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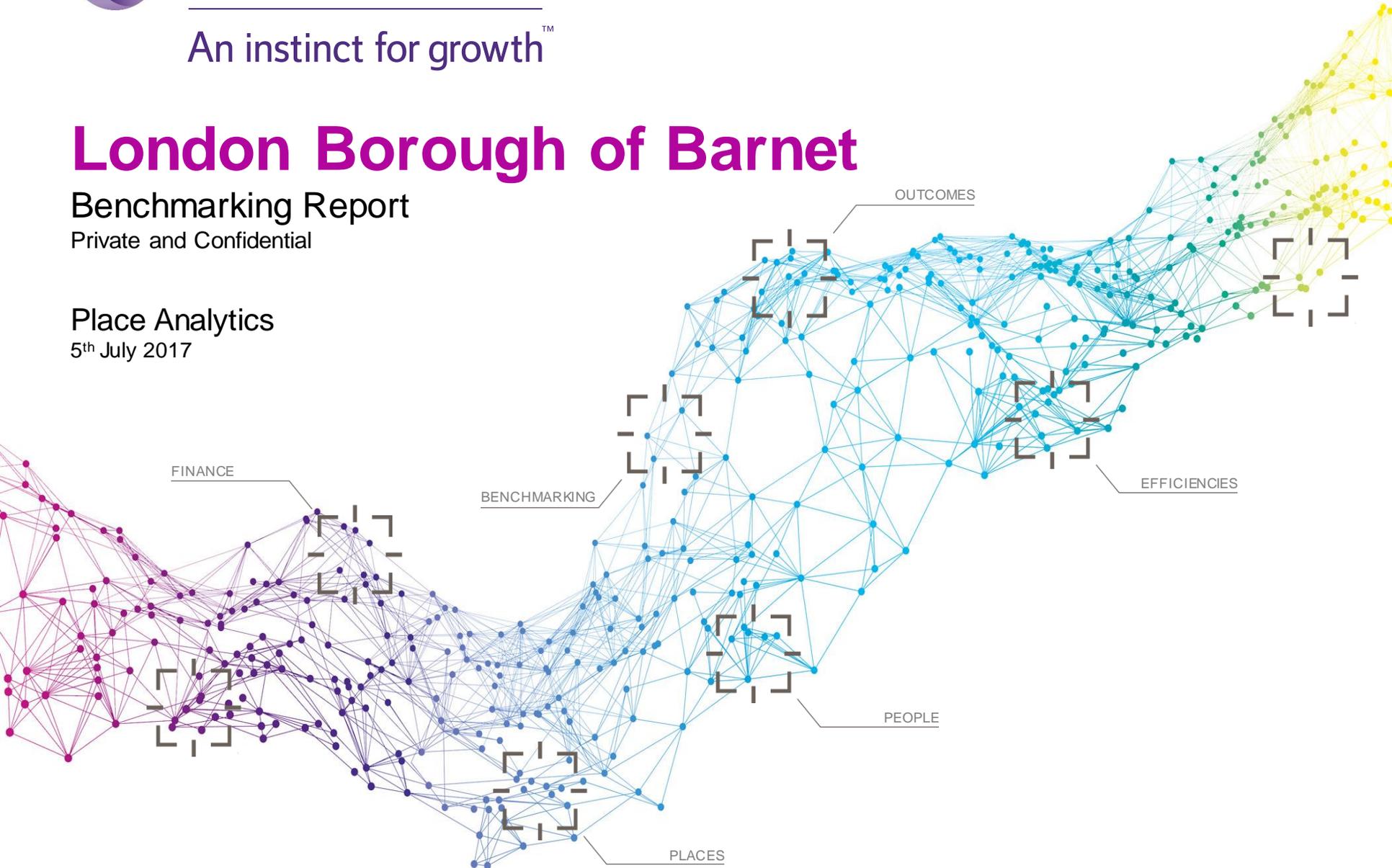
London Borough of Barnet

Benchmarking Report

Private and Confidential

Place Analytics

5th July 2017



Our Ref PA/CC

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For the attention of Mr Leon Clarke,

24th August 2017

Dear Mr Clarke,

We have pleasure in endorsing a copy of our report in accordance with the contract dated 8th March 2017. This document (the **Report**) has been prepared by Grant Thornton UK LLP (**Grant Thornton**) for the purpose of providing the benchmarking report (the **Project**) to Regional Enterprise Ltd (the **Addressee**). This first stage of the report has used Grant Thornton's proprietary CFOI and Place Analytics platforms to provide a broad baseline analysis that benchmarks London Borough of Barnet against every London borough and identifies the ten benchmark authorities. The second stage uses data collected through the Data Collection Tool for a more in-depth analysis.

We agree that an Addressee may disclose our Report to the London Borough of Barnet, its professional advisers directly involved in the Project, or as required by law or regulation, the rules or order of a stock exchange, court or supervisory, regulatory, governmental or judicial authority without our prior written consent but in each case strictly on the basis that prior to disclosure you inform such parties that (i) disclosure by them is not permitted without our prior written consent, and (ii) we accept no duty of care nor assume responsibility to any to any person other than the Addressee.

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Chartered Accountants

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Scope of work and limitations

Our work focused on the areas set out in the contract dated 8th March 2017.

Forms of report

For your convenience, this report may have been made available to you in electronic as well as hard copy format, multiple copies and versions of this report may therefore exist in different media and in the case of any discrepancy the final signed hard copy should be regarded as definitive.

General

The report is issued on the understanding that the management of the RE (Regional Enterprise) Limited have drawn our attention to all matters, financial or otherwise, of which they are aware which may have an impact on our report up to the date of signature of this report. Events and circumstances occurring after the date of our report will, in due course, render our report out of date and, accordingly, we will not accept a duty of care nor assume a responsibility for decisions and actions which are based upon such an out of date report. Additionally, we have no responsibility to update this report for events and circumstances occurring after this date.

Contacts

If there are any matters upon which you require clarification or further information please contact Phillip Woolley on +44 (0)161 953 6430 or Cordelia Canning on +44 (0)20 7728 2702.

Yours sincerely,

For Grant Thornton UK LLP

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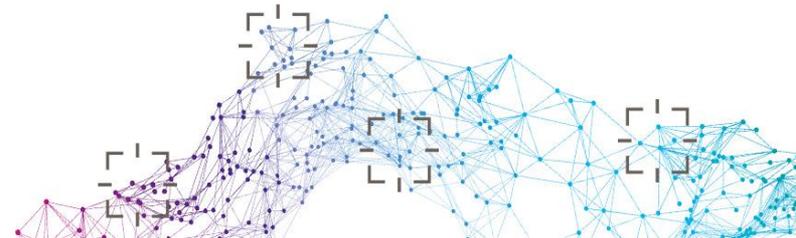
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Executive Summary

The scope of the RE Benchmarking Report encompasses the following services, and throughout this report the aggregation of these services is referred to as 'the benchmarked services': Highways (Network Management and Traffic & Development), Planning and Development Management, Regulatory: Environmental Health & Trading Standards

Stage 1 (net expenditure)

Benchmarked services

- For the first three years of the joint venture, income has represented between 68 – 101% of gross expenditure
- Between 2012/13 and 2015/16 there was a reduction in net expenditure for the benchmarked services of 51%, amounting to £4.1 million
- In 2015/16, Barnet's net spend on the benchmarked services was 'very low' in both a London and nearest neighbour context.

Highways

- Net expenditure on highways services has reduced by 2% (2012/13 – 2015/16)
- The rank of the Council in the context of London has stayed the same between 2012/13 and 2015/16, at 33rd (2015/16) out of 33 boroughs.
- In 2015/16 Barnet had 'very low' net spend on highways services in a London context and in a nearest neighbour context

Planning and Development

- For the first two years of the joint venture income has represented between 85-118% of gross expenditure
- In 2015/16 the Council had 'low' net spend on planning and development services in a London and 'average' in a nearest neighbour context

Regulatory: Environmental Health & Trading Standards

- There has been a reduction in net expenditure of 125% between 2012/13 and 2015/16 which represents £2.8 million
- The rank of the Council in the context of London has reduced from 30th (2012/13) to 33rd (2015/16)
- In 2015/16 the Council had 'very low' net spend on regulatory services both in a London and nearest neighbour context

Stage 2 (standards, customer satisfaction, prices)

Highways

- Services delivered at a lower unit cost than 'nearest neighbour' authorities but the Council have more challenging KPI targets and more km of road.
- The Council has the highest number of road deaths but shows one of the greatest percentage reductions over the period in question.

Planning and Development

- The Council deals with the largest number of planning applications of benchmark organisations and is also the well performing based on the relationship between unit cost and percentage of applications responded to within statutory timescales.

Regulatory: Environmental Health & Trading Standards

- Performance on food safety inspections is relatively strong and the regulatory services are delivered by the Council at a lower unit cost than all 'nearest neighbour' London Boroughs.
- The Council are meeting KPI in relation to trading standards but benchmark organisations that completed data returns do not record KPIs in this area. Therefore, unable to draw robust conclusions.

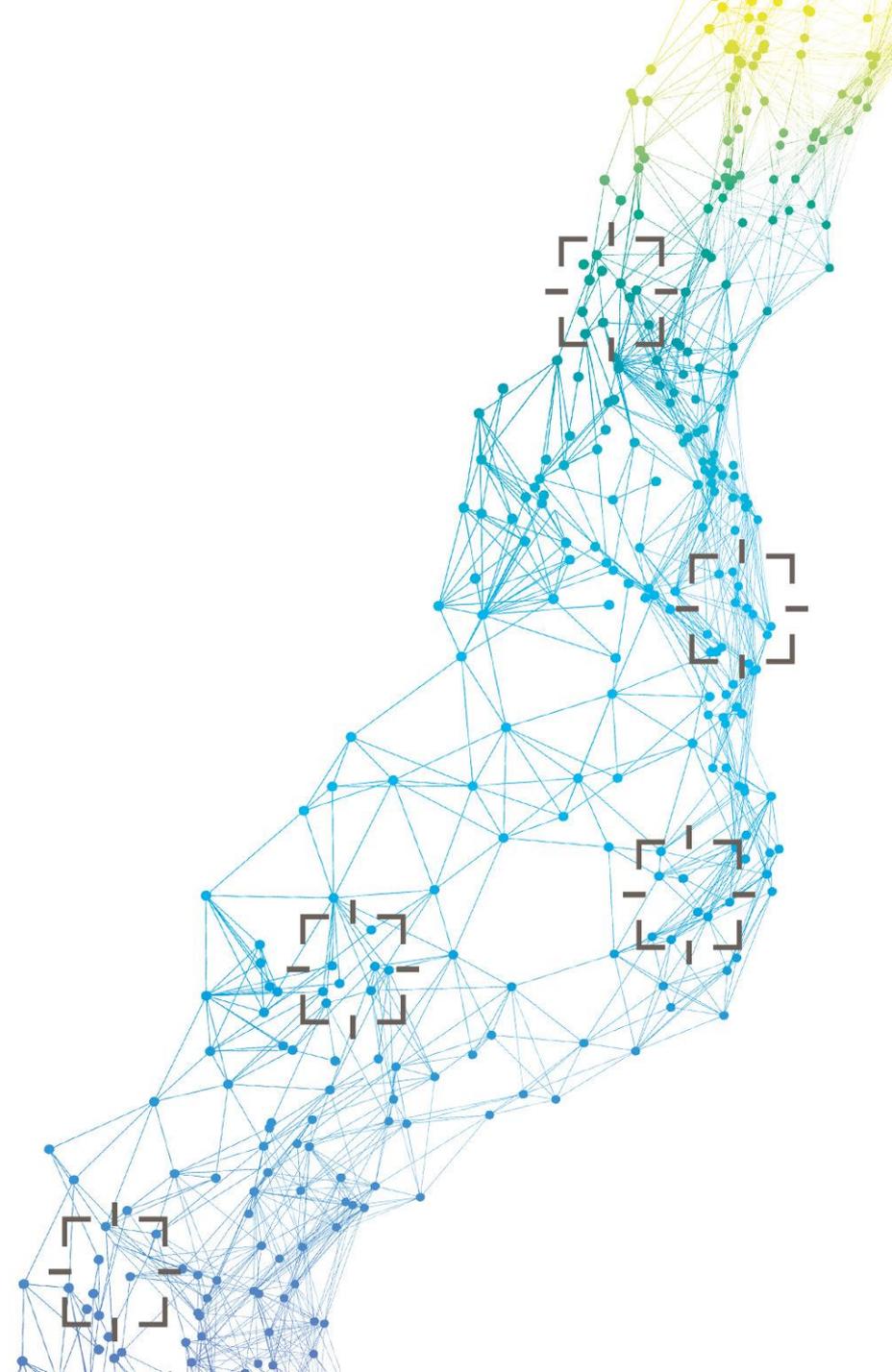
Customer Satisfaction

- The Council has a comparatively favourable grasp of customer satisfaction data as it forms part of the contract with RE. This awareness is not replicated with benchmark organisations and demonstrates the Council has a more complete understanding of the value of services delivered by RE.

Prices

- The price charged for services delivered by the Council relative to the 'nearest neighbour' organisations varies dependent upon the service delivered. Our benchmarking identified that a clearer understanding would be achieved if margins and costs were considered in relation to prices charged for service delivery.

Introduction



London Borough of Barnet and Capita

London Borough of Barnet (the Council) and Capita plc (Capita) set up Regional Enterprise Ltd. (RE) as a joint venture vehicle to deliver the Development and Regulatory Services for the Council. The contract for the delivery of these services commenced on 1st October 2013 and is scheduled to run over a ten year term.

Services provided to London Borough of Barnet by RE include:

- Planning and Development Management
- Building Control
- Land Charges
- Environmental Health
- Trading Standards and Licensing
- Cemetery and Crematorium
- Highways: Strategy
- Highways: Network Management
- Highways: Traffic and Development
- Highways: Transport and Regeneration
- Regeneration
- Strategic Planning

The contract between the Council and Capita has guaranteed the Council a cost saving of £39 million for all services provided by RE. Alongside the delivery of these savings, RE will be investing £8.2 million in new technology, improving facilities and training staff.

The aims of the Council when setting up the joint venture arrangement with Capita were to:

- improve citizens' experience;
- enhance the quality of services; and
- meet efficiency targets.

RE has delivered the following highlights since its inception:

- planning application for Brent Cross, which has secured £97m worth of funding and will be the biggest regeneration project in Europe; and
- delivering a profitable joint venture, generating £39m worth of net commercial benefit for the Council.
- generated £14m worth of new revenue by commercialising services
- provided commissioned services to 11 other local authorities
- introduced a new houses of multiple occupancy (HMO) licensing regime
- overseen the design and delivery of a £50m Highways Network Recovery Plan

Source: <https://www.capitalocalgovernment.co.uk/news-trends/barnet-council-and-capita-contract-delivers-31m-savings/>

The benchmarking study

Regional Enterprise Ltd (RE) commissioned a Grant Thornton UK LLP Benchmarking Report in order to feed into a year 4 review of the outlined services set out below. The purpose of this report was to ascertain the relative quality and competitiveness of the three council service lines. The report will be used by the Council to inform its detailed review of the Development and Regulatory services delivered by RE. The scope of the RE Benchmarking Report encompasses the following services, and throughout this report the aggregation of the below services will be referred to as 'the benchmarked services':

- **Highways (Network Management and Traffic & Development)**
- **Planning and Development Management**
- **Regulatory: Environmental Health & Trading Standards**

The financial lines included for each service line have been determined through consultation with Capita and the London Borough of Barnet and are outlined below:

| Highways | Planning and Development | Regulatory: Environmental Health and Trading Standards |
|---|--|--|
| <ul style="list-style-type: none"> • Highways maintenance planning, policy and strategy • Public and other transport planning, policy and strategy • Structural maintenance - principal roads • Structural maintenance - other LA roads • Structural maintenance - bridges • Environmental, safety and routine maintenance - principal roads • Environmental, safety and routine maintenance - other LA roads • Winter service • Road safety education and safe routes (including school crossing patrols) • Other traffic management | <ul style="list-style-type: none"> • Building control • Development control • Conservation and listed buildings planning policy • Other planning policy • Environmental initiatives | <ul style="list-style-type: none"> • Cemetery, cremation and mortuary services* • Trading standards • Water safety • Food safety • Environmental protection; noise and nuisance • Pest control • Public conveniences • Animal and public health; infectious disease control • Licensing** - Alcohol and entertainment licensing; taxi licensing |

*Mortuary services are not part of the RE contract but cannot be split out from this service line and are there included

**Taxi licensing are not part of the RE contract but cannot be split out from this service line and is there included

Source: DCLG Revenue Outturn, 2015/16

The benchmarking study

Our work is divided into two stages:

Stage 1

The first section of this report (Stage 1) is a high level benchmarking exercise, comparing the net expenditure of the benchmarked services provided by RE (as outlined above) against all London Boroughs and a nearest neighbour group. This has been undertaken using publically available financial data submitted by every council to the Department of Communities and Local Government (chapters 3-6).

The nearest neighbour group has been determined using relevant socio economic measures (chapter 2). This group will be used for more in depth comparator analysis in stage 2.

