Care	123.885	6,333.59	5,680.18	11.5%	+0.47 ●	6th / 16	Clients - Older Adults
Younger Adults - Physical & Sensory	22.791	7,635.18	8,956.83	-14.8%	-0.29 ●	10th / 16	Clients - Younger Adults (PS)
Younger Adults - Mental Health & Cognition	14.466	5,574.57	9,096.62	-38.7%	-0.47 ●	10th / 16	Clients - Younger Adults (MH)
Younger Adults - Learning Disabilities	92.199	34,211.13	32,080.19	6.6%	+0.37 ●	6th / 16	Clients - Younger Adults (LD)
Commissioning and Service Delivery	28.140	992.59	645.86	53.7%	+0.85 ●	5th / 16	Clients - All
Social Care Activities	21.308	751.60	1,229.81	-38.9%	-0.93 ●	14th / 16	Clients - All
Other Adult Social Care	19.076	672.87	512.51	31.3%	+0.60 ●	6th / 16	Clients - All
<b>Total</b>	<b>321.864</b>	<b>11,353.23</b>	<b>11,279.31</b>	<b>0.7%</b>	<b>+0.03 ●</b>	<b>9th / 16</b>	<b>Clients - All</b>

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 3.1% lower than average. Overall, its unit costs were ranked 15th highest out of 27 comparable authorities, as illustrated in the chart below.

**Chart 7 - Unit Costs for Adult Social Care (All Comparable Authorities)**



## Children's Social Care

### Nearest Neighbour Comparison

For Children's Social Care, Lancashire's unit costs were 16.4% lower than the nearest neighbour average, and ranked 14th highest in the group.

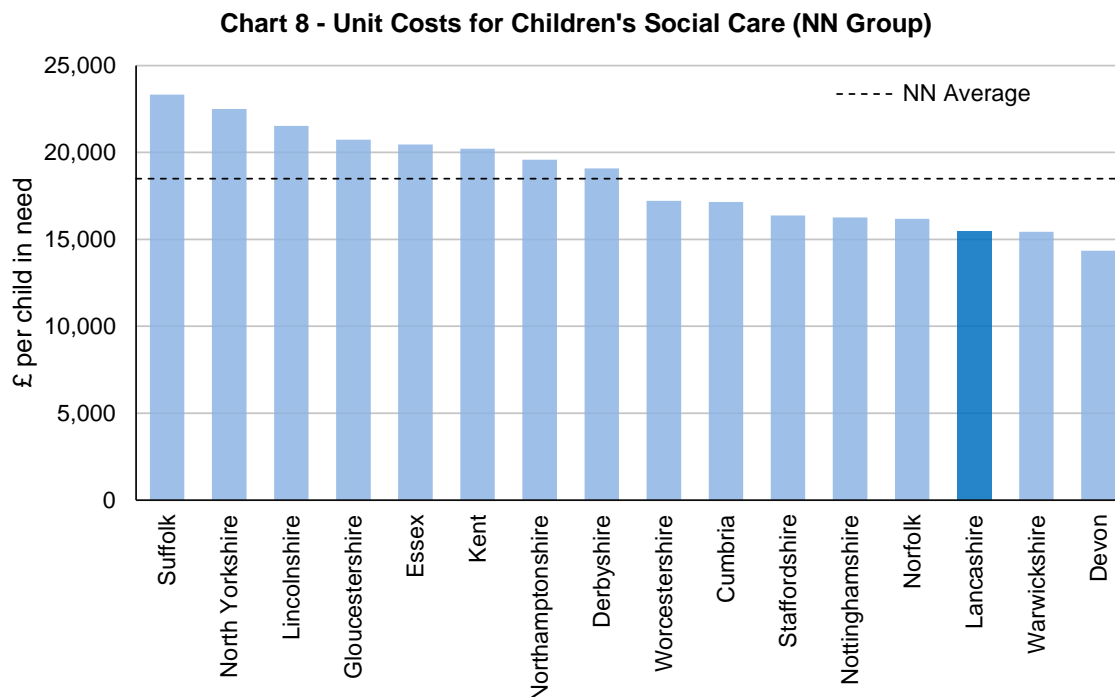


Table 9 provides a detailed breakdown of your authority's unit costs for Children's Social Care.

**Table 9 - Unit Costs for Children's Social Care (NN Group)**

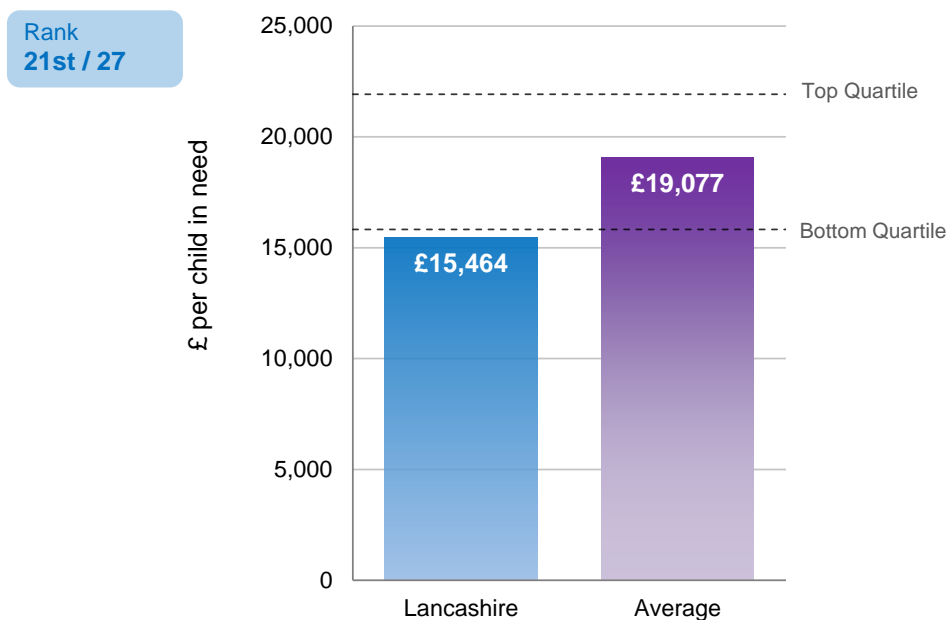
Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units*
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Children Looked After	63.167	39,727.67	48,443.28	-18.0%	-1.34	15th / 16	Looked After Children
Safeguarding, Commissioning & Strategy	20.058	2,220.03	4,384.41	-49.4%	-1.48	15th / 16	Children in Need
Sure Start and Early Years	16.877	244.64	176.31	38.8%	+0.64	4th / 16	Residents (0-4)
Young People's Services	10.865	112.75	103.36	9.1%	+0.14	8th / 16	Residents (13-19)
Family Support Services	24.123	2,669.95	2,676.20	-0.2%	-0.01	5th / 16	Children in Need
Youth Justice	4.613	43.92	28.95	51.7%	+1.10	3rd / 16	Residents (10-17)
Other Children's and Families Services	0.012	1.33	388.61	-99.7%	-0.66	16th / 16	Children in Need
<b>Total</b>	<b>139.715</b>	<b>15,463.75</b>	<b>18,493.40</b>	<b>-16.4%</b>	<b>-1.13</b>	<b>14th / 16</b>	<b>Children in Need</b>



## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 18.9% lower than average. Overall, its unit costs were ranked 21st highest out of 27 comparable authorities, as illustrated in the accompanying chart.