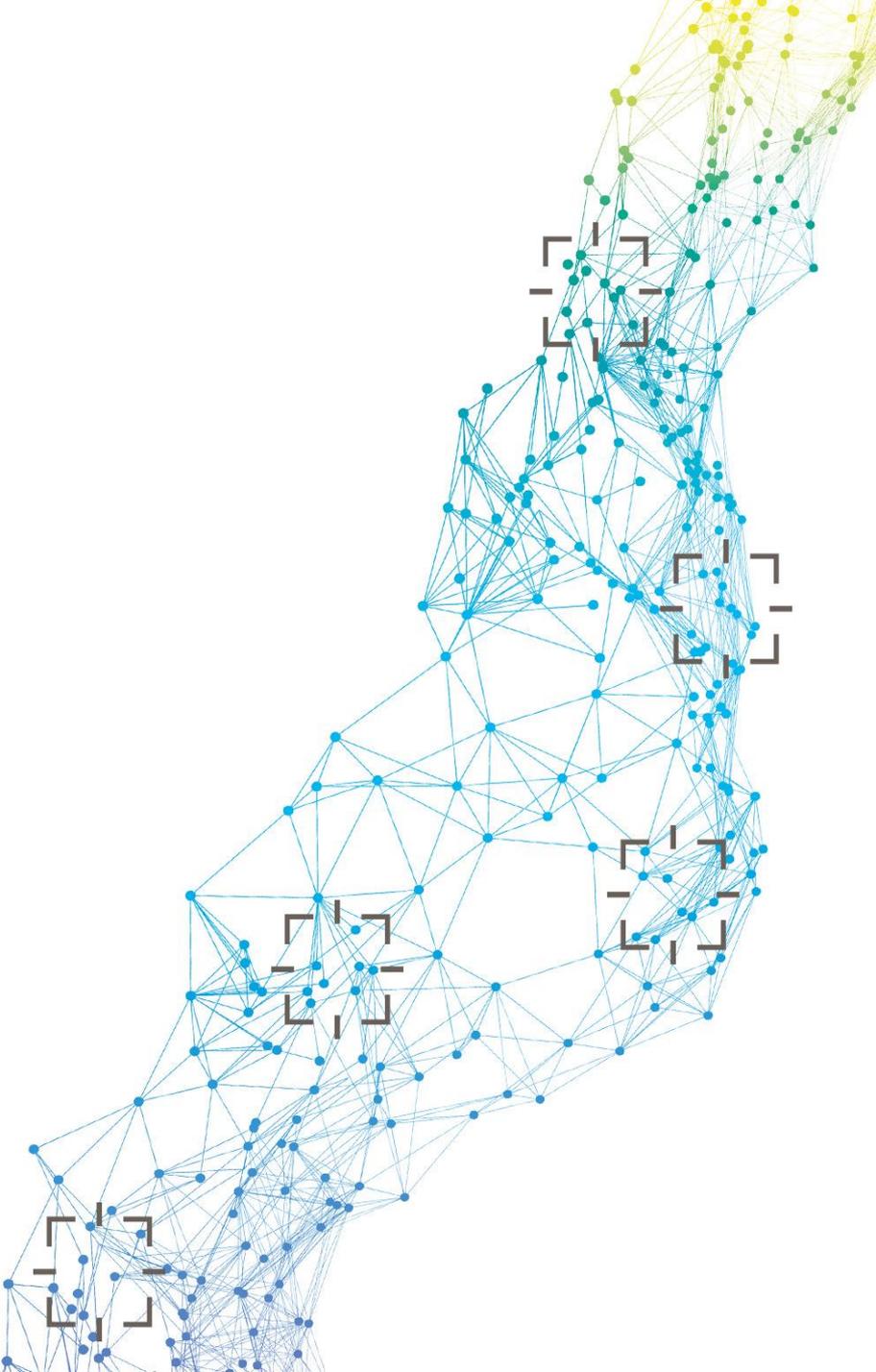
Stage 2

The second section of this report (Stage 2) is a more detailed benchmarking exercise. For this we have used bespoke data requested from the returns received from the ten nearest neighbour authorities identified in stage 1.

The data requested covers service standards and customer satisfaction reflecting the benchmarking criteria for the Development and Regulatory services provided by RE.

The operating models of the benchmark authorities has also been explored in order to account for variations in approaches of the councils.

Stage 1



Stage 1: setting the scene

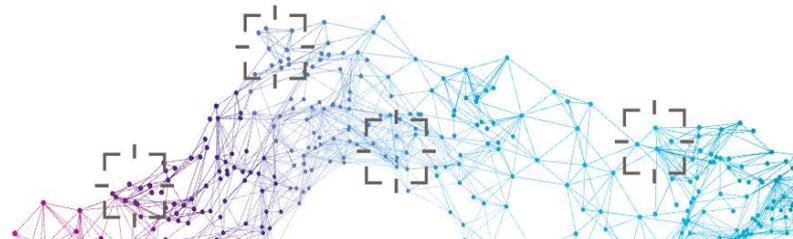
The aim of this section of the report, is to benchmark the following 'benchmarked services' provided by RE to the London Borough of Barnet through the Regional Enterprise joint venture against all London Boroughs and the nearest neighbour group.

In order to do this firstly, the net expenditure, gross expenditure and income for development and regulatory services provided under RE have been aggregated and benchmarked in both a London and nearest neighbour context. We have then carried out a more detailed analysis for these component services: highways, planning and development and regulatory services.

The Financial data used though out this report is sourced from the revenue outturn which is annually submitted to the Department of Communities and Local Government and is publicly available. This data has been used as it is the most comprehensive dataset for local authority finances and is standardised throughout England allowing for effective benchmarking and comparison between councils. **As a result, financial lines include all costs to the council, not just those directly relevant to the RE contract, including direct, third party and support services.**

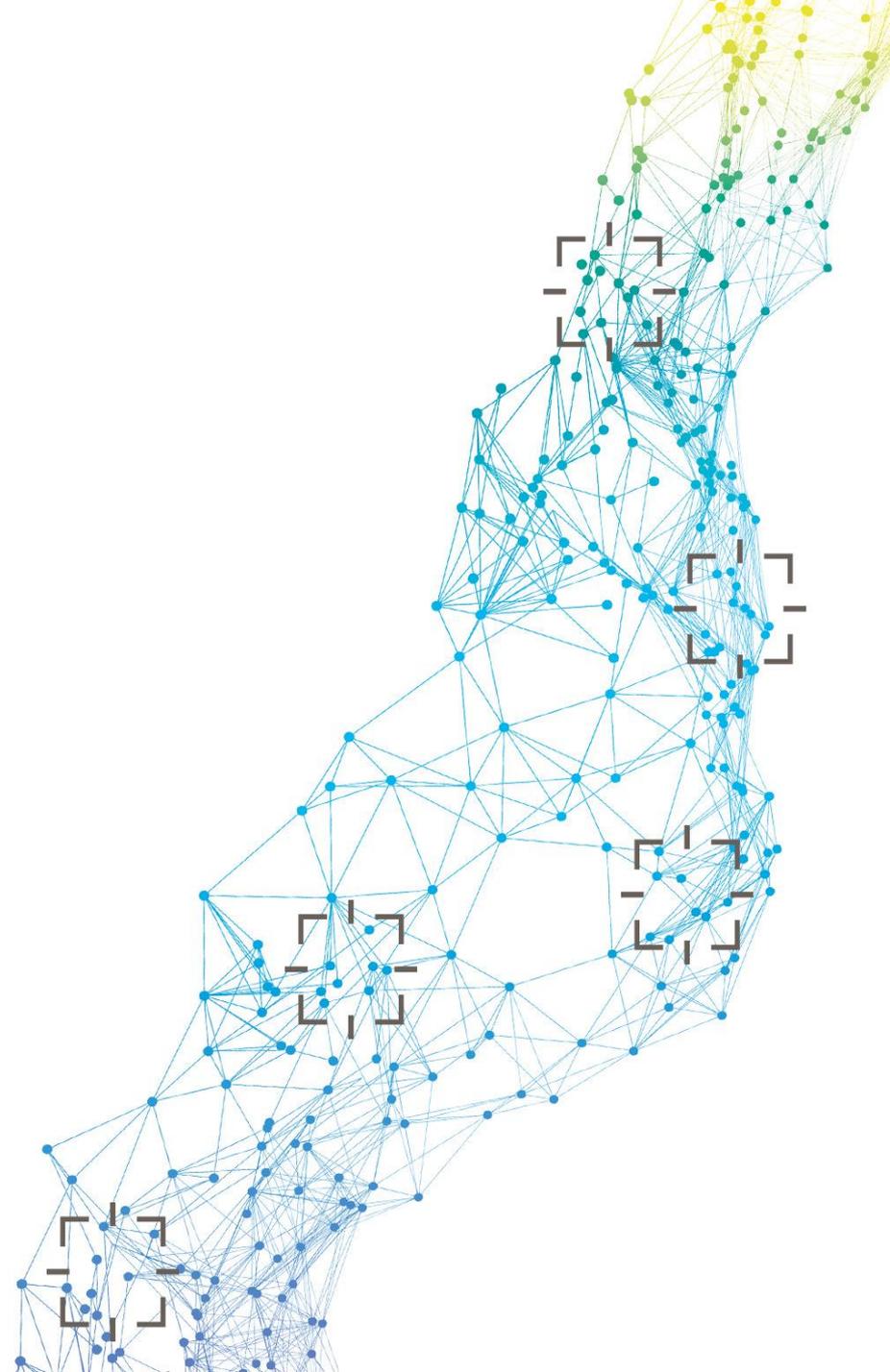
The results of this high level benchmarking exercise have been visualised using outputs from the CFO insights and Place Analytics platforms. This includes:

- maps - to examine spatial variation;
- rank tables - to show the council's position in a comparator group, whether that is all London Boroughs or nearest neighbours; and
- line charts - to examine changes over time.



Socio-economic context

Nearest neighbour group



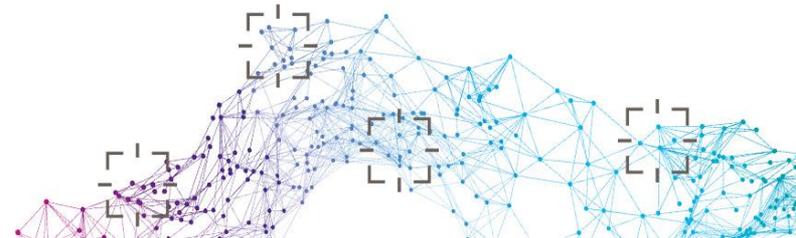
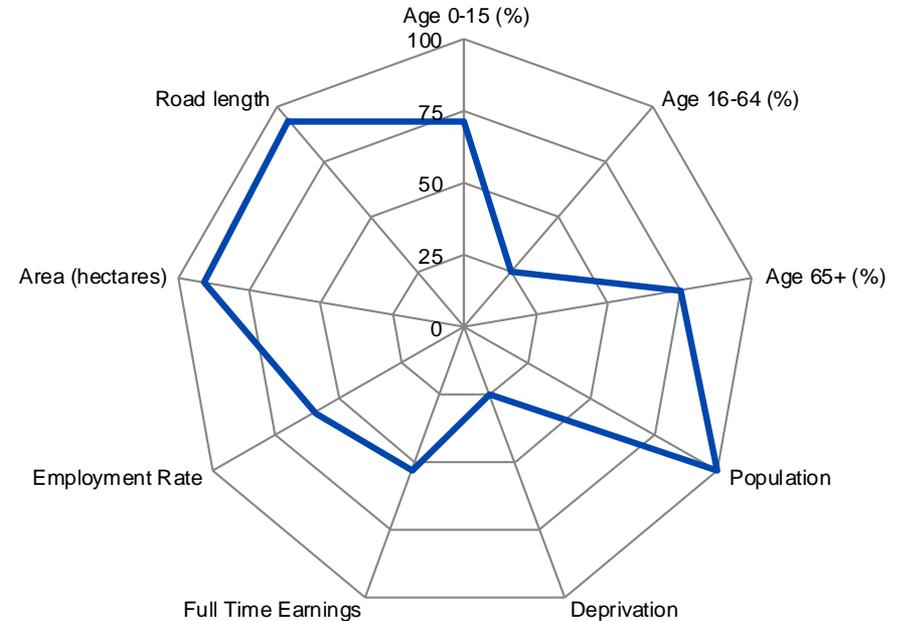
Socio-economic characteristics

In order to appropriately benchmark the London Borough of Barnet against similar areas we used a variety of socio-economic measures to profile the council and then find other London Boroughs with similar characteristics.

The measures used were specifically selected as they give a holistic picture of the population of Barnet and also encapsulate the idea of scale, which is significant to service delivery. Measures include age brackets, deprivation, earnings, employment rate, population size, road length and borough area.

The socioeconomic profile, to the right, shows the London Borough of Barnet in the context of all London Boroughs. The 50 line represents the group median, consequently points closer to the outside of the profile are 'very high' in comparison to the group and those closer to the centre are 'very low'.

The spider chart shows that London Borough of Barnet has the largest population of all the London Boroughs and its spatial area is also within the top 10% of councils. The demographic make up of the population includes a high young population (0-15) in comparison to the group and a very low working age population. Barnet's population also has low levels of deprivation, average full time earnings and a slightly above average employment rate.



Nearest neighbours

Using the measure set out in the spider chart (see previous page) we have identified the ten most statistically similar London authorities to the London Borough of Barnet. These are shown in the table and map to the right and shows that all of the authorities identified are outer London Boroughs.

The nearest neighbour group identified has been used as a more focused benchmark group for this report in order to appropriately benchmark the London Borough of Barnet against similar areas. Furthermore, this group will also be used in stage two of this study for more in depth analysis.



Nearest Neighbours

- 1 Croydon ●
- 2 Hillingdon ●
- 3 Enfield ●
- 4 Ealing ●
- 5 Redbridge ●
- 6 Bromley ●
- 7 Hounslow ●
- 8 Harrow ●
- 9 Brent ●
- 10 Havering ●

● Labour ● Conservative ● No overall majority

Nearest neighbours- current operating models

We have investigated the current operating models for the services provided under RE in the councils identified in the nearest neighbour group. It is important to understand the varying provision of these services across the nearest neighbour group to provide holistic benchmarking analysis. This will be examined in greater details in stage 2.

| Council | Regulatory (Licensing and Environmental Health) | Highways (Network Management and Traffic & Development) | Planning and Development Management |
|------------------------------|--|---|--|
| London Borough of Croydon | Delivered in-house by the Council | Delivered under contract by Kier Ltd. Contract runs to September 2017. | Delivered in-house by the Council |
| London Borough of Hillingdon | Delivered in-house by the Council | Delivered in-house by the Council | Planning services contracted out to Terraquest. 10 year contract scheduled to end in 2021. |
| London Borough of Ealing | Delivered in-house by the Council | Delivered in-house by the Council. Was brought back in house in 2010 having been outsourced to Mouchel. | Delivered in-house by the Council |
| London Borough of Enfield | Delivered in-house by the Council | Delivered in-house by the Council | Delivered in-house by the Council |
| London Borough of Redbridge | Delivered in-house by the Council | Delivered in-house by the Council | Delivered in-house by the Council |
| London Borough of Hounslow | Delivered in-house by the Council | Delivered by Hounslow Highways. Hounslow Highways is a partnership between the Council and VINCI Concessions and Ringway. | Delivered in-house by the Council |
| London Borough of Harrow | Delivered in-house by the Council | Delivered in-house by the Council | Delivered in-house by the Council |
| London Borough of Brent | Delivered in-house by the Council | Delivered in-house by the Council | Delivered in-house by the Council |
| London Borough of Bromley | Licensing - Delivered in-house by the Council Environmental Health – Delivered in-house by the Council with pest control work delivered by contractor | Delivered in-house by the Council | Delivered in-house by the Council |
| London Borough of Havering | Delivered in-house by the Council | Delivered in-house by the Council | Delivered in-house by the Council |

The benchmarked services

- **Highways Services**
- **Planning and Development Services**
- **Regulatory Services**



Change over time

Benchmarked Services

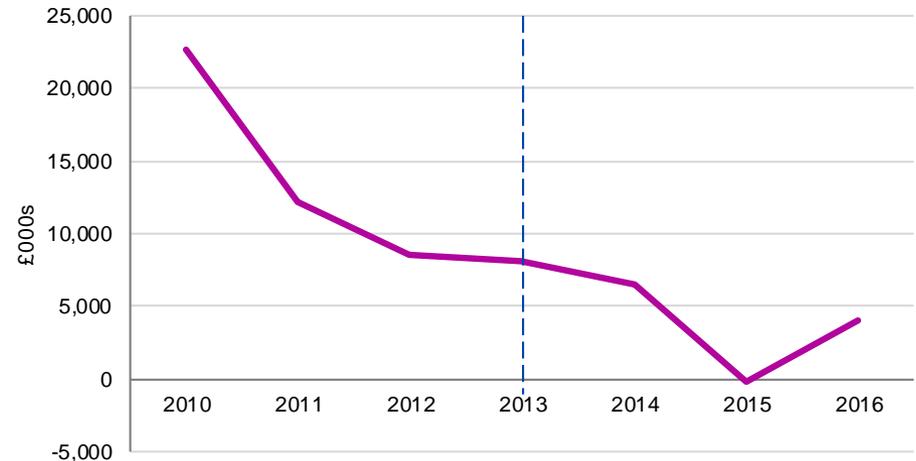
The expenditure and income from these services have been aggregated to represent the total cost of benchmarked services.

The top line graph to the right shows London Borough of Barnet's net expenditure of the aggregated services from 2009/10 to 2015/16 and the bottom line graph shows total income and gross expenditure of the aggregated services. The dashed line indicates the year in which the RE joint venture began.

Based on revenue outturn returns submitted to the Department of Communities and Local Government by the London Borough of Barnet it can be seen that between 2012/13 and 2015/16 there was a reduction in net expenditure for the benchmarked services of 51%, amounting to £4.1 million. This was achieved through an increase in income of 116% and an increase in gross expenditure of only 41% (see right). Consequently, in 2014/15 income covered 101% of gross expenditure of these services, in contrast to just 55% in 2012/13 before the joint venture began.

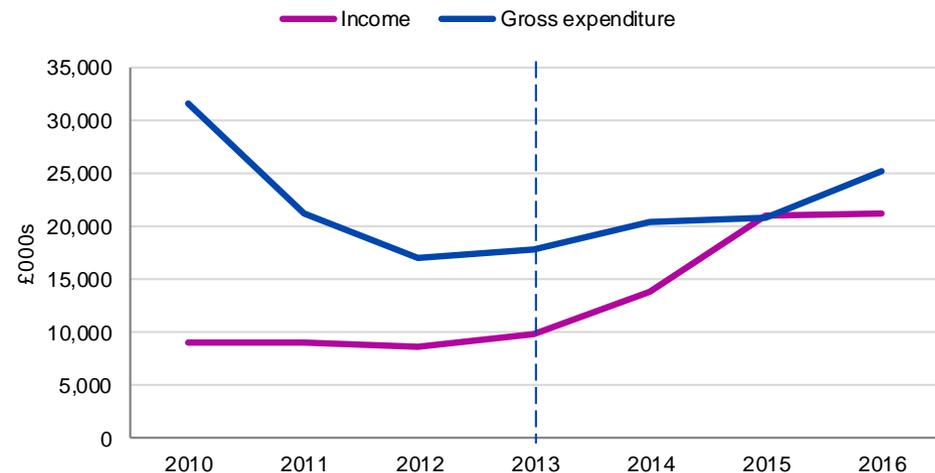
For the duration of the first three years of the joint venture, income has consistently risen which has contributed to the lowering of the net expenditure cost of these services to London Borough of Barnet.

Net Expenditure: Benchmarked Services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Gross Expenditure and Income: Benchmarked Services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Change over time: London context

Benchmarked Services

When looking at how spend has changed over time it is also important to look at this in a wider London context.

The rank tables show net expenditure of the benchmarked services of the London Borough of Barnet in both 2012/13, before the joint venture began, and in the most recent year 2015/16.

From these rank tables it is clear that overall spend on these services has reduced across London. The London average net spend has reduced from £80.69 per head (2012/13) to £73.73 (2015/16). This represents a reduction of 8.62%.

The net spend per head on the benchmarked services of London Borough of Barnet has reduced by 53% (2012/13 – 2015/16) and the rank of the council in the context of London has remained 33rd in both 2012/13 and 2015/16.

2012/13

| Rank | London Borough | £/head |
|------|----------------------|---------|
| 1 | City of London | 1060.10 |
| 2 | Westminster | 143.20 |
| 3 | Kensington & Chelsea | 109.76 |
| 4 | Islington | 68.06 |
| 5 | Kingston Upon Thames | 66.48 |
| 6 | Camden | 58.61 |
| 7 | Southwark | 56.53 |
| 8 | Sutton | 56.22 |
| 9 | Greenwich | 56.05 |
| 10 | Hackney | 55.15 |
| 11 | Hammersmith & Fulham | 53.66 |
| 12 | Ealing | 53.56 |
| 13 | Waltham Forest | 52.91 |
| 14 | Bromley | 51.94 |
| 15 | Havering | 51.36 |
| 16 | Richmond upon Thames | 50.28 |
| 17 | Enfield | 47.18 |
| 18 | Redbridge | 45.83 |
| 19 | Newham | 45.54 |
| 20 | Bexley | 45.48 |
| 21 | Lewisham | 44.62 |
| 22 | Hounslow | 44.00 |
| 23 | Harrow | 41.05 |
| 24 | Tower Hamlets | 40.61 |
| 25 | Barking & Dagenham | 34.35 |
| 26 | Merton | 32.37 |
| 27 | Wandsworth | 32.36 |
| 28 | Lambeth | 31.57 |
| 29 | Hillingdon | 29.72 |
| 30 | Haringey | 29.10 |
| 31 | Croydon | 29.00 |
| 32 | Brent | 24.05 |
| 33 | Barnet | 22.13 |

2015/16

| Rank | London Borough | £/head |
|------|----------------------|---------|
| 1 | City of London | 1130.14 |
| 2 | Kensington & Chelsea | 111.15 |
| 3 | Westminster | 83.51 |
| 4 | Hounslow | 66.85 |
| 5 | Islington | 55.93 |
| 6 | Ealing | 55.16 |
| 7 | Greenwich | 52.10 |
| 8 | Kingston Upon Thames | 50.82 |
| 9 | Richmond upon Thames | 50.13 |
| 10 | Southwark | 48.42 |
| 11 | Camden | 47.04 |
| 12 | Hammersmith & Fulham | 46.68 |
| 13 | Redbridge | 44.55 |
| 14 | Hackney | 43.14 |
| 15 | Bromley | 42.68 |
| 16 | Brent | 42.55 |
| 17 | Sutton | 42.51 |
| 18 | Waltham Forest | 38.98 |
| 19 | Havering | 35.53 |
| 20 | Bexley | 33.99 |
| 21 | Merton | 33.99 |
| 22 | Lambeth | 33.04 |
| 23 | Newham | 31.13 |
| 24 | Tower Hamlets | 30.36 |
| 25 | Enfield | 28.72 |
| 26 | Harrow | 28.22 |
| 27 | Croydon | 21.55 |
| 28 | Haringey | 20.05 |
| 29 | Hillingdon | 19.70 |
| 30 | Wandsworth | 18.32 |
| 31 | Lewisham | 18.31 |
| 32 | Barking & Dagenham | 17.50 |
| 33 | Barnet | 10.45 |

Source: CFO insights: Revenue Outturn 2013,2016, ONS Mid year Population Estimates 2012,2015

Benchmarked in the context of all London Boroughs

Benchmarked Services

The rank table to the right shows net expenditure per head of the aggregated services provided by the RE in 2015/16 for all 33 London Boroughs. A value per head of population is used to allow for more accurate comparison between areas as they are normalised.

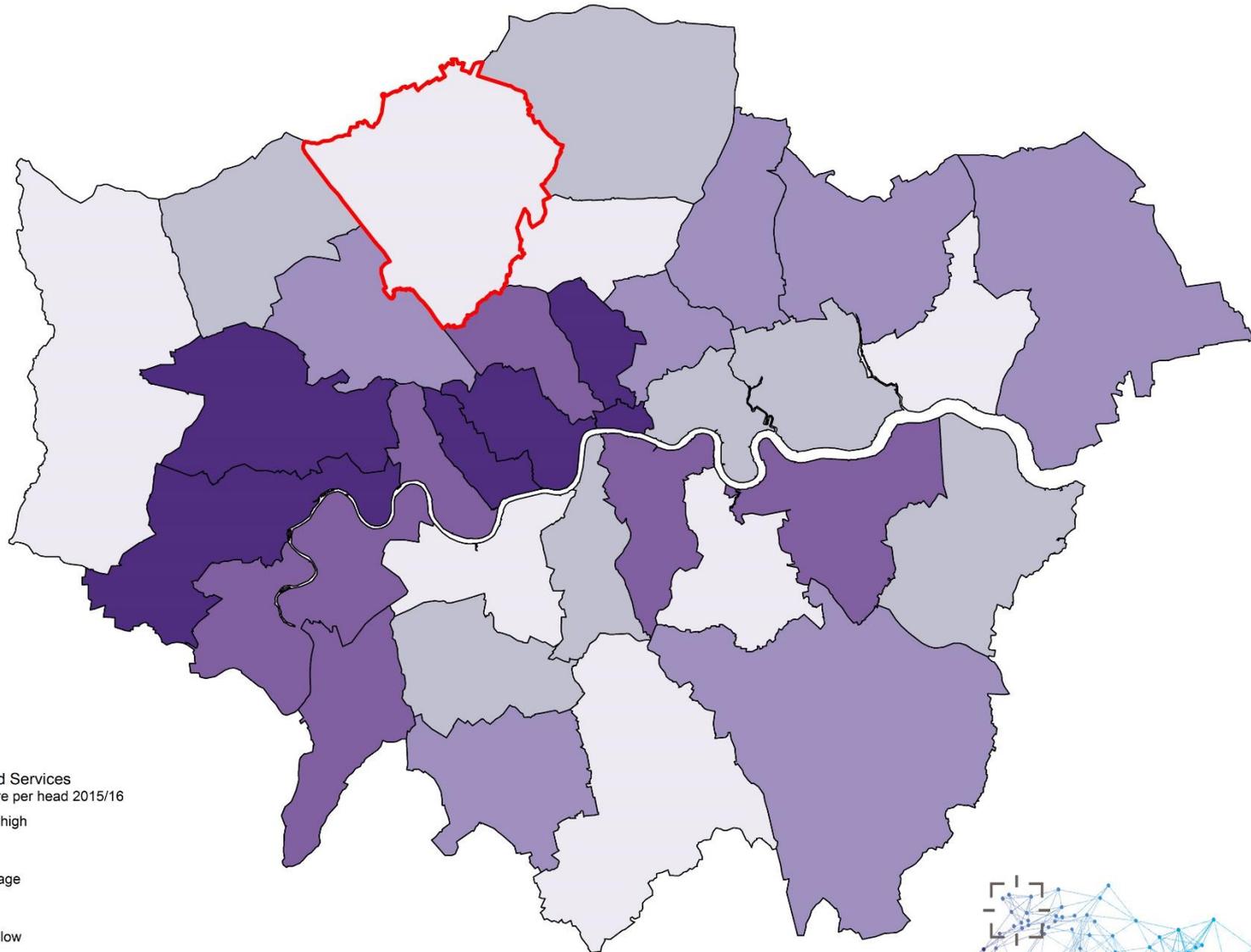
In comparison to all 33 London Boroughs the London Borough of Barnet is ranked 33rd and is therefore in the bottom 20% of spenders on benchmarked services. Consequently, Barnet's spend on these services would be described as 'very low' in a London context.

The map on the following page shows the spatial spread of spend on benchmarked services within London. The map illustrates that there is a spatial pattern to spend in London. In general, the west of London has higher net spend than the east on these services. However, there is a range of spend for London Borough of Barnet's nearest geographic neighbours. Camden's spend is 'high' in the context of London, and Brent's is 'average'. Contrastingly, Haringey's spend on the benchmark services 'very low' in a London context.

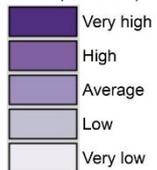
2015/16

| Rank | London Borough | £/head |
|------|----------------------|---------|
| 1 | City of London | 1130.14 |
| 2 | Kensington & Chelsea | 111.15 |
| 3 | Westminster | 83.51 |
| 4 | Hounslow | 66.85 |
| 5 | Islington | 55.93 |
| 6 | Ealing | 55.16 |
| 7 | Greenwich | 52.10 |
| 8 | Kingston Upon Thames | 50.82 |
| 9 | Richmond upon Thames | 50.13 |
| 10 | Southwark | 48.42 |
| 11 | Camden | 47.04 |
| 12 | Hammersmith & Fulham | 46.68 |
| 13 | Redbridge | 44.55 |
| 14 | Hackney | 43.14 |
| 15 | Bromley | 42.68 |
| 16 | Brent | 42.55 |
| 17 | Sutton | 42.51 |
| 18 | Waltham Forest | 38.98 |
| 19 | Havering | 35.53 |
| 20 | Bexley | 33.99 |
| 21 | Merton | 33.99 |
| 22 | Lambeth | 33.04 |
| 23 | Newham | 31.13 |
| 24 | Tower Hamlets | 30.36 |
| 25 | Enfield | 28.72 |
| 26 | Harrow | 28.22 |
| 27 | Croydon | 21.55 |
| 28 | Haringey | 20.05 |
| 29 | Hillingdon | 19.70 |
| 30 | Wandsworth | 18.32 |
| 31 | Lewisham | 18.31 |
| 32 | Barking & Dagenham | 17.50 |
| 33 | Barnet | 10.45 |

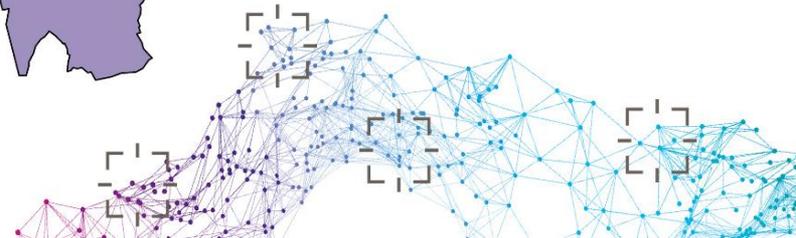
Benchmarked in the context of all London Boroughs



Benchmarked Services
Net Expenditure per head 2015/16



Source: CFO insights: Revenue Outturn 2016, ONS Mid year Population Estimates 2015



Benchmarked in the context of nearest neighbours

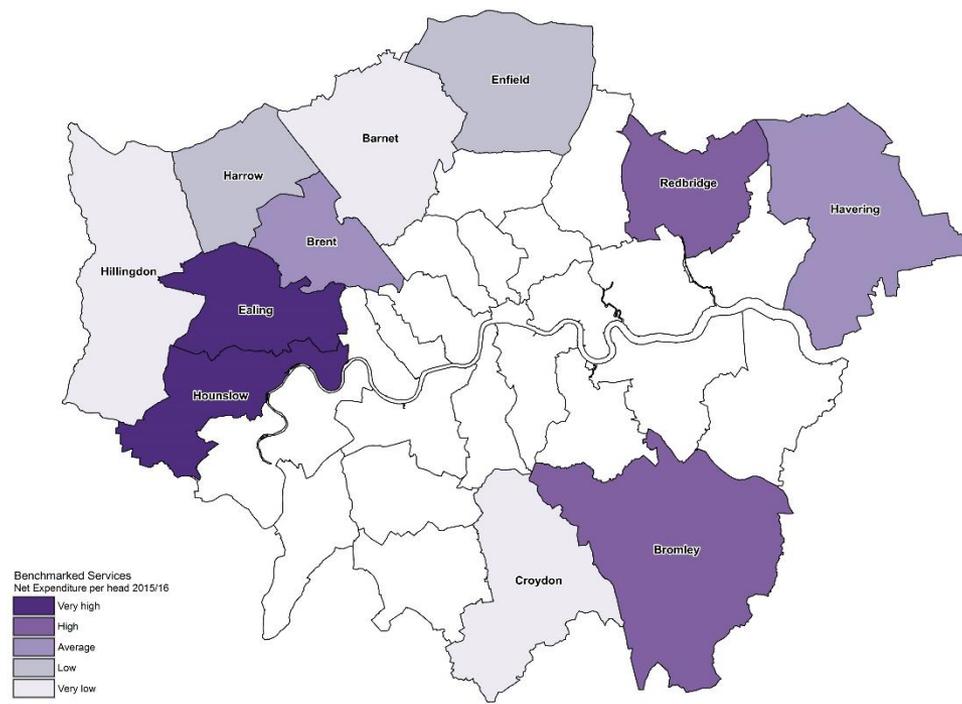
Benchmarked Services

As noted earlier, London Borough of Barnet's ten nearest neighbour's were identified based on a number of socioeconomic measures. As these areas have similar socioeconomic characteristics and challenges as Barnet, it can be considered that fair comparisons are being made for benchmarking spend, as they are operating in similar conditions.

The map and rank table to the right show net expenditure per head of benchmarked services in 2015/16 for the 10 authorities in Barnet's nearest neighbour group. A value per head of population is used to allow for more accurate comparison between areas as they are normalised.

Within the nearest neighbour group the maximum spend per head is £66.85 and the minimum spend is £10.45, making a range of £56.40. The average spend per head of the group is £36.00. As Barnet has the lowest spend on benchmarked services in the group (£10.45), the council's spend is well below the group average.

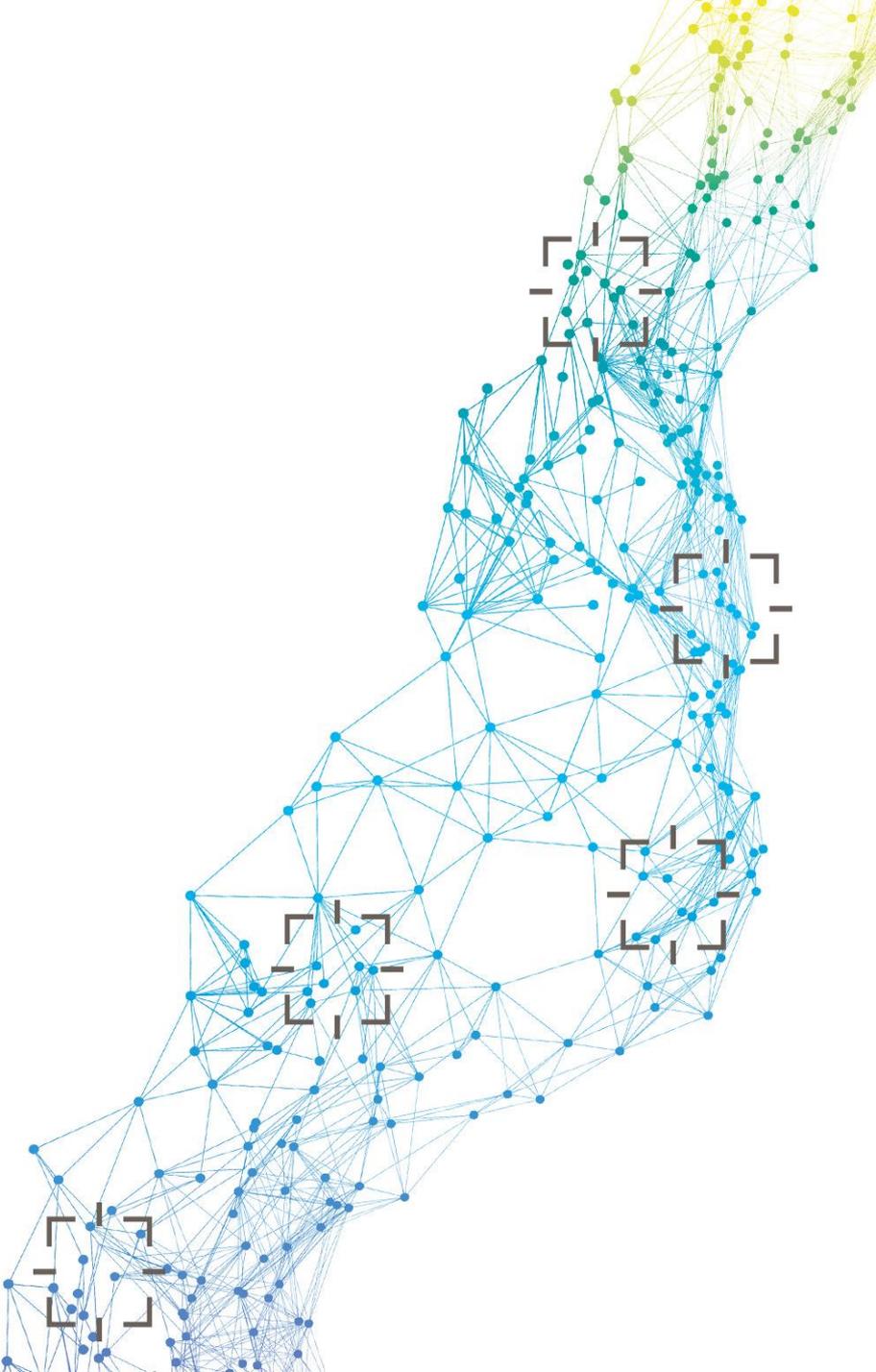
As a result in 2015/16 the London Borough of Barnet had very low spend on benchmarked services in both a London and nearest neighbour context.



| | London Borough | Net Expenditure /head | London rank |
|----|----------------|-----------------------|-------------|
| 1 | Hounslow | 66.85 | 4 |
| 2 | Ealing | 55.16 | 6 |
| 3 | Redbridge | 44.55 | 13 |
| 4 | Bromley | 42.68 | 15 |
| 5 | Brent | 42.55 | 16 |
| 6 | Havering | 35.53 | 19 |
| 7 | Enfield | 28.72 | 25 |
| 8 | Harrow | 28.22 | 26 |
| 9 | Croydon | 21.55 | 27 |
| 10 | Hillingdon | 19.70 | 29 |
| 11 | Barnet | 10.45 | 33 |

Source: CFO insights: Revenue Outturn 2016, ONS Mid year Population Estimates 2015

Highways Services



Change over time

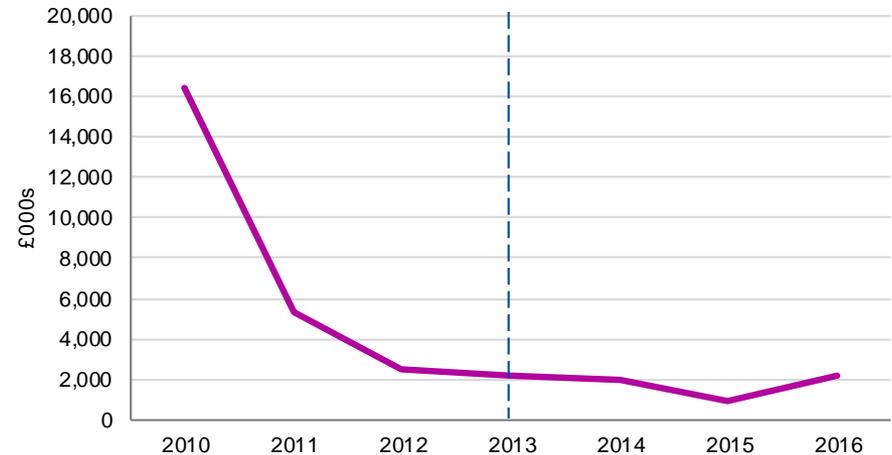
Highways Services

Highways services are one of the three benchmarked services provided through RE to the London Borough of Barnet. This section examines how spend on this service has changed over time.