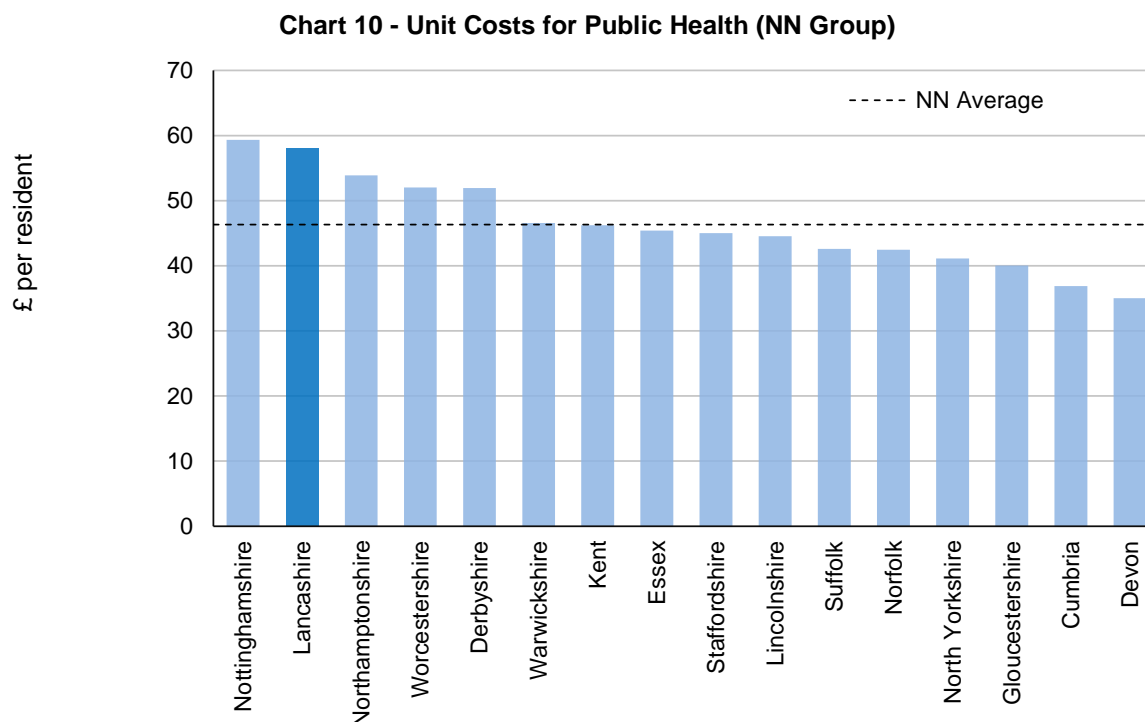
**Chart 9 - Unit Costs for Children's Social Care (All Comparable Authorities)**



## Public Health

### Nearest Neighbour Comparison

For Public Health, Lancashire's unit costs were 25.5% higher than the nearest neighbour average, and ranked 2nd highest in the group. This is illustrated in Chart 10.



A more detailed breakdown of Lancashire's unit costs are presented in the table below.

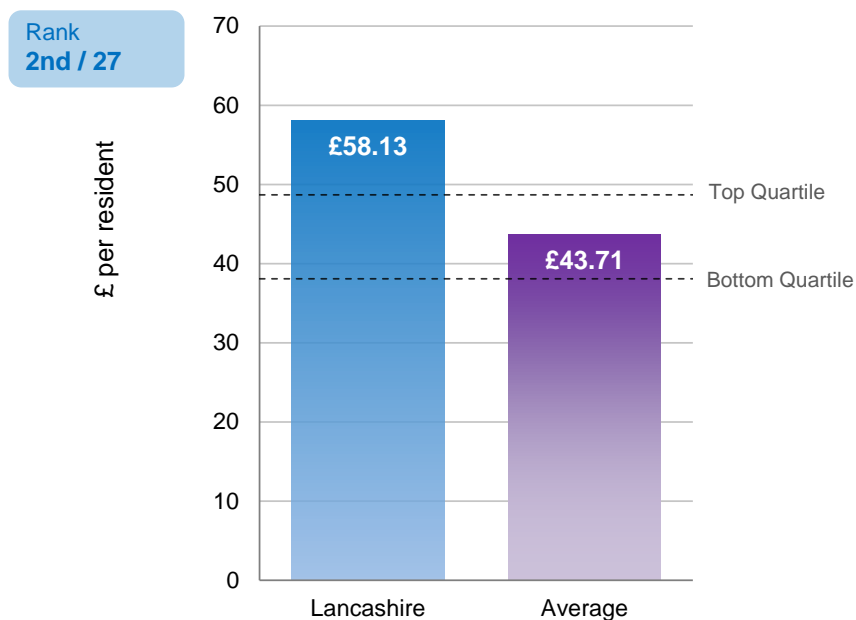
**Table 10 - Unit Costs for Public Health (NN Group)**

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Children 5-19 Public Health Programmes	10.186	49.78	27.06	84.0%	+2.42 ●	1st / 16	Residents (5-19)
NHS Health Check Programme	2.053	3.94	3.41	15.8%	+0.71 ●	2nd / 16	Residents (40-74)
Obesity	0.960	3.54	8.28	-57.3%	-0.97 ●	13th / 16	Obese persons (estimated)
Public Health Advice	1.343	1.13	0.90	26.2%	+0.35 ●	6th / 16	Residents (all)
Sexual Health Services	12.113	15.74	14.10	11.6%	+0.64 ●	3rd / 16	Residents (13-64)
Smoking and Tobacco	3.640	19.58	21.49	-8.8%	-0.25 ●	11th / 16	Smokers (estimated)
Substance Misuse	20.071	21.34	14.74	44.8%	+2.10 ●	1st / 16	Residents (18+)
Other Public Health Services	18.469	15.60	13.61	14.6%	+0.43 ●	4th / 16	Residents (all)
<b>Total</b>	<b>68.835</b>	<b>58.13</b>	<b>46.33</b>	<b>25.5%</b>	<b>+1.73 ●</b>	<b>2nd / 16</b>	<b>Residents (all)</b>

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 33.0% higher than average. Overall, its unit costs were ranked 2nd highest out of 27 comparable authorities, as illustrated in the chart below.