The top line graph to the right shows London Borough of Barnet's net expenditure of the highways services from 2009/10 to 2015/16 and the bottom line graph shows total income and gross expenditure of highways services. The dashed line indicates the year in which the RE joint venture began.

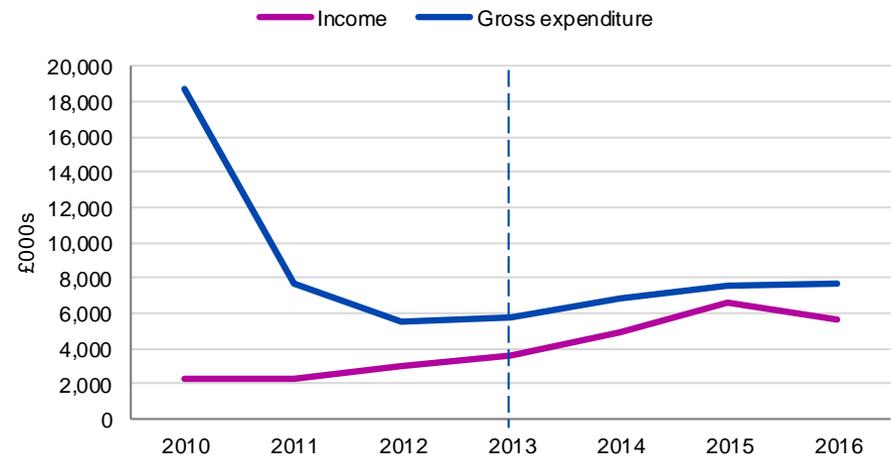
Based on revenue outturn returns submitted to the Department of Communities and Local Government by the London Borough of Barnet it can be seen that between 2012/13 and 2015/16 gross expenditure rose by 33%, while income increased by 54%, resulting in a net expenditure reduction of 2%. Over the period of 2013/14 and 2015/16 income represented between 72% and 88% of gross expenditure compared to 63% in 2012/13 before the joint venture began.

Net expenditure: Highways services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Gross Expenditure and Income: Highways services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Change over time: London context

Highways Services

When looking at how spend has changed over time it is important to look at this in a wider London context.

The rank tables show net expenditure per kilometre of road of highways services by London Borough of Barnet in both 2012/13, before the joint venture began, and in the most recent year 2015/16.

The net spend on highways services of London Borough of Barnet has reduced by 0.38% (2012/13 – 2015/16) and the rank of the council in the context of London has remained as the lowest spend per kilometre of road of all the London Boroughs in both 2012/13 and 2015/16.

2012/13

| Rank | London Borough | £/km road |
|------|----------------------|-----------|
| 1 | Kensington & Chelsea | 47,229.96 |
| 2 | Westminster | 29,611.57 |
| 3 | City of London | 25,517.84 |
| 4 | Camden | 23,821.88 |
| 5 | Ealing | 23,386.00 |
| 6 | Hackney | 22,543.54 |
| 7 | Kingston Upon Thames | 22,388.15 |
| 8 | Waltham Forest | 21,759.48 |
| 9 | Southwark | 20,582.74 |
| 10 | Greenwich | 16,500.00 |
| 11 | Newham | 16,253.01 |
| 12 | Redbridge | 14,318.18 |
| 13 | Islington | 14,113.77 |
| 14 | Hammersmith & Fulham | 13,586.69 |
| 15 | Havering | 13,189.89 |
| 16 | Hounslow | 13,077.69 |
| 17 | Sutton | 12,587.69 |
| 18 | Wandsworth | 12,168.56 |
| 19 | Tower Hamlets | 12,076.23 |
| 20 | Bexley | 11,989.71 |
| 21 | Lewisham | 11,815.34 |
| 22 | Richmond upon Thames | 11,235.22 |
| 23 | Bromley | 10,880.17 |
| 24 | Enfield | 10,456.73 |
| 25 | Harrow | 10,413.69 |
| 26 | Haringey | 10,098.18 |
| 27 | Barking & Dagenham | 9,362.98 |
| 28 | Merton | 8,786.75 |
| 29 | Brent | 8,359.04 |
| 30 | Hillingdon | 7,624.38 |
| 31 | Lambeth | 5,805.11 |
| 32 | Croydon | 4,473.58 |
| 33 | Barnet | 2,841.10 |

2015/16

| Rank | London Borough | £/km road |
|------|----------------------|-----------|
| 1 | City of London | 77,880.91 |
| 2 | Kensington & Chelsea | 44,800.39 |
| 3 | Hounslow | 30,826.21 |
| 4 | Ealing | 26,258.30 |
| 5 | Brent | 24,723.03 |
| 6 | Islington | 20,453.97 |
| 7 | Hackney | 20,251.98 |
| 8 | Southwark | 19,630.86 |
| 9 | Camden | 18,667.84 |
| 10 | Greenwich | 18,617.95 |
| 11 | Westminster | 17,799.57 |
| 12 | Waltham Forest | 15,600.47 |
| 13 | Kingston Upon Thames | 14,225.97 |
| 14 | Redbridge | 13,087.19 |
| 15 | Richmond upon Thames | 13,053.55 |
| 16 | Hammersmith & Fulham | 11,981.90 |
| 17 | Tower Hamlets | 11,562.59 |
| 18 | Sutton | 11,239.31 |
| 19 | Harrow | 10,483.73 |
| 20 | Newham | 10,398.87 |
| 21 | Bromley | 10,297.50 |
| 22 | Havering | 9,955.96 |
| 23 | Merton | 9,832.49 |
| 24 | Lambeth | 9,156.05 |
| 25 | Haringey | 8,980.96 |
| 26 | Wandsworth | 8,478.11 |
| 27 | Bexley | 8,036.20 |
| 28 | Barking & Dagenham | 7,292.41 |
| 29 | Enfield | 6,548.19 |
| 30 | Hillingdon | 6,394.53 |
| 31 | Croydon | 3,761.07 |
| 32 | Lewisham | 3,679.52 |
| 33 | Barnet | 2,830.16 |

Source: CFO insights: Revenue Outturn 2013,2016, Department of Transport 2012,2015

Benchmarked in the context of all London Boroughs

Highways Services

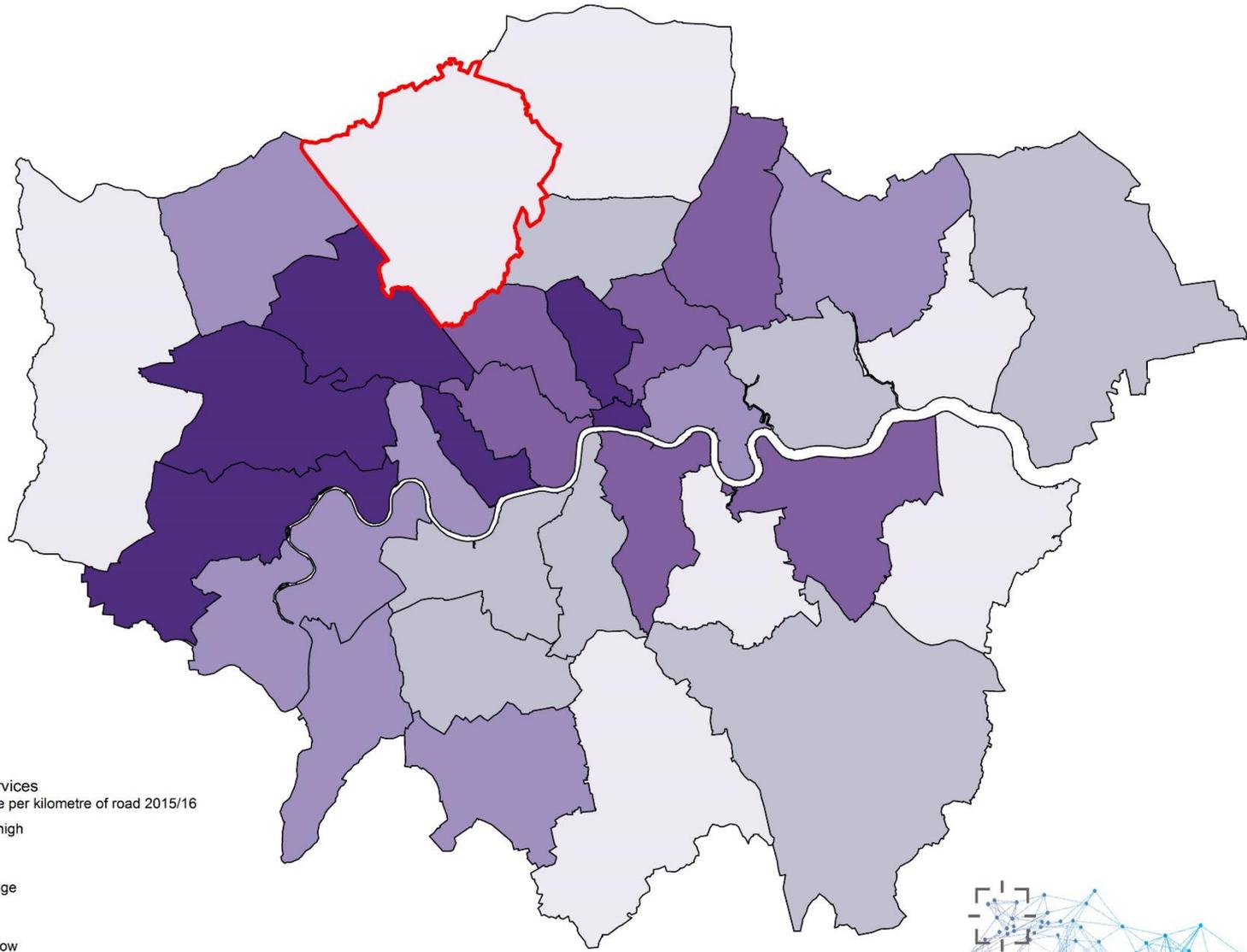
The rank table to the right shows net expenditure per kilometres of road for highways services in 2015/16 across all 33 London Boroughs. A value per kilometres of road is used to allow for more accurate comparison between areas as they are normalised.

In comparison to all 33 London Boroughs the London Borough of Barnet is ranked 33rd and is therefore bottom of net spenders on highways services. Consequently, Barnet's spend on these services would be described as 'very low' in a London context.

The map on the following page shows the spatial spread of net spend on highways and transport services within London. There is a range of spend for the London Borough of Barnet's geographic neighbours. Brent's spend is 'very high' in a London context, and Camden's is 'high'. However, Enfield's spend on highways services is 'very low' in comparison to London.

| Rank | London Borough | £/km road |
|------|----------------------|-----------|
| 1 | City of London | 77,880.91 |
| 2 | Kensington & Chelsea | 44,800.39 |
| 3 | Hounslow | 30,826.21 |
| 4 | Ealing | 26,258.30 |
| 5 | Brent | 24,723.03 |
| 6 | Islington | 20,453.97 |
| 7 | Hackney | 20,251.98 |
| 8 | Southwark | 19,630.86 |
| 9 | Camden | 18,667.84 |
| 10 | Greenwich | 18,617.95 |
| 11 | Westminster | 17,799.57 |
| 12 | Waltham Forest | 15,600.47 |
| 13 | Kingston Upon Thames | 14,225.97 |
| 14 | Redbridge | 13,087.19 |
| 15 | Richmond upon Thames | 13,053.55 |
| 16 | Hammersmith & Fulham | 11,981.90 |
| 17 | Tower Hamlets | 11,562.59 |
| 18 | Sutton | 11,239.31 |
| 19 | Harrow | 10,483.73 |
| 20 | Newham | 10,398.87 |
| 21 | Bromley | 10,297.50 |
| 22 | Havering | 9,955.96 |
| 23 | Merton | 9,832.49 |
| 24 | Lambeth | 9,156.05 |
| 25 | Haringey | 8,980.96 |
| 26 | Wandsworth | 8,478.11 |
| 27 | Bexley | 8,036.20 |
| 28 | Barking & Dagenham | 7,292.41 |
| 29 | Enfield | 6,548.19 |
| 30 | Hillingdon | 6,394.53 |
| 31 | Croydon | 3,761.07 |
| 32 | Lewisham | 3,679.52 |
| 33 | Barnet | 2,830.16 |

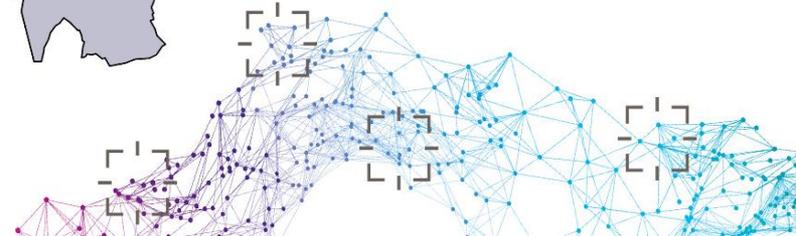
Benchmarked in the context of all London Boroughs



Highways Services
Net Expenditure per kilometre of road 2015/16



Source: CFO insights: Revenue Outturn 2016, Department of Transport 2015



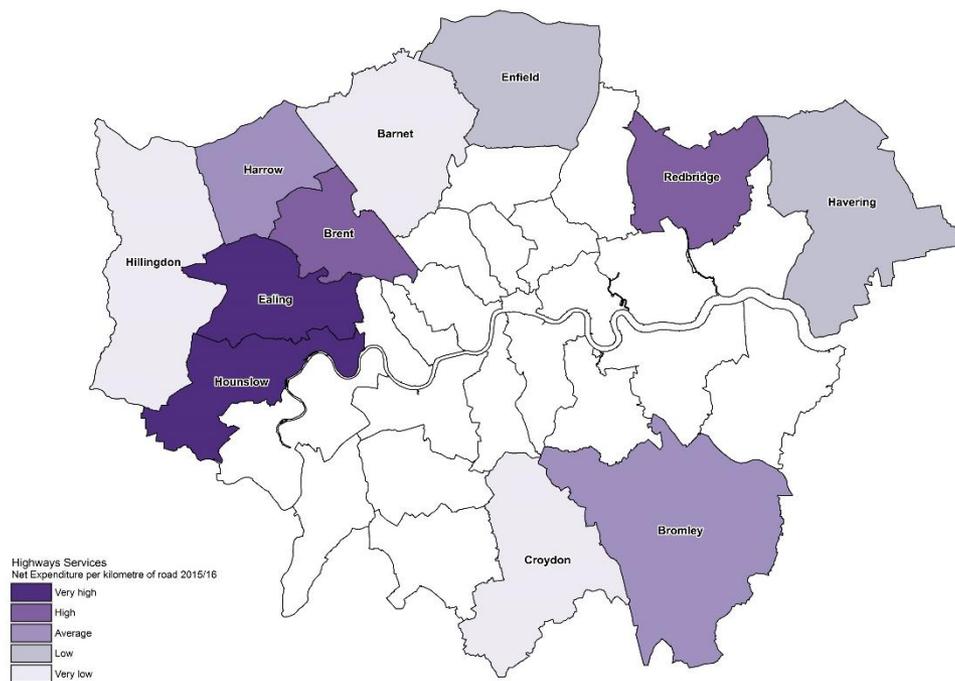
Benchmarked in the context of nearest neighbours

Highways Services

Looking at London Borough of Barnet's 10 nearest neighbour's based on a number of socioeconomic measures; the map and rank table to the right show net expenditure per kilometres of road on highways services in 2015/16. A value per kilometres of road is used to allow for more accurate comparison between areas as they are normalised.

Within the nearest neighbour group the maximum net spend per kilometres of road is £30,826.21, and the minimum is £2,830.16 making a range of £27,996.05. The average net spend per kilometres of road of the group is £13,196.90. As Barnet has the lowest spend on highways services in the group (£2,830.16), the council's spend is below the group average. There are no councils with lower spend on highways and transport than Barnet in the nearest neighbour group.