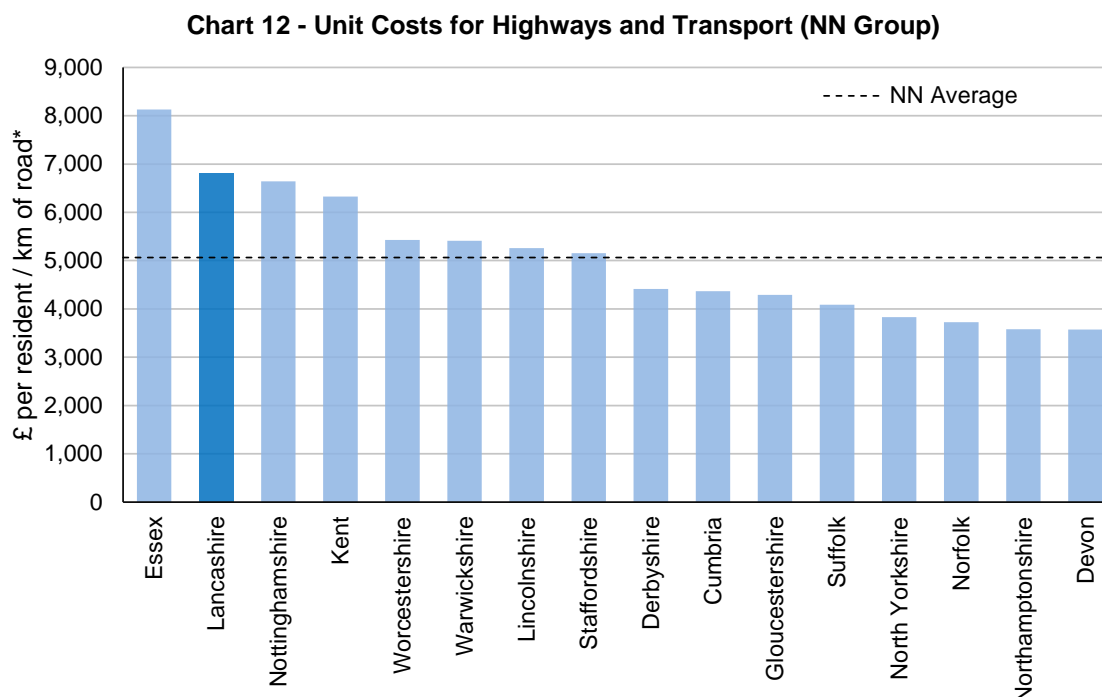
**Chart 11 - Unit Costs for Public Health (All Comparable Authorities)**



## Highways and Transport

### Nearest Neighbour Comparison

For Highways and Transport, Lancashire's unit costs were 34.4% higher than the nearest neighbour average, and ranked 2nd highest in the group. This is illustrated below.



The following table provides more details on Lancashire's relative unit costs for this service.

**Table 11 - Unit Costs for Highways and Transport (NN Group)**

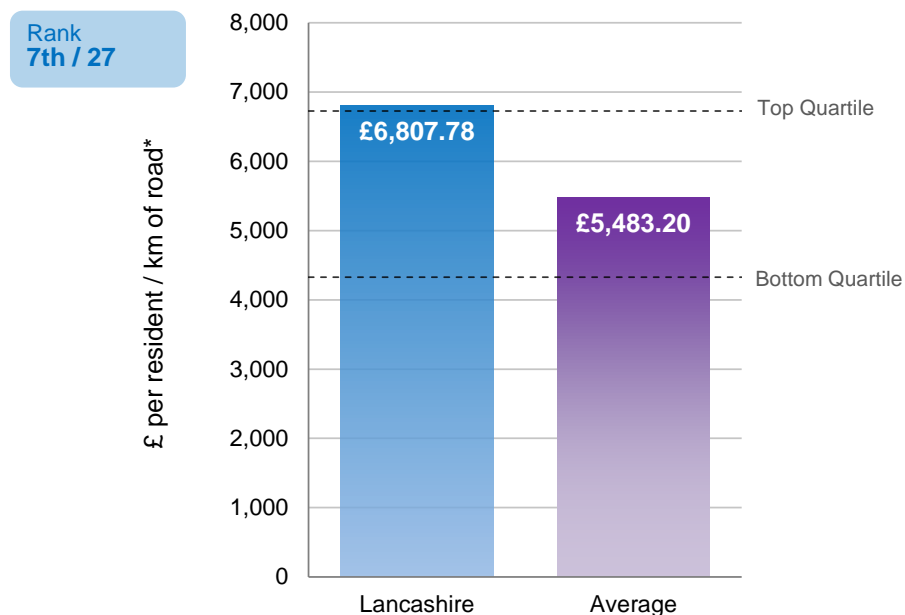
Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Environmental, Safety and Routine Maintenance	20.624	1,922.28	1,189.66	61.6%	+1.35	1st / 16	Road Length
Parking Services	-0.498	-0.42	-0.46	10.1%	+0.04	13th / 16	Daytime Population
Street Lighting	12.025	1,120.80	724.29	54.7%	+1.28	3rd / 16	Road Length
Structural Maintenance	-2.044	-190.51	520.56	-136.6%	-1.27	16th / 16	Road Length
Transport Planning, Policy and Strategy	1.186	110.54	417.05	-73.5%	-0.46	13th / 16	Road Length
Winter Service	4.044	376.93	330.15	14.2%	+0.38	4th / 16	Road Length
Traffic Management and Road Safety	2.182	203.38	198.32	2.6%	+0.03	7th / 16	Road Length
Public Transport	35.522	3,310.87	1,726.55	91.8%	+2.25	1st / 16	Road Length
Other Highways and Transport Services	0.000	0.00	0.00			1st= / 16	Road Length
<b>Total</b>	<b>73.040</b>	<b>6,807.78</b>	<b>5,064.01</b>	<b>34.4%</b>	<b>+1.34</b>	<b>2nd / 16</b>	<b>Road Length</b>

\* For shire districts, the denominator is resident population, and for all other authorities the denominator is weighted road length. This is because road length data is not available for shire districts.

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 24.2% higher than average. Overall, its unit costs were ranked 7th highest out of 27 comparable authorities, as illustrated in the accompanying chart.

**Chart 13 - Unit Costs for Highways and Transport (All Comparable Authorities)**

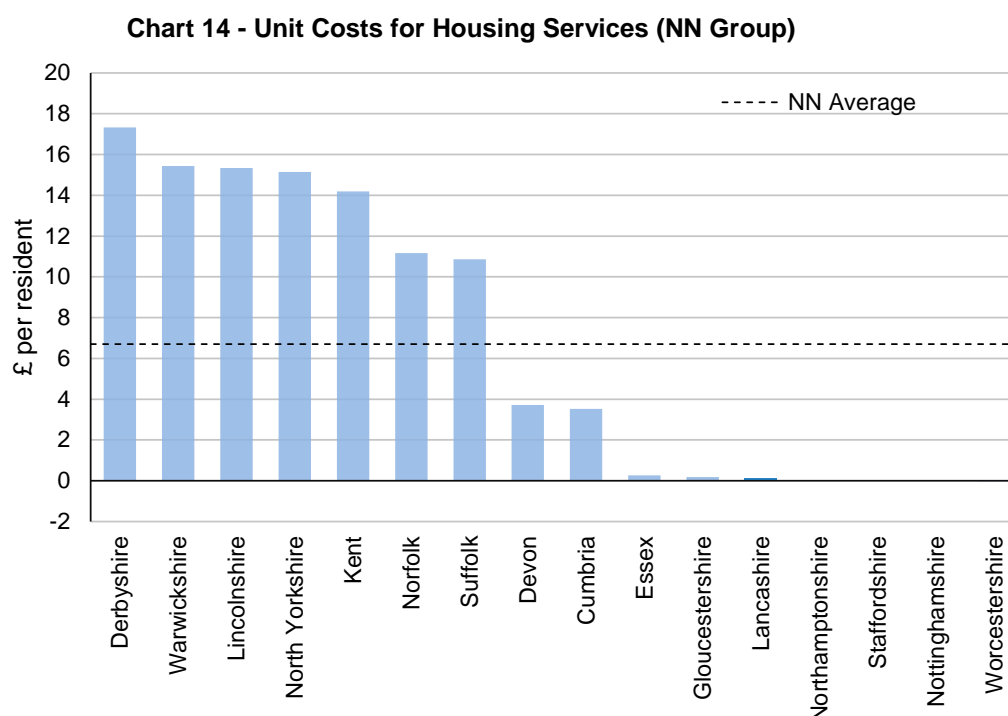


\* For shire districts, the denominator is resident population, and for all other authorities the denominator is weighted road length. This is because road length data is not available for shire districts.

## Housing Services (General Fund)

### Nearest Neighbour Comparison

For Housing Services, Lancashire's unit costs were 98.3% lower than the nearest neighbour average, and ranked 12th highest in the group. This is shown in the chart below.



A detailed breakdown of unit costs relative to the nearest neighbour average, is provided in the table below. Note that your authority may be ranked "1st =" in cases where all authorities have zero recorded expenditure.

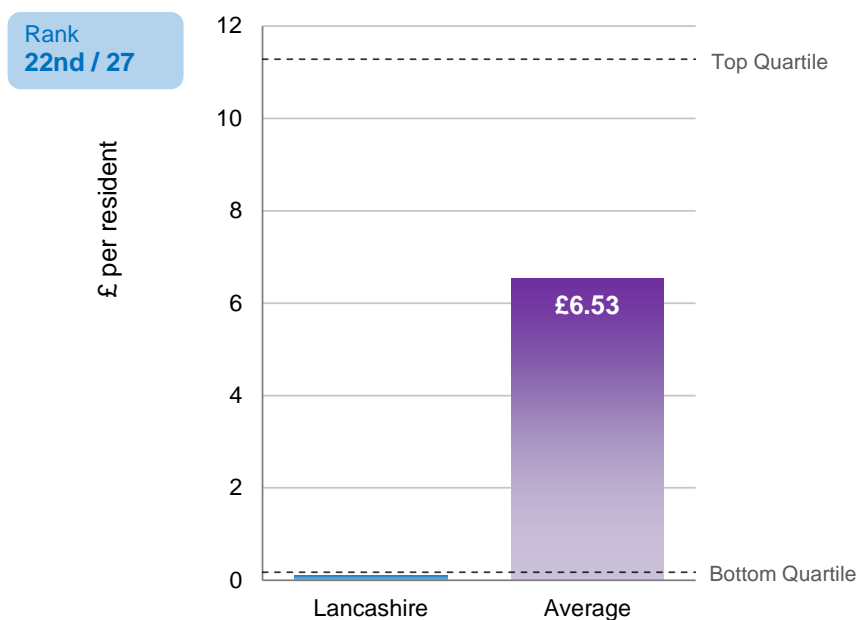
**Table 12 - Unit Costs for Housing Services (NN Group)**

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Homelessness	0.000	0.00	640.24	-100.0%	-0.26 ●	2nd= / 16	Homeless Households
Housing Benefits Administration	0.000	0.00	0.00			1st= / 16	Housing Benefit Claimants
Housing Benefits: Rent Allowances and Rebates	0.000	0.00	0.00			1st= / 16	Housing Benefit Claimants
Housing Strategy, Advice, Advances etc.	0.000	0.00	0.00	-100.0%	-0.26 ●	2nd= / 16	Residents (all)
Housing Welfare: Supporting People	0.000	0.00	6.26	-100.0%	-0.88 ●	9th= / 16	Residents (all)
Other Housing Services	0.131	0.11	0.21	-48.2%	-0.18 ●	6th / 16	Residents (all)
<b>Total</b>	<b>0.131</b>	<b>0.11</b>	<b>6.70</b>	<b>-98.3%</b>	<b>-0.96 ●</b>	<b>12th / 16</b>	<b>Residents (all)</b>

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 98.3% lower than average. Overall, its unit costs were ranked 22nd highest out of 27 comparable authorities, as illustrated in the accompanying chart.