As a result in 2015/16 the London Borough of Barnet had very low spend on highways services in both a London and nearest neighbour context.



| | London Borough | Net Expenditure / km road | London rank |
|----|----------------|---------------------------|-------------|
| 1 | Hounslow | 30,826.21 | 3 |
| 2 | Ealing | 26,258.30 | 4 |
| 3 | Brent | 24,723.03 | 5 |
| 4 | Redbridge | 13,087.19 | 14 |
| 5 | Harrow | 10,483.73 | 19 |
| 6 | Bromley | 10,297.50 | 21 |
| 7 | Havering | 9,955.96 | 22 |
| 8 | Enfield | 6,548.19 | 29 |
| 9 | Hillingdon | 6,394.53 | 30 |
| 10 | Croydon | 3,761.07 | 31 |
| 11 | Barnet | 2,830.16 | 33 |

Source: CFO insights: Revenue Outturn 2016, Department of Transport 2015

Capital Expenditure

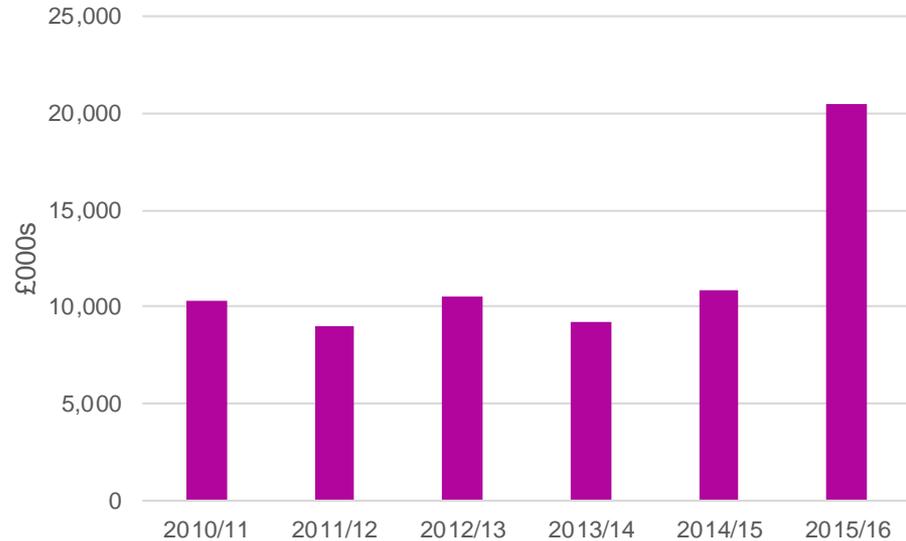
Highways Services

Capital expenditure is investment in local authority services, mainly the provision, acquisition and enhancement of fixed assets such as land, buildings, vehicles and machinery which will be of use or benefit in providing services for more than one financial year.

The bar chart to the right shows capital expenditure on highways by the London Borough of Barnet between 2010/11 and 2015/16. The table below shows how the council's capital expenditure compares to all London Boroughs and also to the nearest neighbour group.

From the bar chart we can see a peak in capital expenditure on highways in 2015/16 of approximately £20.5million. At this peak, Barnet had the third greatest total capital expenditure on highways and transport in London and the highest in the nearest neighbour group.

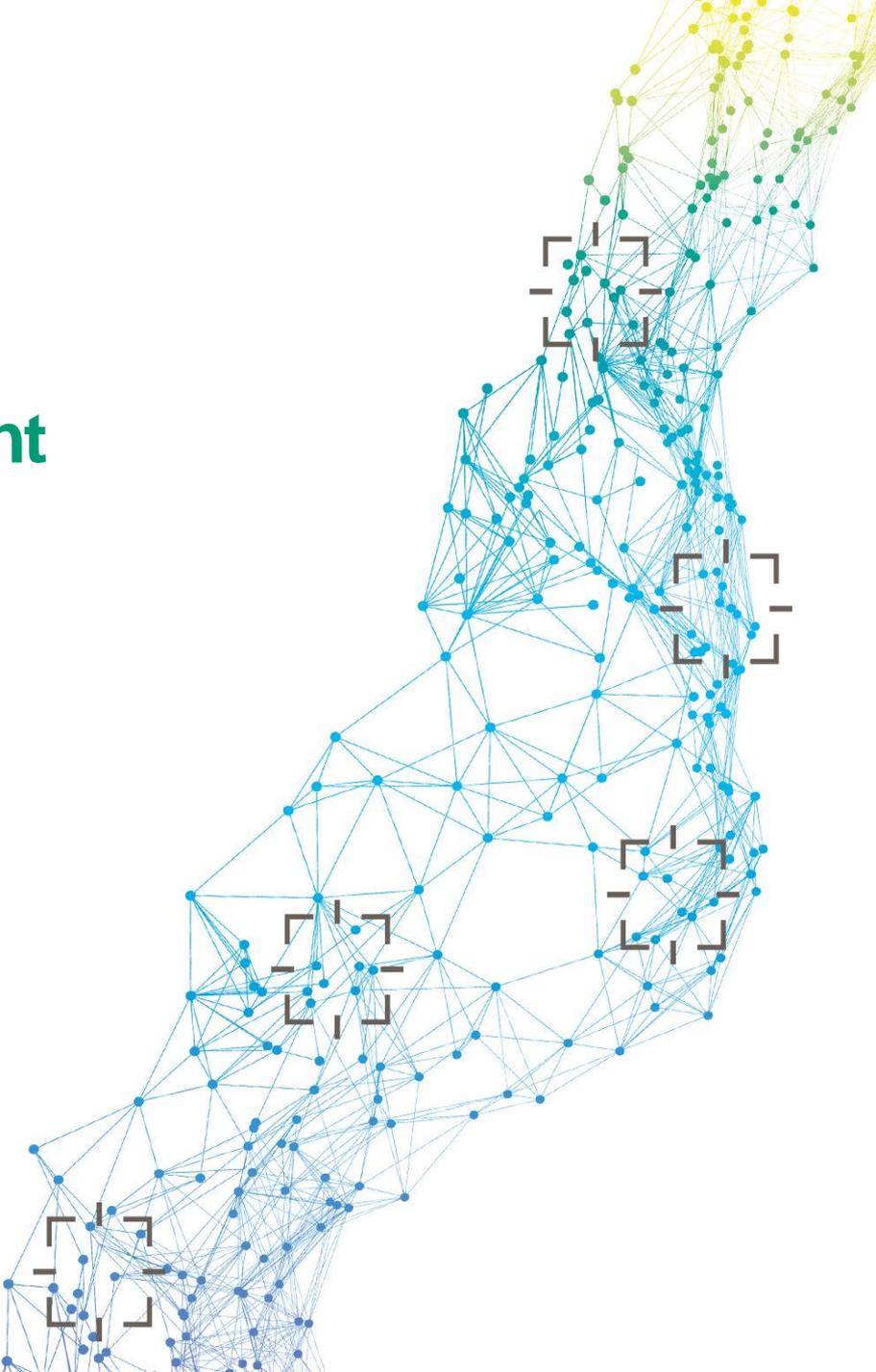
Capital Expenditure: Highways (2010/11 – 2015/16)



| | Capital Expenditure: Highways (£000s) | London Rank / 33 | Nearest Neighbour rank / 11 |
|---------|---------------------------------------|------------------|-----------------------------|
| 2010/11 | 10,295 | 14 | 6 |
| 2011/12 | 8,959 | 15 | 5 |
| 2012/13 | 10,562 | 11 | 3 |
| 2013/14 | 9,224 | 18 | 9 |
| 2014/15 | 10,899 | 13 | 5 |
| 2015/16 | 20,504 | 3 | 1 |

Source: Department for Communities and Local Government, 2010 -2016

Planning and Development



Change over time

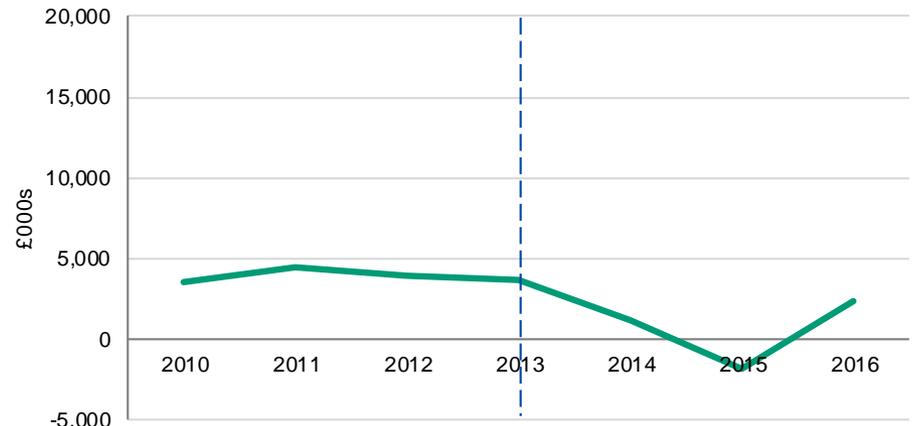
Planning and Development Services

Planning and development services are one of the three benchmarked services provided through RE to the London Borough of Barnet. This section examines how spend on this service has changed over time.

The top line graph to the right shows London Borough of Barnet's net expenditure on RE delivered planning and development services from 2009/10 to 2015/16 and the bottom line graph shows total income and gross expenditure of planning and development services. The dashed line indicates the year in which the RE joint venture began.

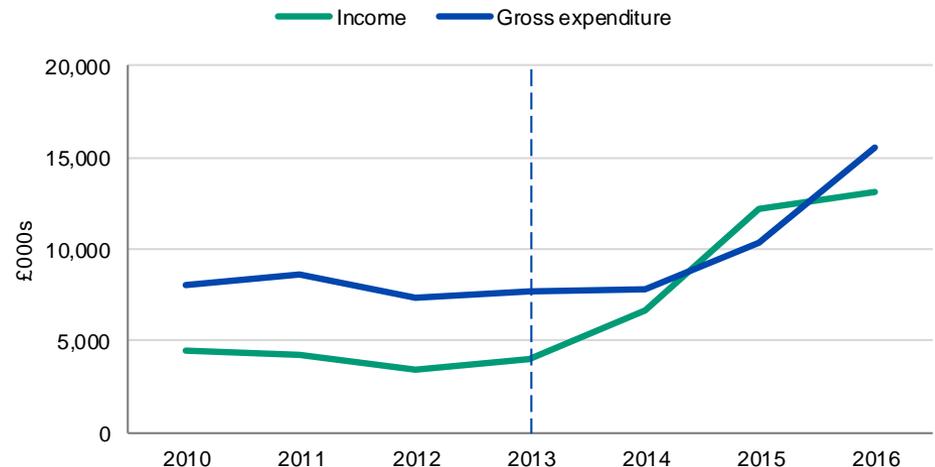
Based on revenue outturn returns submitted to the Department of Communities and Local Government by the London Borough of Barnet it can be seen that between 2010/11 and 2012/13 net expenditure for planning and development services provided by RE remained relatively stable. However, between 2012/13 and 2014/15 net expenditure decreased by 152%. This was achieved through an increase in income of 203% and an increase in gross expenditure of 35% (see right). Consequently, in 2014/15 income covered 118% of gross expenditure of these services, in contrast to 53% in 2012/13 before the joint venture began. In 2015/16 net expenditure increased due to an increase in gross expenditure, which can mainly be attributed to increases in cost of 'development control'. However, in this year income still represented 85% of gross expenditure.

Net expenditure: Planning and Development Services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Gross Expenditure and Income: Planning and Development Services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Change over time: London context

Planning and Development Services

When looking at how spend has changed over time it is important to look at this in a wider London context.

The rank tables show net expenditure on planning and development services in both 2012/13, before the joint venture began, and in the most recent year 2015/16.

From these rank tables it is clear that overall spend on these services has reduced across London. The London average net spend has reduced by 25%, from £23.66 per head (2012/13) to £17.67 (2015/16).

The net spend on planning and development services of London Borough of Barnet has reduced by 36% (2012/13 – 2015/16). Barnet's rank within the London Borough group remains the same in both 2012/13 and 2015/16, at 20th out of 33 boroughs. However, it is also worth noting that in 2014/15 Barnet was 33rd of the 33 London Boroughs.

2012/13

| Rank | London Borough | £/head |
|------|----------------------|--------|
| 1 | City of London | 385.85 |
| 2 | Westminster | 32.85 |
| 3 | Islington | 31.78 |
| 4 | Kensington & Chelsea | 24.22 |
| 5 | Hammersmith & Fulham | 20.78 |
| 6 | Sutton | 17.08 |
| 7 | Richmond upon Thames | 16.09 |
| 8 | Newham | 15.47 |
| 9 | Hackney | 14.67 |
| 10 | Enfield | 14.07 |
| 11 | Harrow | 13.54 |
| 12 | Lewisham | 12.78 |
| 13 | Southwark | 12.45 |
| 14 | Camden | 12.26 |
| 15 | Croydon | 11.80 |
| 16 | Kingston Upon Thames | 11.65 |
| 17 | Lambeth | 10.39 |
| 18 | Bromley | 10.33 |
| 19 | Tower Hamlets | 10.25 |
| 20 | Barnet | 9.91 |
| 21 | Bexley | 9.82 |
| 22 | Merton | 9.56 |
| 23 | Redbridge | 8.68 |
| 24 | Havering | 8.31 |
| 25 | Ealing | 7.65 |
| 26 | Haringey | 7.37 |
| 27 | Hounslow | 7.28 |
| 28 | Wandsworth | 6.68 |
| 29 | Barking & Dagenham | 6.21 |
| 30 | Brent | 5.75 |
| 31 | Greenwich | 5.25 |
| 32 | Waltham Forest | 5.15 |
| 33 | Hillingdon | 4.98 |

2015/16

| Rank | London Borough | £/head |
|------|----------------------|--------|
| 1 | City of London | 312.44 |
| 2 | Kensington & Chelsea | 22.97 |
| 3 | Westminster | 21.31 |
| 4 | Richmond upon Thames | 16.00 |
| 5 | Hammersmith & Fulham | 13.82 |
| 6 | Kingston Upon Thames | 13.38 |
| 7 | Redbridge | 12.96 |
| 8 | Islington | 12.82 |
| 9 | Sutton | 11.89 |
| 10 | Lambeth | 11.40 |
| 11 | Croydon | 10.54 |
| 12 | Camden | 10.45 |
| 13 | Hackney | 10.23 |
| 14 | Enfield | 9.09 |
| 15 | Lewisham | 9.07 |
| 16 | Bexley | 7.95 |
| 17 | Bromley | 7.79 |
| 18 | Newham | 7.76 |
| 19 | Merton | 7.40 |
| 20 | Barnet | 6.30 |
| 21 | Southwark | 5.81 |
| 22 | Havering | 5.70 |
| 23 | Waltham Forest | 5.23 |
| 24 | Ealing | 5.10 |
| 25 | Greenwich | 4.92 |
| 26 | Haringey | 4.71 |
| 27 | Wandsworth | 3.57 |
| 28 | Tower Hamlets | 3.30 |
| 29 | Barking & Dagenham | 3.17 |
| 30 | Harrow | 2.79 |
| 31 | Hillingdon | 2.05 |
| 32 | Hounslow | 0.75 |
| 33 | Brent | 0.37 |

Source: CFO insights: Revenue Outturn 2013,2016, ONS Mid year Population Estimates 2012,2015

Benchmarked in the context of all London Boroughs

Planning and Development Services

The rank table to the right shows net expenditure per head of planning and development services in 2015/16 of all 33 London Boroughs. A value per head of population is used to allow for more accurate comparison between areas as they are normalised.

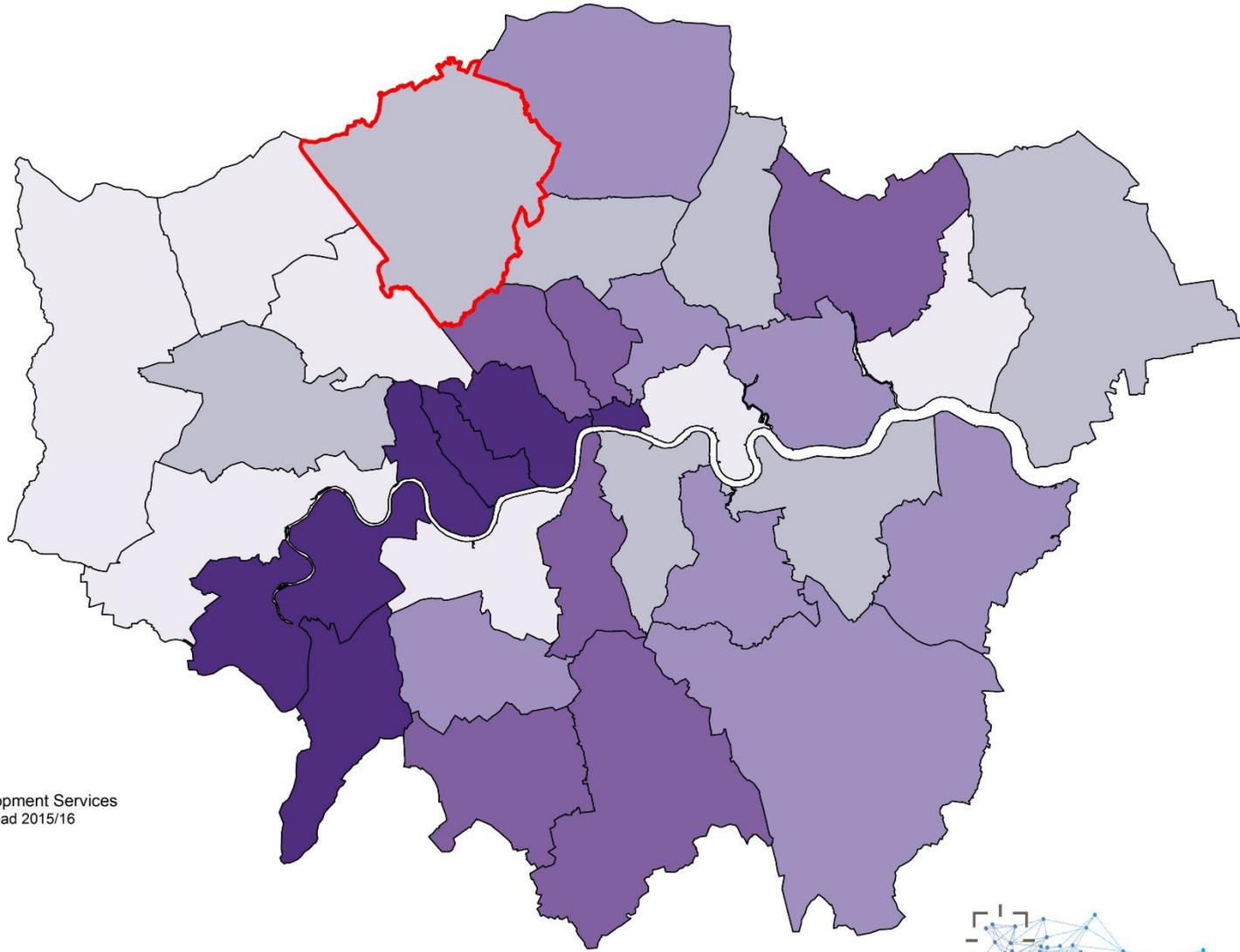
In comparison to all 33 London Boroughs the London Borough of Barnet is ranked 20th and is therefore in the bottom 40% of net spenders on planning and development services. Consequently, Barnet's spend on these services would be described as 'low' in a London context.