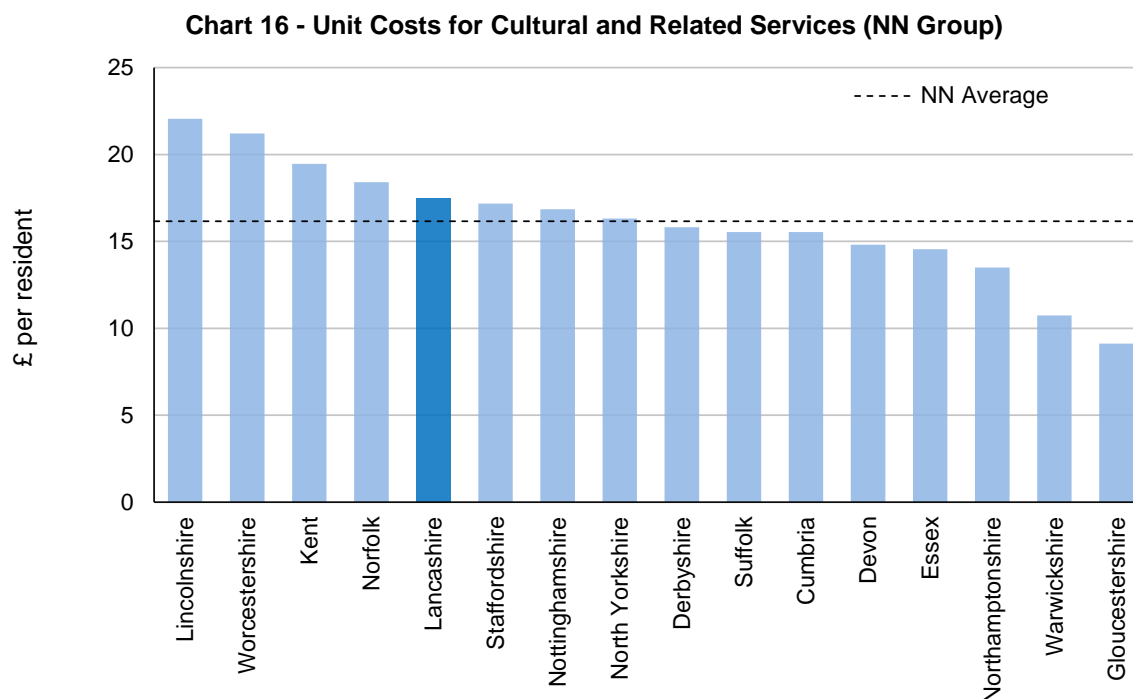
**Chart 15 - Unit Costs for Housing Services (All Comparable Authorities)**



## Cultural and Related Services

### Nearest Neighbour Comparison

For Cultural and Related Services, Lancashire's unit costs were 8.1% higher than the nearest neighbour average, and ranked 5th highest in the group.



A detailed breakdown of unit costs relative to the nearest neighbour average, is provided in the table below.

**Table 13 - Unit Costs for Cultural and Related Services (NN Group)**

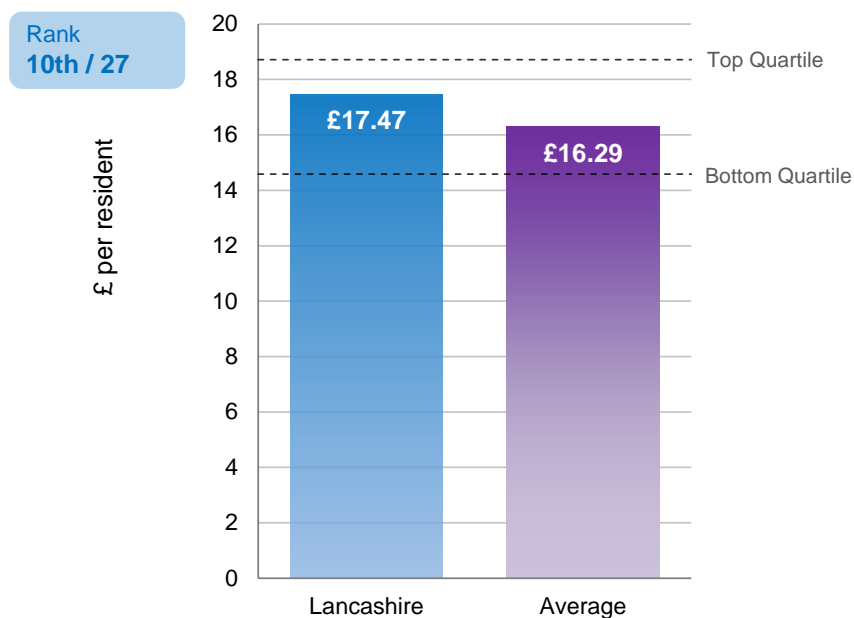
Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Culture and Heritage	4.083	3.45	1.64	110.3%	+1.12	4th / 16	Residents (all)
Library Service	14.226	12.01	11.32	6.1%	+0.31	6th / 16	Residents (all)
Open Spaces	1.591	5.48	4.61	18.8%	+0.25	7th / 16	LA Area (Hectares)
Recreation and Sport	0.000	0.00	0.43	-100.0%	-0.80	12th= / 16	Residents (all)
Other Cultural and Related Services	0.786	0.66	1.15	-42.3%	-0.81	14th / 16	Residents (all)
<b>Total</b>	<b>20.686</b>	<b>17.47</b>	<b>16.16</b>	<b>8.1%</b>	<b>+0.40</b>	<b>5th / 16</b>	<b>Residents (all)</b>



## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 7.3% higher than average. Overall, its unit costs were ranked 10th highest out of 27 comparable authorities, as illustrated in the accompanying chart.

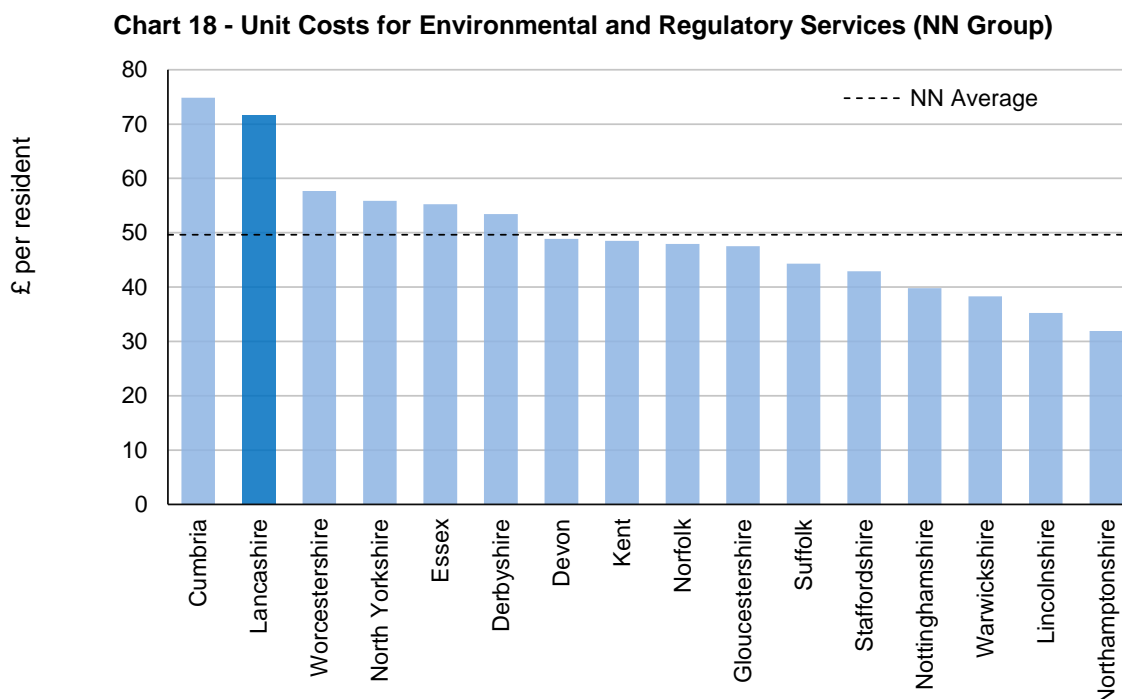
**Chart 17 - Unit Costs for Cultural and Related Services (All Comparable Authorities)**