The map on the following page shows the spatial spread of spend on planning and development services within London. The map illustrates that there is a spatial pattern to spend in London. In general, the London boroughs in the south west have higher net spend than the other boroughs on these services. However, there is a range of net spend for London Borough of Barnet's nearest geographic neighbours. Camden's net spend is in the top 40% in London and would be described as 'high'. However, Brent and Harrow's net spend on planning and development services is 'very low' in a London context.

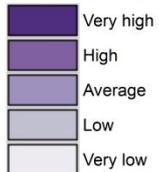
| Rank | London Borough | £/head |
|------|----------------------|--------|
| 1 | City of London | 312.44 |
| 2 | Kensington & Chelsea | 22.97 |
| 3 | Westminster | 21.31 |
| 4 | Richmond upon Thames | 16.00 |
| 5 | Hammersmith & Fulham | 13.82 |
| 6 | Kingston Upon Thames | 13.38 |
| 7 | Redbridge | 12.96 |
| 8 | Islington | 12.82 |
| 9 | Sutton | 11.89 |
| 10 | Lambeth | 11.40 |
| 11 | Croydon | 10.54 |
| 12 | Camden | 10.45 |
| 13 | Hackney | 10.23 |
| 14 | Enfield | 9.09 |
| 15 | Lewisham | 9.07 |
| 16 | Bexley | 7.95 |
| 17 | Bromley | 7.79 |
| 18 | Newham | 7.76 |
| 19 | Merton | 7.40 |
| 20 | Barnet | 6.30 |
| 21 | Southwark | 5.81 |
| 22 | Havering | 5.70 |
| 23 | Waltham Forest | 5.23 |
| 24 | Ealing | 5.10 |
| 25 | Greenwich | 4.92 |
| 26 | Haringey | 4.71 |
| 27 | Wandsworth | 3.57 |
| 28 | Tower Hamlets | 3.30 |
| 29 | Barking & Dagenham | 3.17 |
| 30 | Harrow | 2.79 |
| 31 | Hillingdon | 2.05 |
| 32 | Hounslow | 0.75 |
| 33 | Brent | 0.37 |

Source: CFO insights: Revenue Outturn 2016, ONS Mid year Population Estimates 2015

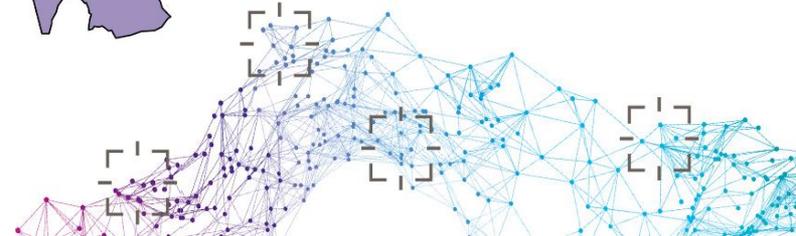
Benchmarked in the context of all London Boroughs



Planning and Development Services
Net Expenditure per head 2015/16



Source: CFO insights: Revenue Outlook 2016, ONS Mid year Population Estimates 2015



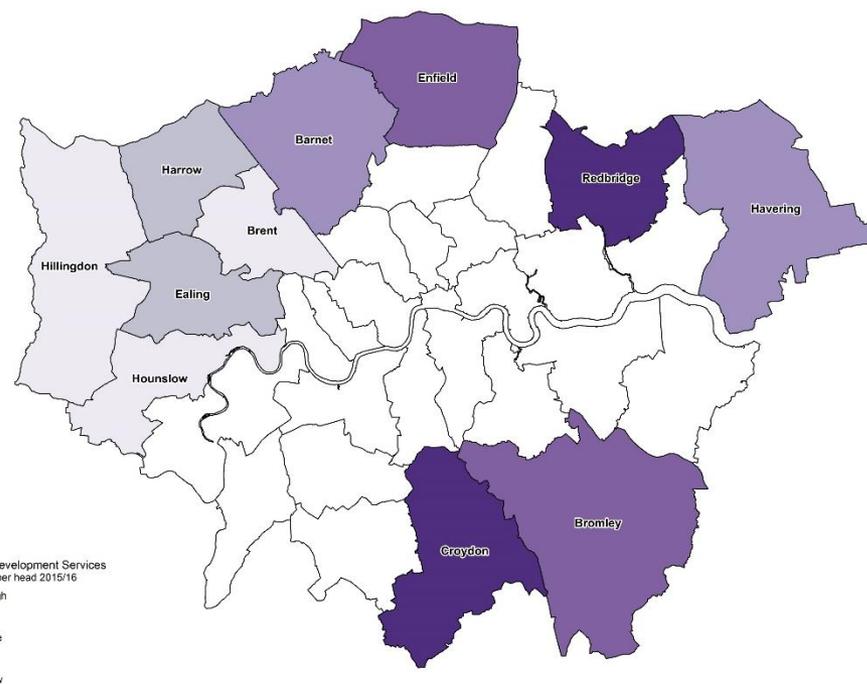
Benchmarked in the context of nearest neighbours

Planning and Development Services

Looking at the ten socioeconomic nearest neighbours, the map and rank table to the right show net expenditure per head of planning and development services in 2015/16. A value per head of population is used to allow for more accurate comparison between areas as they are normalised.

Within the nearest neighbour group the maximum net spend per head is £12.96 and a minimum net spend of £0.37, making a range of £12.58. The average net spend per head of the group is £5.77. As Barnet has the fifth highest net spend on planning and development services in the group (£6.30), the council's net spend is slightly above the group average. The councils with lower net spend than Barnet include Brent (£0.37) and Hounslow (£0.75).

As a result in 2015/16 the London Borough of Barnet had low net spend on planning and development services in a London and average nearest neighbour context.

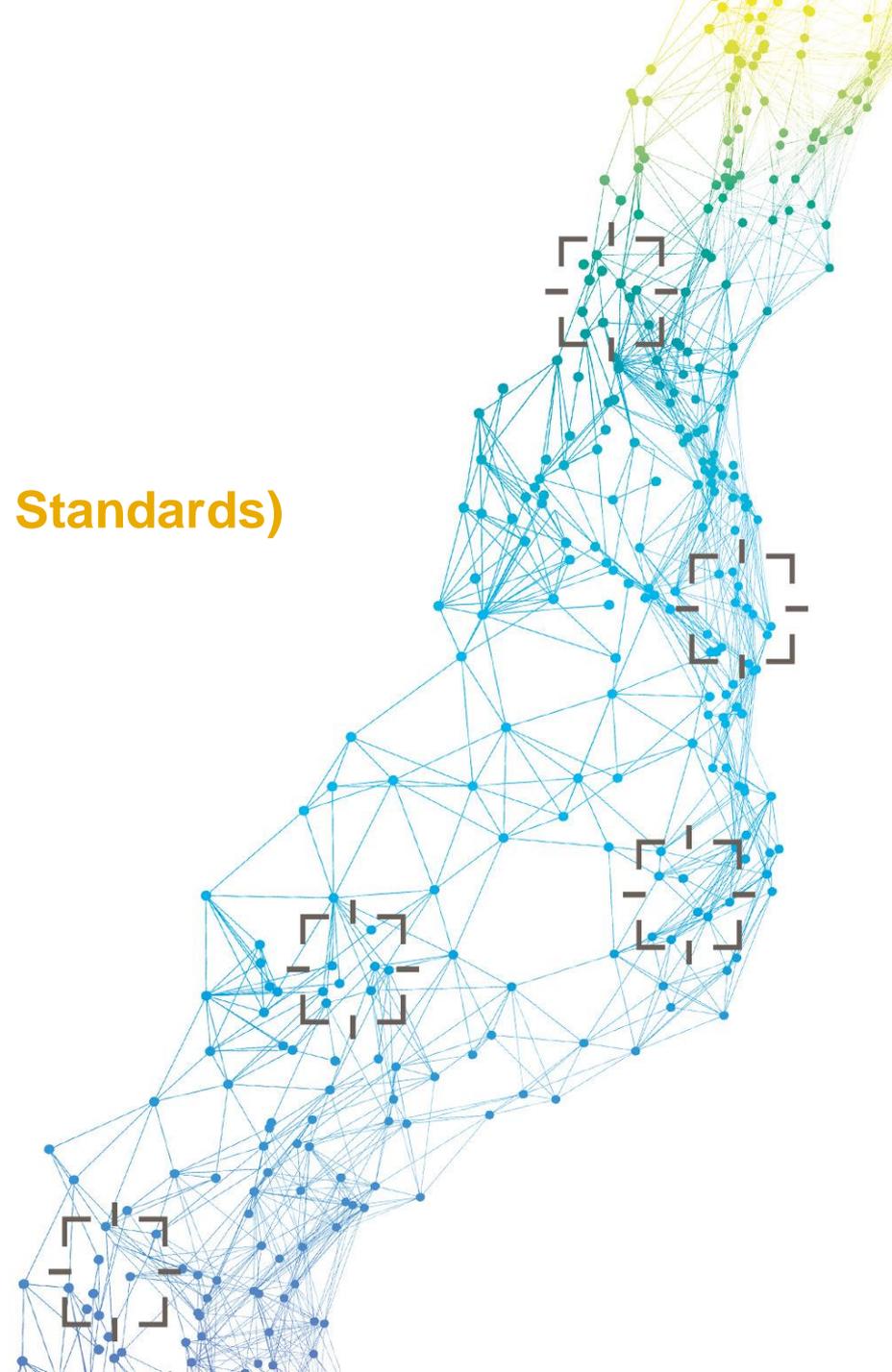


| | London Borough | Net Expenditure /head | London rank |
|----|----------------|-----------------------|-------------|
| 1 | Redbridge | 12.96 | 7 |
| 2 | Croydon | 10.54 | 11 |
| 3 | Enfield | 9.09 | 14 |
| 4 | Bromley | 7.79 | 17 |
| 5 | Barnet | 6.30 | 20 |
| 6 | Havering | 5.70 | 22 |
| 7 | Ealing | 5.10 | 24 |
| 8 | Harrow | 2.79 | 30 |
| 9 | Hillingdon | 2.05 | 31 |
| 10 | Hounslow | 0.75 | 32 |
| 11 | Brent | 0.37 | 33 |

Source: CFO insights: Revenue Outlook 2016, ONS Mid year Population Estimates 2015

Regulatory Services

(Environmental Health and Trading Standards)



Change over time

Regulatory Services: Environmental Health and Trading Standards

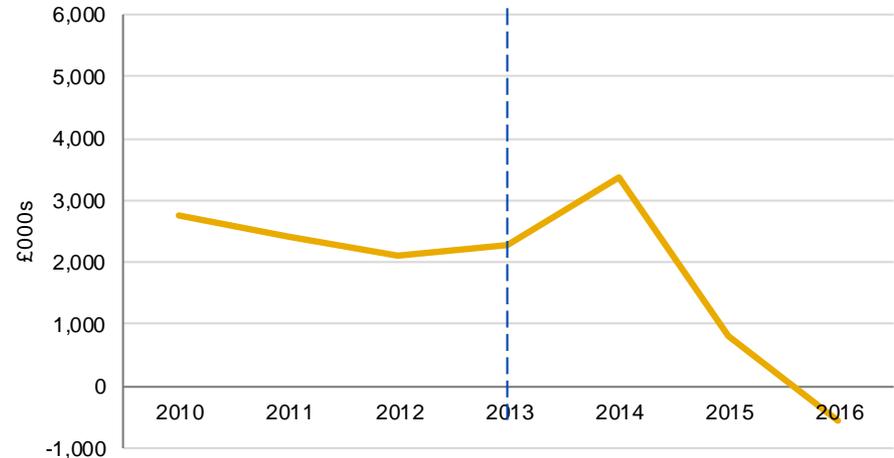
Regulatory services are one of the three benchmarked services provided through RE to the London Borough of Barnet. This section examines how spend on this service has changed over time.

The top line graph to the right shows London Borough of Barnet's net expenditure of regulatory services from 2009/10 to 2015/16 and the bottom line graph shows total income and gross expenditure of regulatory services. The dashed line indicates the year in which the RE joint venture began.

Based on revenue outturn returns submitted to the Department of Communities and Local Government by the London Borough of Barnet it can be seen that income from regulatory services has been relatively consistent from 2012/13 to 2015/16, with an increase of 15% over this period. However, gross expenditure has decreased between 2012/13 and 2015/16 by 57%. This decrease in gross expenditure has resulted in income now covering 130% of gross expenditure in 2015/16, as opposed to just 49% in 2012/13.

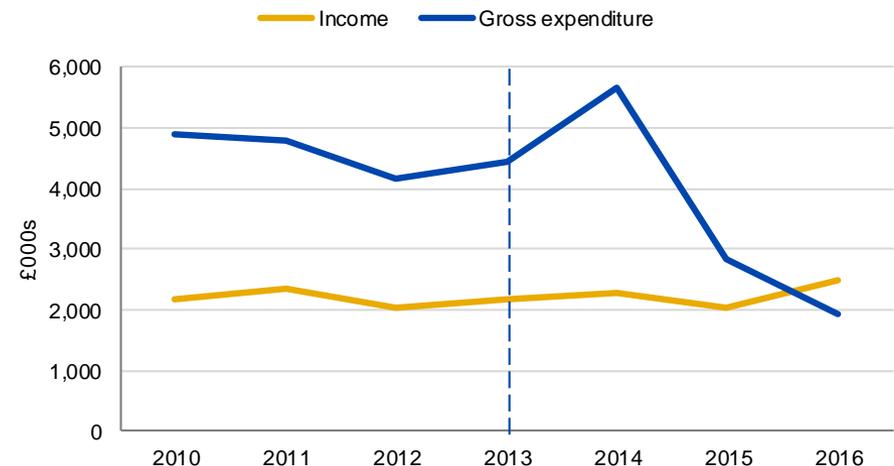
As a result the net expenditure on regulatory services at the London Borough of Barnet has decreased since the commencement of the RE joint venture. There has been a reduction in net expenditure of 125% between 2012/13 and 2015/16 which represents £2.8 million.

Net expenditure: Regulatory Services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Gross Expenditure and Income: Regulatory Services (2009/10 – 2015/16)



Source: CFO insights: Revenue Outturn 2009-2016

Change over time: London context

Regulatory Services: Environmental Health and Trading Standards

When looking at how spend has changed over time it is important to look at this in a wider London context.

The rank tables show net expenditure per head of RE provided regulatory services to the London Borough of Barnet in both 2012/13, before the joint venture began, and in the most recent year 2015/16.

From these rank tables it is clear that overall spend on these services has reduced across London, as the average spend has reduced by 30% from £27.12 per head (2012/13) to £18.90 (2015/16).

The spend on regulatory services by London Borough of Barnet has reduced by 124% (2012/13 – 2015/16) and the rank of the council in the context of London has reduced from 30th (2012/13) to 33rd (2015/16).

2012/13

| Rank | London Borough | £/head |
|------|----------------------|--------|
| 1 | City of London | 481.46 |
| 2 | Westminster | 65.06 |
| 3 | Kensington & Chelsea | 22.45 |
| 4 | Islington | 20.06 |
| 5 | Greenwich | 18.57 |
| 6 | Tower Hamlets | 16.62 |
| 7 | Southwark | 16.29 |
| 8 | Camden | 16.14 |
| 9 | Hammersmith & Fulham | 15.94 |
| 10 | Hackney | 15.84 |
| 11 | Lambeth | 14.14 |
| 12 | Lewisham | 13.02 |
| 13 | Waltham Forest | 12.34 |
| 14 | Enfield | 11.90 |
| 15 | Barking & Dagenham | 11.79 |
| 16 | Hounslow | 11.25 |
| 17 | Sutton | 11.16 |
| 18 | Bromley | 10.36 |
| 19 | Redbridge | 10.15 |
| 20 | Richmond upon Thames | 9.56 |
| 21 | Wandsworth | 8.68 |
| 22 | Newham | 8.59 |
| 23 | Haringey | 7.83 |
| 24 | Kingston Upon Thames | 7.82 |
| 25 | Bexley | 7.81 |
| 26 | Croydon | 7.77 |
| 27 | Havering | 7.12 |
| 28 | Harrow | 7.05 |
| 29 | Merton | 6.40 |
| 30 | Barnet | 6.24 |
| 31 | Ealing | 5.50 |
| 32 | Brent | 5.38 |
| 33 | Hillingdon | 4.67 |

2015/16

| Rank | London Borough | £/head |
|------|----------------------|--------|
| 1 | City of London | 310.05 |
| 2 | Westminster | 37.16 |
| 3 | Kensington & Chelsea | 29.84 |
| 4 | Islington | 21.74 |
| 5 | Hammersmith & Fulham | 18.10 |
| 6 | Southwark | 17.65 |
| 7 | Tower Hamlets | 15.84 |
| 8 | Camden | 14.56 |
| 9 | Greenwich | 13.05 |
| 10 | Hackney | 12.00 |
| 11 | Lambeth | 11.01 |
| 12 | Newham | 10.09 |
| 13 | Waltham Forest | 9.27 |
| 14 | Kingston Upon Thames | 9.21 |
| 15 | Hounslow | 9.00 |
| 16 | Merton | 8.50 |
| 17 | Redbridge | 8.12 |
| 18 | Bexley | 7.90 |
| 19 | Enfield | 6.78 |
| 20 | Richmond upon Thames | 6.34 |
| 21 | Sutton | 6.33 |
| 22 | Bromley | 6.22 |
| 23 | Harrow | 5.35 |
| 24 | Brent | 5.21 |
| 25 | Ealing | 5.08 |
| 26 | Lewisham | 3.68 |
| 27 | Haringey | 3.58 |
| 28 | Havering | 3.52 |
| 29 | Croydon | 3.28 |
| 30 | Wandsworth | 3.12 |
| 31 | Barking & Dagenham | 2.15 |
| 32 | Hillingdon | 1.47 |
| 33 | Barnet | -1.49 |

Source: CFO insights: Revenue Outturn 2013,2016, ONS Mid year Population Estimates 2012,2015

Benchmarked in the context of all London Boroughs

Regulatory Services: Environmental Health and Trading Standards

The rank table to the right shows net expenditure per head on regulatory services in 2015/16 of all 33 London Boroughs. A value per head of population is used to allow for more accurate comparison between areas as they are normalised.

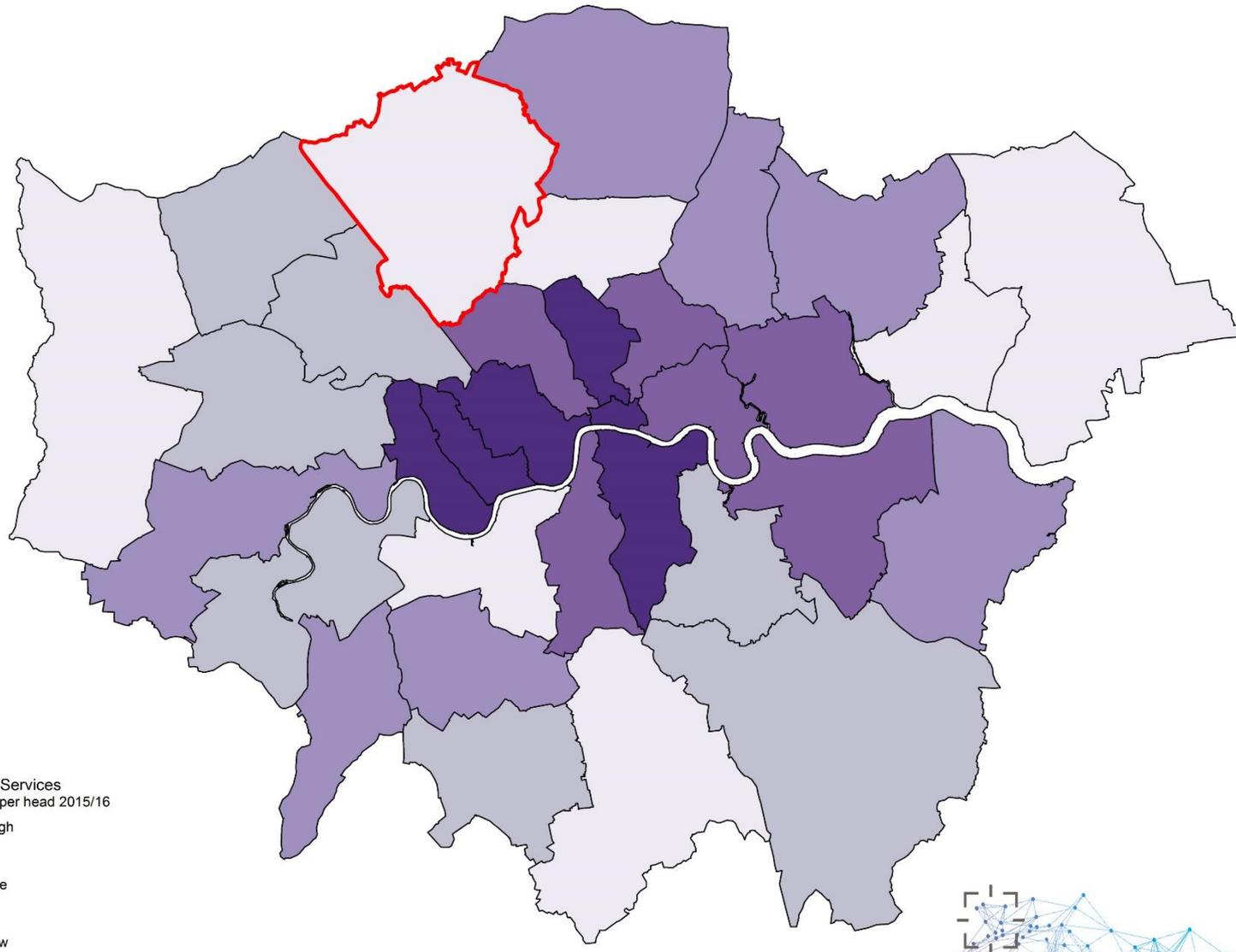
In comparison to all 33 London Boroughs the London Borough of Barnet is ranked 33rd and is therefore bottom of spenders on regulatory services. Consequently, Barnet's spend on these services would be described as 'very low' in a London context.

The map on the following page shows the spatial spread of spend on regulatory services within London. The map illustrates that there is a spatial pattern to spend in London. In general, the Inner London boroughs have higher spend than the outer boroughs on these services.

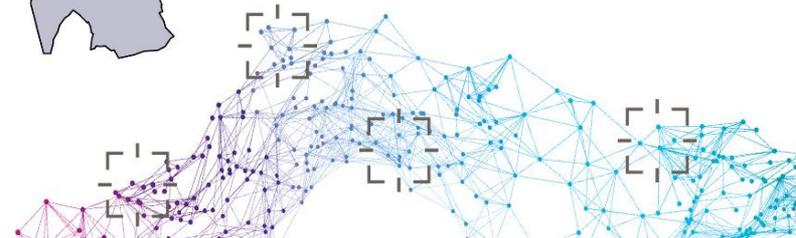
| Rank | London Borough | £/head |
|------|----------------------|--------|
| 1 | City of London | 310.05 |
| 2 | Westminster | 37.16 |
| 3 | Kensington & Chelsea | 29.84 |
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| 29 | Croydon | 3.28 |
| 30 | Wandsworth | 3.12 |
| 31 | Barking & Dagenham | 2.15 |
| 32 | Hillingdon | 1.47 |
| 33 | Barnet | -1.49 |

Source: CFO insights: Revenue Outturn 2016, ONS Mid year Population Estimates 2015

Benchmarked in the context of all London Boroughs



Source: CFO insights: Revenue Outturn 2016, ONS Mid year Population Estimates 2015



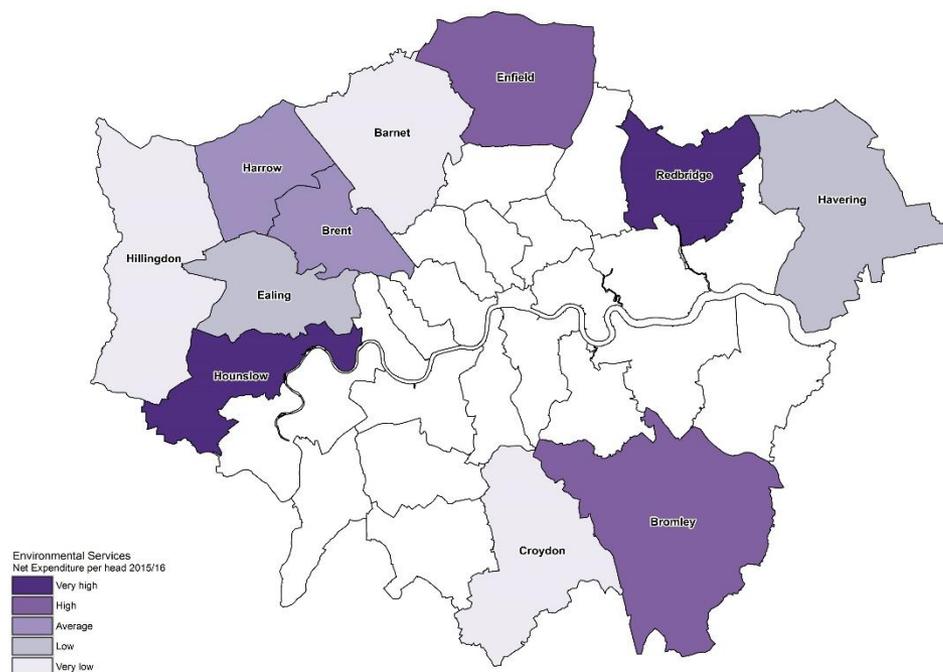
Benchmarked in the context of nearest neighbours

Regulatory Services: Environmental Health and Trading Standards

Looking at the ten socioeconomic nearest neighbours, the map and rank table to the right show net expenditure per head of regulatory services in 2015/16. A value per head of population is used to allow for more accurate comparison between areas as they are normalised.

Within the nearest neighbour group the maximum net spend per head is £9.00, and there is a range of £10.49. The average net spend per head of the group is £4.78. As Barnet has the lowest net spend on regulatory services in the group at -£1.49, the council's spend is below the group average. No other council within the nearest neighbour group has lower net spend than Barnet.

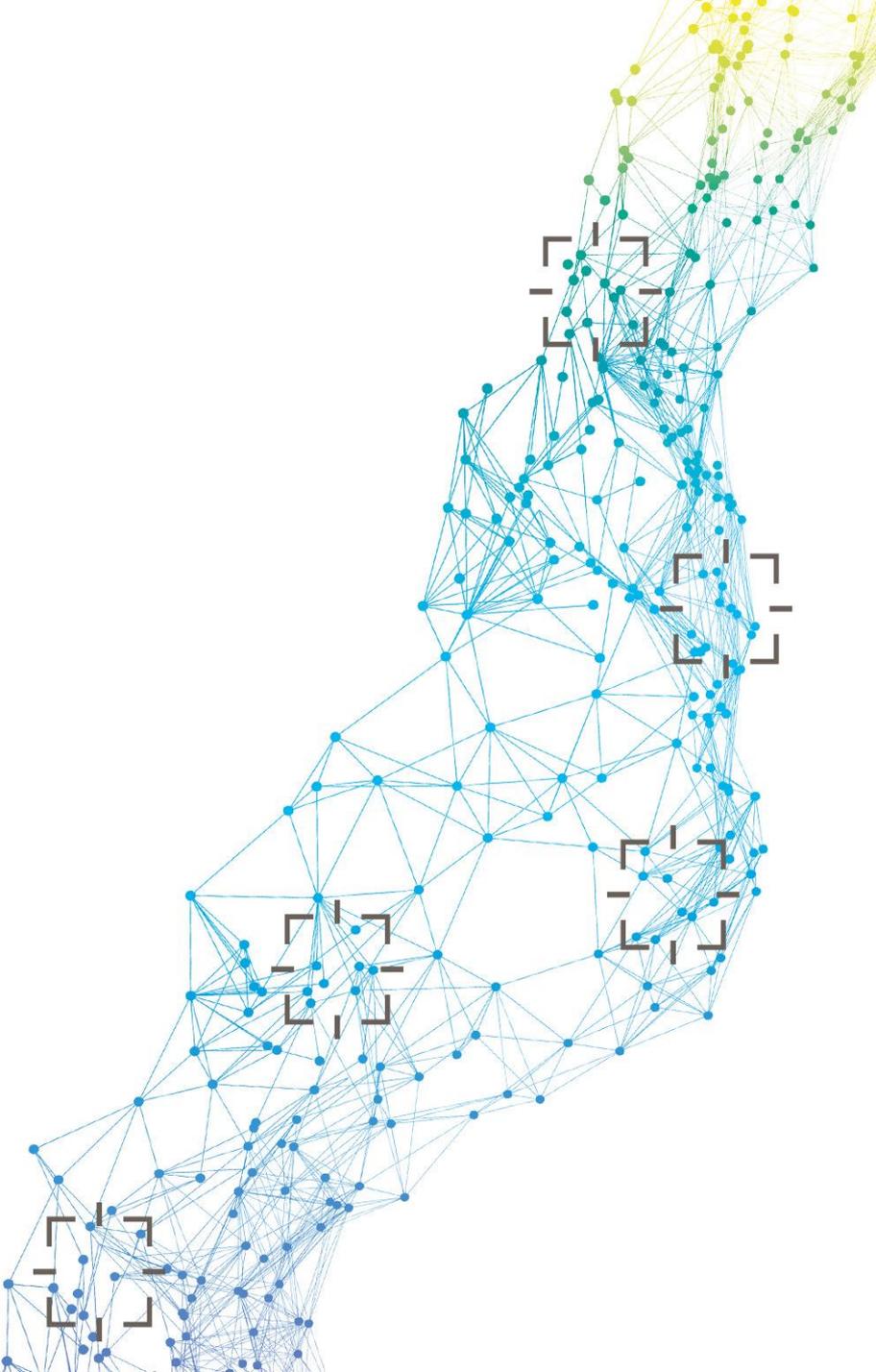
As a result in 2015/16 the London Borough of Barnet had very low net spend on regulatory services both in a London and nearest neighbour context.



| | London Borough | Net Expenditure /head | London rank |
|----|----------------|-----------------------|-------------|
| 1 | Hounslow | 9.00 | 15 |
| 2 | Redbridge | 8.12 | 17 |
| 3 | Enfield | 6.78 | 19 |
| 4 | Bromley | 6.22 | 22 |
| 5 | Harrow | 5.35 | 23 |
| 6 | Brent | 5.21 | 24 |
| 7 | Ealing | 5.08 | 25 |
| 8 | Havering | 3.52 | 28 |
| 9 | Croydon | 3.28 | 29 |
| 10 | Hillingdon | 1.47 | 32 |
| 11 | Barnet | -1.49 | 33 |

Source: CFO insights: Revenue Outturn 2016, ONS Mid year Population Estimates 2015

Stage 2



Stage 2: Setting the scene

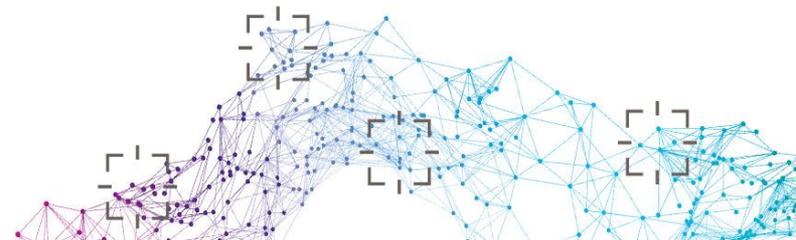
Stage 2 undertakes further benchmarking of London Borough of Barnet ('the Council') against the 'nearest neighbour' London Boroughs. This stage has used the data collected from the bespoke data collection tool to compare the Council with other authorities in terms of standards of delivery, customer satisfaction and prices of service delivery. This information is supplemented by publically available information.

Stage 2 explores the relationships that exist between the indicators such as; does a low net cost of provision lead to poor service delivery standards? The relationships between the indicators have been presented through 'heat-maps' that visualise these relationships.

Stage 2 complements Stage 1 of this exercise by putting the benchmarked data extracted from CFOi into a wider context. This involves identifying where wider factors such as council policy and delivery model at different authorities impacts upon the data and the relationships identified. Putting the data into context is especially important when benchmarking the Council against the 'nearest neighbour' London Boroughs as the Council is the only authority that outsources all of the services included within the scope of the project. The 'nearest neighbour' authorities either deliver the service directly in-house or have one of the services delivered through an alternative delivery model. This means that the benchmarked services for the Council form part of a wider commercial model and this needs to be considered when benchmarking the data.

When benchmarking the standards, customer satisfaction and prices data the context of services being delivered as part of a widerpackage by RE is less relevant. This is because comparing like-for-like for these indicators is much more straightforward. Performance against a KPI or the amount charged for pest control services can be directly compared as these can be isolated from the wider model of service delivery. However, it remains important that the context within which these services are delivered, i.e. authority population characteristics and scale, is considered when benchmarking the data.

¹source: www.barnet.gov.uk



Stage 2: methodology

Scope of the report

The scope of the benchmarking exercise encompassed the following services delivered by RE for the Council;

- Highways (Network Management)
- Highways (Traffic & Development)
- Planning and Development Management
- Regulatory: Environmental Health & Trading Standards

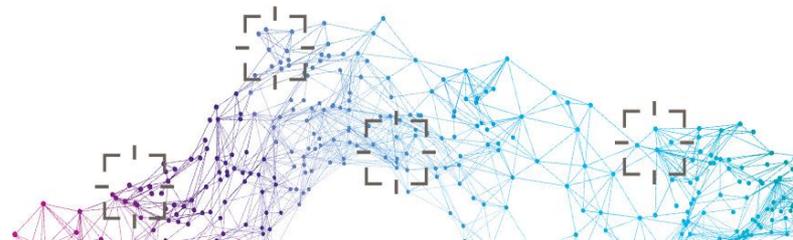
The indicators that these services were to be benchmarked on were defined as:

- Standards – performance measures such as key performance indicators (KPIs) and performance indicators (PIs)
- Customer satisfaction data – feedback from service users over the level of service received
- Prices – the charge levied on the service user for the provision of non-statutory, discretionary services
- Net cost of provision – the net cost of providing a service. This encompasses gross expenditure and gross income.

Establishing baseline data

Establishing the baseline data across the indicators within scope of this exercise was completed as follows;

- 1) **Standards** – Key performance indicators (KPIs) and performance indicators (PIs) used by the Council to measure performance of the RE contract were obtained for the service areas within scope of this exercise. The performance of the KPIs and PIs identified as at end of 2015/16 was taken as the current performance measure for the Council.
- 2) **Customer satisfaction data** – The Council provided customer satisfaction data collected from customers of the service areas in scope of this exercise. Customer satisfaction data is collected on a monthly basis and the 2016/17 performance to the end of February 2017 has been used as the baseline data.
- 3) **Prices** – The Council provided a breakdown of all fees and charges for services delivered within the service areas included in the scope of this benchmarking exercise. This data was used as the baseline for the prices indicator.
- 4) **Net cost of provision** – The baseline data for the net cost of provision was taken from the Stage 1 report. This data had been extracted from statutory returns to the Department of Communities and Local Government.