## Environmental and Regulatory Services

### Nearest Neighbour Comparison

For Environmental & Regulatory Services, Lancashire's unit costs were 44.5% higher than the nearest neighbour average, and ranked 2nd highest in the group.



A detailed breakdown of unit costs relative to the nearest neighbour average, is provided in the table below.

**Table 14 - Unit Costs for Environmental and Regulatory Services (NN Group)**

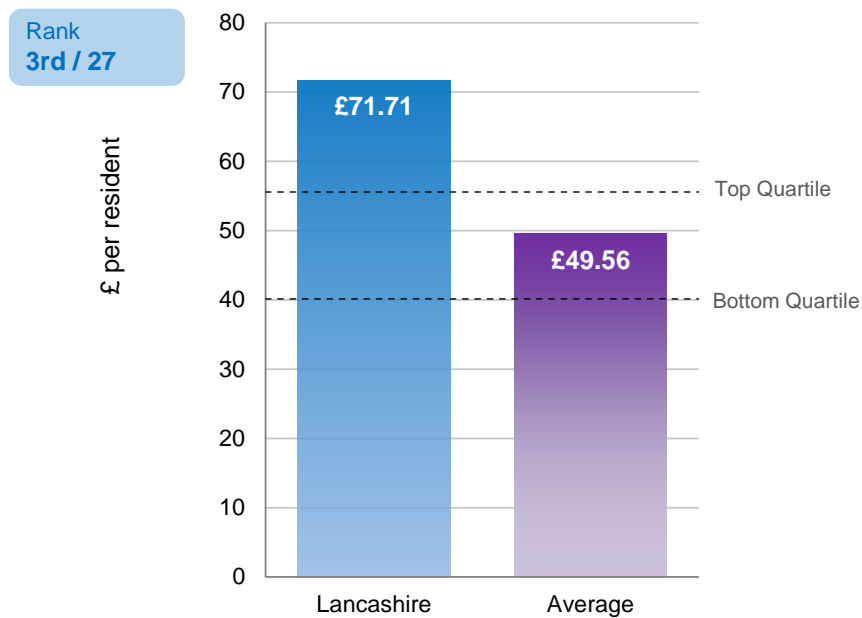
Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Cemetery, Cremation and Mortuary Services	0.000	0.00	0.09	-100.0%	-0.26 ●	2nd= / 16	Residents (all)
Community Safety	0.820	0.69	0.74	-6.3%	-0.05 ●	6th / 16	Residents (all)
Regulatory Services	2.687	2.27	2.57	-11.7%	-0.32 ●	10th / 16	Residents (all)
Street Cleansing	0.000	0.00	0.04	-100.0%	-0.26 ●	2nd= / 16	Daytime Population
Waste Collection	0.000	0.00	0.02	-100.0%	-0.26 ●	2nd= / 16	Number of Households
Waste Disposal & Recycling*	81.002	136.25	91.92	48.2%	+1.91 ●	2nd / 16	Waste Collected (Tonnes)
Other Environmental and Regulatory Services	0.406	0.34	0.71	-51.6%	-0.22 ●	8th / 16	Residents (all)
<b>Total</b>	<b>84.916</b>	<b>71.71</b>	<b>49.63</b>	<b>44.5%</b>	<b>+1.93 ●</b>	<b>2nd / 16</b>	<b>Residents (all)</b>

\* Net Current Expenditure (used to calculate unit costs) excludes levies paid to Integrated Waste Authorities, which will affect relative unit costs for Waste Disposal and Recycling.

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 44.7% higher than average. Overall, its unit costs were ranked 3rd highest out of 27 comparable authorities, as illustrated in the chart below.

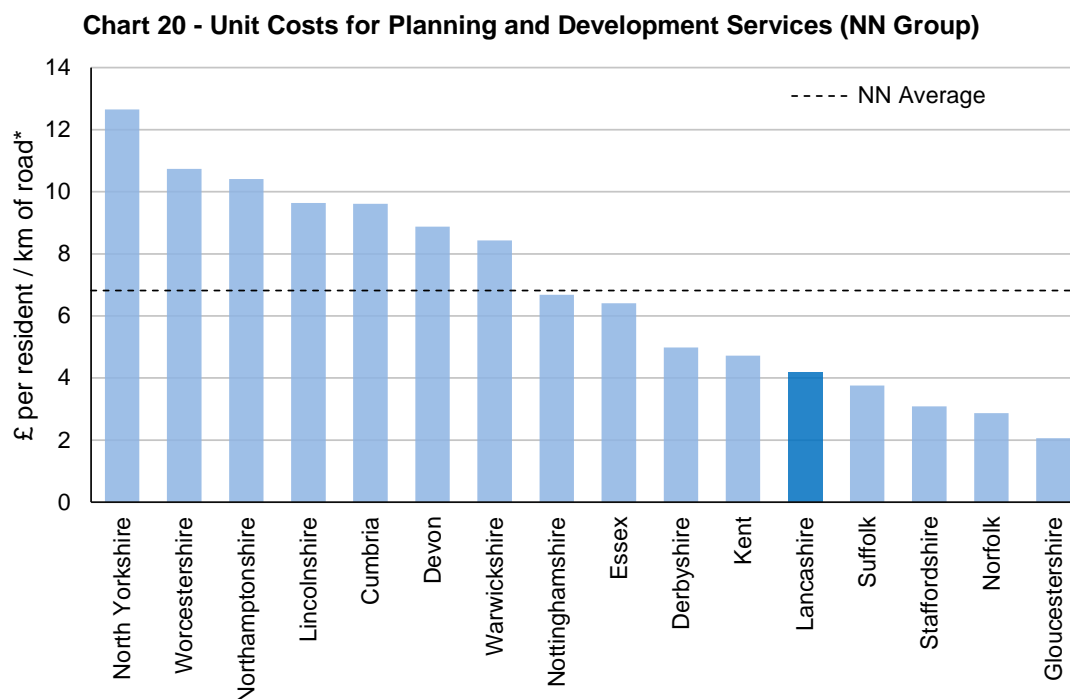
**Chart 19 - Unit Costs for Environmental and Regulatory Services (All Comparable Authorities)**



## Planning and Development Services

### Nearest Neighbour Comparison

For Planning & Development Services, Lancashire's unit costs were 38.8% lower than the nearest neighbour average, and ranked 12th highest in the group.



More detailed unit costs for Lancashire are presented in the table below.

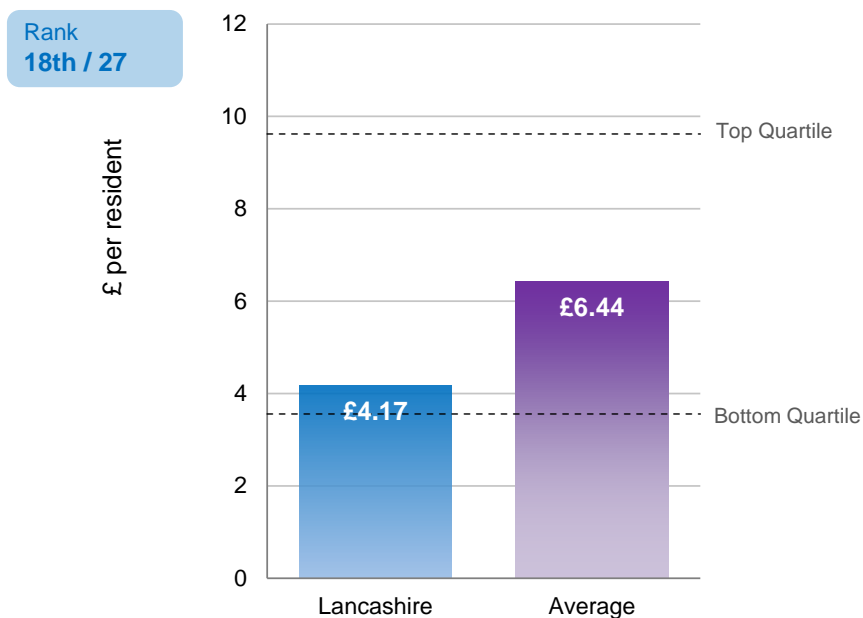
**Table 15 - Unit Costs for Planning and Development Services (NN Group)**

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Building Control	0.000						Planning Applications
Business Support	0.000	0.00	16.23	-100.0%	-0.73 ●	10th= / 16	Number of Businesses
Community Development	0.000	0.00	1.65	-100.0%	-0.72 ●	12th= / 16	Residents (all)
Economic Research and Development	2.846	2.40	2.37	1.3%	+0.01 ●	5th / 16	Residents (all)
Planning Policy	0.034	0.03	0.78	-96.3%	-1.12 ●	13th / 16	Residents (all)
Environmental Initiatives	0.997	0.84	0.60	40.5%	+0.32 ●	5th / 16	Residents (all)
Development Control	1.064						Planning Applications
<b>Total</b>	<b>4.941</b>	<b>4.17</b>	<b>6.82</b>	<b>-38.8%</b>	<b>-0.83 ●</b>	<b>12th / 16</b>	<b>Residents (all)</b>

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 35.2% lower than average. Overall, its unit costs were ranked 18th highest out of 27 comparable authorities, as illustrated in the accompanying chart.

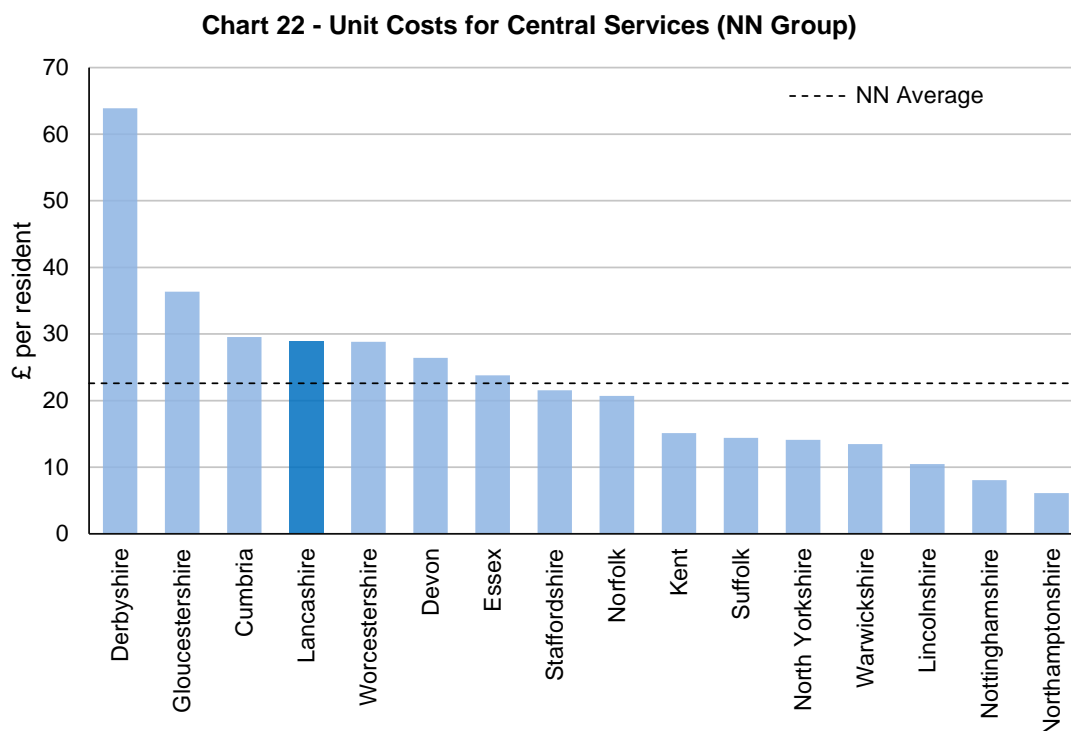
**Chart 21 - Unit Costs for Planning and Development Services (All Comparable Authorities)**



## Central Services

### Nearest Neighbour Comparison

Within Central Services, Lancashire's unit costs were 27.7% higher than the nearest neighbour average, and ranked 4th highest in the group.



The following table provides more details on Lancashire's unit costs for this service.

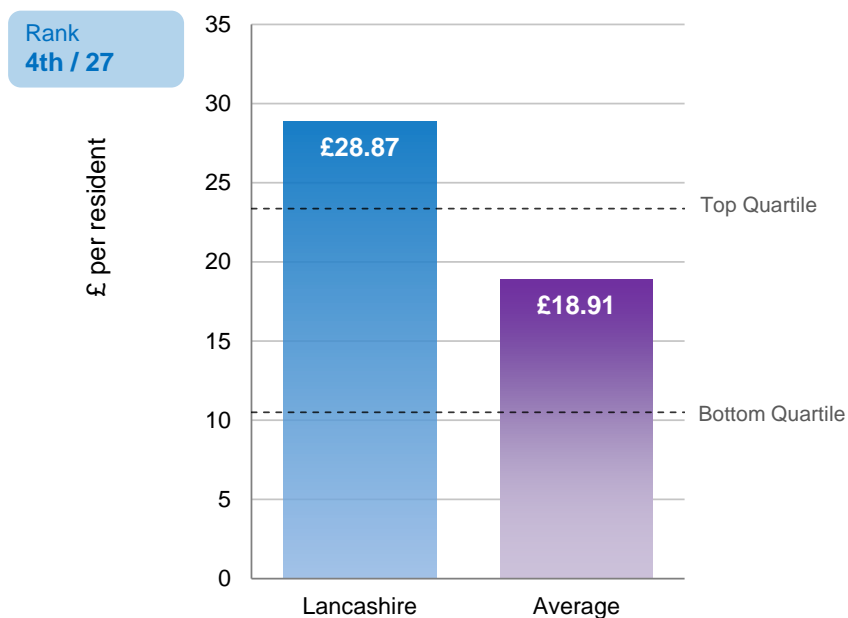
**Table 16 - Unit Costs for Central Services (NN Group)**

Service Area	Budget 2015/16 (£m)	Unit cost		Difference from average		Rank (1=high)	Units
		Your authority (£ per unit)	Group average (£ per unit)	(%)	(std. dev.)		
Coroners Court Services	2.271	1.92	1.54	24.2%	+0.59	6th / 16	Residents (all)
Corporate and Democratic Core	7.753	6.55	10.12	-35.3%	-0.75	11th / 16	Residents (all)
Emergency Planning	0.484	0.41	0.49	-17.0%	-0.32	11th / 16	Residents (all)
Local Tax Collection	0.188	0.34	0.08	326.6%	+1.10	2nd / 16	Taxable properties
Non-Distributed Costs	31.276	26.41	6.49	306.7%	+2.36	1st / 16	Residents (all)
Other Central Services	-7.787	-6.58	3.92	-267.8%	-0.85	16th / 16	Residents (all)
<b>Total</b>	<b>34.184</b>	<b>28.87</b>	<b>22.60</b>	<b>27.7%</b>	<b>+0.46</b>	<b>4th / 16</b>	<b>Residents (all)</b>

## England Comparison

Compared to other authorities across England, Lancashire's unit costs were 52.6% higher than average. Overall, its unit costs were ranked 4th highest out of 27 comparable authorities, as illustrated below.

**Chart 23 - Unit Costs for Central Services (All Comparable Authorities)**



## Annex A - Denominator Data Sources

Then following table provides details on the data used to calculate unit costs in this report (presented in alphabetical order).

**Table A1 - Data Sources**

Denominator / Unit	Source	Description
Adult Clients (all categories)	NHS NASCIS	Number of clients receiving services during the period (2013/14), provided or commissioned by the local authority (as recorded on the final RAP form). PS = Physical & Sensory, LD = Learning Disabilities, and MH = Mental Health Needs, and Older = Older Adults,
Children in Need	DfE	Children in Need are those who have been referred to the local authority and have been assessed to be in need of services, as at 31 March 2014. (Source: Characteristics of Children in Need, DfE).
Day time population	CLG	The projected resident population in 2015, based ONS's population projections, plus (i) estimated net in-commuters and (ii) estimated overnight visitors, based on historical rates published by CLG. For shire districts, data is available for net in-commuters only.
Homeless Households	CLG	Number of households temporarily accommodated by the local authority to 31 March 2014. Average of the four quarters. (Source: Live Tables on Homelessness, CLG)
Housing Benefit Recipients	DWP	Housing benefit caseload by local authority, average for January and February 2015(DWP Stat-Xplore).
LA Area (hectares)	ONS	Size of the local authority in hectares, from the UK Standard Area Measurement (SAM).
Looked After Children	DfE	Children looked after as at 31 March 2014, excluding those looked after under a series of short term placements (Source: Outcomes for Children Looked After, DfE).
Number of businesses	ONS	Count of active enterprises in the year to December 2013 (Source: ONS, Business Demography 2013).
Number of households	ONS	Projected number of households for 2015. (Source: Live Tables on Household Projections, ONS).
Obese Persons (estimated)	Public Health England	Proportion of obese adults and children in the year to January 2013 (source: Public Health England website), multiplied by the projected resident population in 2015.
Planning Applications	CLG	Number of planning applications decided by the district level planning authority in the year to December 2014. (Source: Live Tables on Planning Application Statistics, CLG).
Pupils (primary, secondary and special)	DfE	Number of pupils in state-funded primary, secondary and special schools as at January 2015. Primary and secondary school pupil numbers exclude those in academies. (Source: Schools, Pupils and their Characteristics, DfE).

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**Table A2 - Data Sources (continued)**

Denominator / Unit	Source	Description
Residents (all age categories)	ONS	2012-based Sub-national Population Projections (SNPP) for 2015. These take the 2011 census as the baseline.
Road Length	CLG	Index in which built-up roads carry twice as much as non-built up roads (as published by CLG in the calculation of Formula Grant).
Smokers (estimated)	Public Health England	Smoker prevalence rates, based on 2013 survey (source: Public Health England website), multiplied by the projected resident population aged 18 and over in 2015.
Taxable Properties	CLG	The sum of (i) chargeable dwellings for Council Tax purposes in 2014 and (ii) the number of businesses (hereditaments) on the rating list as at September 2014. (Sources: Council Taxbase 2014 in England; Central and Local Rating Lists).
Waste collected (tonnes)	DEFRA	Total waste collected (tonnes) in the year to 31 March 2014. (Source: Local Authority Collected Waste Statistics, DEFRA).