Stage 2: methodology

Obtaining benchmark data

In order to undertake the benchmarking exercise the proposed approach was to collect the data from the 'nearest neighbour' London Boroughs, defined in chapter 1 of stage 1. Due to the nature of the data required, this necessitated a manual collection method from the other councils. We built a data collection tool based on the structure of the baseline data collected for the Council (see external Appendix 5 for copy of data collection tool). The data collection tool was designed in this manner to ensure that the data collected from the benchmark authorities was comparable with the baseline data. It focused on the standards, customer satisfaction data and prices indicators as the benchmark data for net cost of provision was sourced from statutory returns to the Department of Communities and Local Government. For the indicators included, the data collection tool was designed as follows;

1) Standards – each of the 'nearest neighbour' authorities was asked to provide key performance indicators (KPIs) data that aligned with the KPIs and PIs for the Council. The request was for the KPI target and current performance against this target to ensure the benchmarking of standards could be placed into the appropriate context. In addition to this the data collection tool requested details of any other KPIs used to measure performance in the service areas included in the scope of this exercise. The rationale behind this was to capture any KPIs that other London Boroughs use to assess performance that may be applicable for the Council.

- 2) Customer satisfaction data** - we requested that each of the London Boroughs participating in the data collection exercise provide any customer satisfaction data relating to the service areas included in the scope of this benchmarking exercise. We also requested details on how this data was collected in order to provide us with context of the data. Collecting the data in this manner allowed us to adopt consistent judgement of the data to interpret it in a manner to make it comparable to the baseline data. The subjective nature of customer satisfaction data and the various approaches adopted by the benchmark authorities means that we have attached caveats to the conclusions drawn from this data.
- 3) Prices** – the collection of data relating to fees and charges for services provided was obtained through a combination of the data collection tool and research into publically available information. The data collection tool requested that the London Boroughs provide details of fees and charges for services delivered within the scope of the benchmarking exercise. This information was supplemented with the publically available information taken from the websites of the councils.
- 4) Net cost of provision** - The benchmark data for the net cost of provision was taken from stage 1. This data had been extracted from statutory returns to the Department of Communities and Local Government.

A request to complete the data collection tool was sent to a contact at each of the ten 'nearest neighbour' London boroughs with a deadline for return as close of play on Thursday 23 March 2017. In return for providing this data the benchmark organisations were offered a summary scorecard setting out their own results in the context of anonymised comparators. The results of this data collection can be seen at external Appendix 6.

Stage 2: methodology

Responses to data collection request

The responses received to the data request submitted to the ten 'nearest neighbour' London Boroughs was as follows:

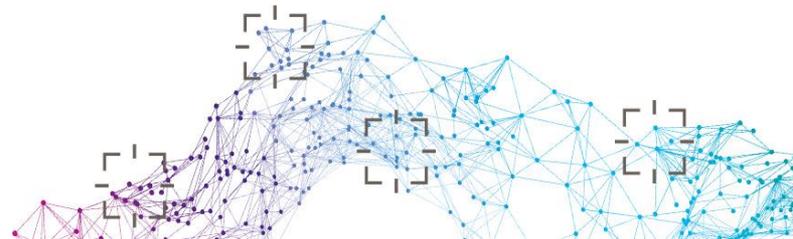
| Nearest neighbour group | Status of data collection request | Grant Thornton response |
|------------------------------|---|--|
| London Borough of Croydon | No return provided. | Publicly available data relating to standards and fees and charges has been collected. |
| London Borough of Hillingdon | Full return received in relation to standards and prices. Confirmed that customer satisfaction data had not been collected since 2007 and therefore this has not been considered relevant for this benchmarking exercise. | N/A as full data return received |
| London Borough of Ealing | Partial return received in relation to standards. Confirmed that KPIs are not monitored quarterly and the departmental KPI dashboards do not measure most of the KPIs relevant to this benchmarking exercise. | Data return has been supplemented by research on publicly available pricing data. |
| London Borough of Enfield | Partial return provided relating to key indicators that have been commented on in Stage 2 of the report. | Publicly available data relating to standards and fees and charges has been collected. |
| London Borough of Redbridge | No return provided. | Publicly available data relating to standards and fees and charges has been collected. |
| London Borough of Hounslow | No return provided. | Publicly available data relating to standards and fees and charges has been collected. |
| London Borough of Harrow | No return provided. | Publicly available data relating to standards and fees and charges has been collected. |
| London Borough of Brent | Declined offer to participate in benchmarking exercise. | Publicly available data relating to standards and fees and charges has been collected. |
| London Borough of Bromley | The service leads for Environmental Health/Trading Standards and Highways have been unable to provide a response due to a lack of available resources. | Publicly available data in relation to fees and charges has been collected. |
| London Borough of Havering | Confirmed that unable to meet deadline to complete full data collection return. Provided a partially completed data request form. | Publicly available information relating to fees and charges has been collected. |

We have been unable to collect data from all Barnet's 'nearest neighbours'. In general we would look for at least three responses. In order to mitigate the non-compliance from the 'nearest neighbours' we have obtained data from publicly available sources. Obtaining this publicly available data has enabled us to benchmark the Council against all ten of the 'nearest neighbour' authorities where possible and has also provided us with assurance over the comparability and reliability of the data. Therefore, we feel that we have mitigated the risk around a lack of completed data returns and the conclusions reached are based on robust data.

Stage 2: methodology

Limitations of analysis

- Where performance data on standards has been collected this has been done so with the knowledge that each local authority monitors KPIs in a slightly different way. To ensure that we had the most comparable data we issued the data collection request based on the KPI structure in place at the Council. Therefore, when completing the data request the benchmark authorities would need to interpret the best fit for the KPIs that they record. This introduces a risk around the data that it is not directly comparable and this must be considered in the conclusions we have drawn. We have attempted to offset this risk by collecting some data from publically available sources based on standardised national returns. This provides us with assurance over the comparability of this data.
- The benchmark cohort identified for this exercise is ten London Boroughs of which we received three responses. Therefore, some of the conclusions are limited due to the data not being available to undertake a comprehensive benchmarking exercise. However, this has been mitigated through the collection and use of publically available data.
- When investigating the relationships between the indicators we have acknowledged that there is no direct relationship between the variables. The analysis indicates that there is some relationship between the variables but it should be noted that there are other factors not included in the analysis that impact upon the relationship.
- Benchmarking of prices is limited as it only compares the fees and charges levied by a local authority. A greater understanding of margins associated with these fees and charges would provide a greater indication of the relationship between the price set and the net cost of providing a service. However, this is not in the scope of this benchmarking exercise and our analysis has acknowledged this.



Regulatory: Environmental Health and Trading Standards



Standards

Regulatory Services: Environmental Health and Trading Standards

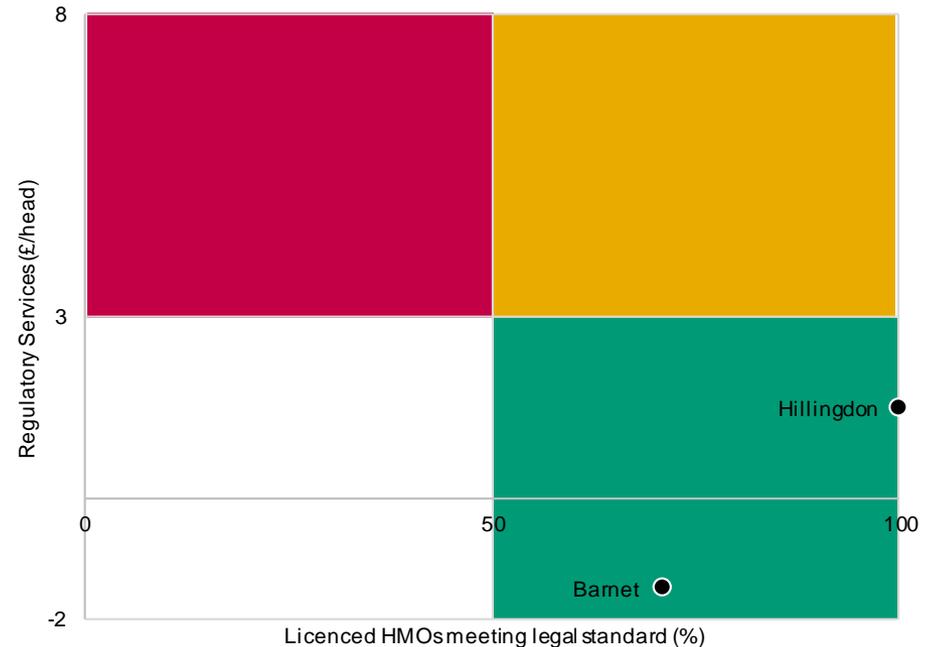
Houses in Multiple Occupation (HMO)

All local authorities have the duty to ensure that HMOs are appropriately licenced. Therefore, each of the 'nearest neighbour' authorities deliver this service through their regulatory function making it an appropriate benchmarking indicator to use. However, local authorities can apply discretion in how these services are delivered, how they are monitored and any charges made for this service.

The percentage of HMOs meeting legal standard is a key performance indicator that is monitored by the Council through the contract with RE. This KPI has been benchmarked against data collected for the 'nearest neighbour' authorities.

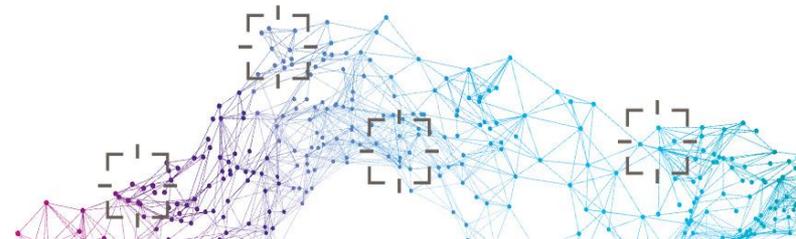
The benchmarking exercise shows that whilst spending less, the Council are not performing as well as the benchmark authority included in the chart to the right. However, this performance must be taken in the context of the KPI targets for each authority. The Council have a target of 60% and are performing at 70.82% whereas London Borough of Hillingdon have a target of 100% and are performing at this target. Therefore, performance at the Council is strong against target and they are spending less to achieve this performance.

Relationship between Regulatory Services (£/head) and proportion of HMOs meeting legal standard (2015/16)



Source: CFO insights: Revenue outturn 2016; Grant Thornton data collection tool

Note: information not supplied by Croydon, Brent, Bromley, Havering, Harrow, Enfield, Ealing, Redbridge and Hounslow



Standards

Regulatory Services: Environmental Health and Trading Standards

Food safety

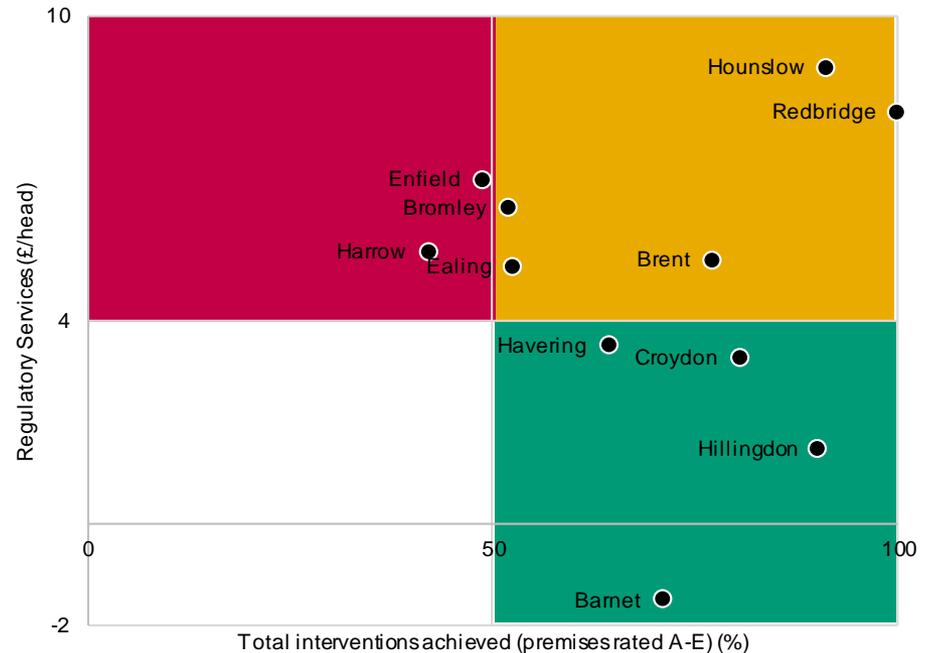
Services relating to food safety are delivered by all local authorities which ensures that this is a comparable benchmark indicator. The data used to undertake this benchmarking has been taken from the publically available Local Authority Enforcement Monitoring System (LAEMS) which is based on annual returns completed by all local authorities. Therefore, the data is widely available, consistent and reliable which makes it suitable for use in the benchmarking exercise.

The LAEMS is an annual return to the Food Standards Agency that every local authority is required to complete. The 2015/16 data has been obtained for each of the ten 'nearest neighbour' authorities and has been benchmarked in the graph to the right.

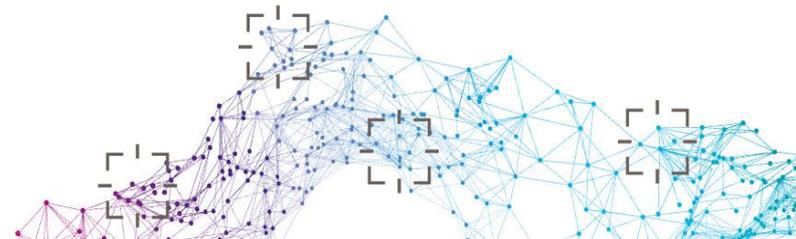
LAEMS is a nationally recognised indicator and this shows that the Council are outperforming the majority of the 'nearest neighbours' when benchmarking the relationship between the outcomes and the costs.

The chart to the right includes interventions in both low (D-E) and high risk premises (A-C). The table on the next page examines variation among the nearest neighbour group for high risk premises.

Relationship between regulatory services (£/head) and total proportion of food safety interventions achieved (2015/16)



Source: CFO insights: Revenue Outturn 2015/16; LAEMS returns from Food Standards Agency 2015/16



Standards

Regulatory Services: Environmental Health and Trading Standards

Food safety (continued)

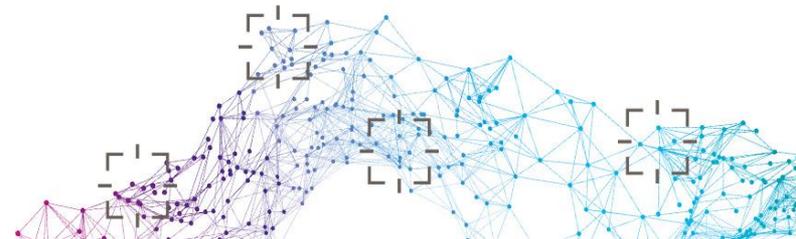
In terms of food safety interventions for premises A-E Barnet was deemed as average in comparison to the nearest neighbour group.

The table to the right looks at high risk premises and the proportion of food safety interventions achieved. Barnet is one of four authorities in the nearest neighbour group that achieve 100% of interventions in premises rated A. However, in terms of premises rated B and C Barnet is average in comparison to the nearest neighbour group for proportion of interventions.

Total proportion of food safety interventions achieved by premise grade (2015/16)

| London Borough | Total % of interventions achieved | | |
|----------------|-----------------------------------|------------------|------------------|
| | Premises rated A | Premises rated B | Premises rated C |
| Barnet | 100 | 62.28 | 81.89 |
| Brent | 73.53 | 80.34 | 75.83 |
| Bromley | 20 | 64.49 | 45.09 |
| Croydon | 50 | 44.44 | 99.3 |
| Ealing | 33.33 | 43.58 | 64.23 |
| Enfield | 96.97 | 46.57 | 47.47 |
| Harrow | 33.33 | 48.15 | 41.11 |
| Havering | 100 | 73.44 | 53.24 |
| Hillingdon | 100 | 99.3 | 87.86 |
| Hounslow | 100 | 97.03 | 88.16 |
| Redbridge | - | - | 100 |

Source: LAEMS returns from Food Standards Agency 2015/16



Standards

Regulatory Services: Environmental Health and Trading Standards

Trading standards

Trading standards forms a core part of the regulatory services delivered by local authorities. Performance within this area is a good indicator of the quality of service delivered. Therefore, we have considered this to be benchmarked in order to understand how effective the benchmarked organisations are delivering regulatory services.

The benchmarking of the Council against 'nearest neighbour' authorities based on this Trading Standards KPI indicates the limitations that are inherent with this benchmarking exercise. The data that was requested from benchmark authorities was structured in a way to align with the way in which the Council record performance standards. This was done to ensure that the data collected was comparable with the baseline data obtained from the Council.

However, as this KPI is not a standard KPI that is recorded in the same manner by all local authorities the benchmark authorities have been unable to provide a comparable KPI. Therefore, when drawing conclusions from this analysis it must be noted that there are certain caveats to the findings. Where KPIs are specific to each authority there is the risk that different ways of recording performance means a lack of meaningful benchmark data.

Proportion of trading standards department interventions within a six month period having a further complaint (2015/16)

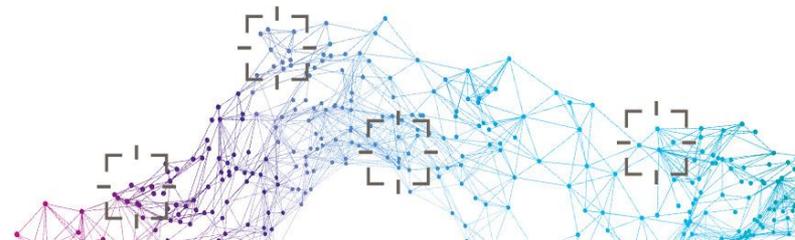
| London Borough | Trading Standards department interventions within a six month period having a further complaint (%) |
|----------------|--|
| Barnet | 0.95% |
| Hillingdon | Response has confirmed that data recovery is not available in this area |
| Ealing | Have confirmed that this KPI is not corporately monitored and the performance framework does not capture this performance. |

Source: Grant Thornton data collection tool

Note: information not supplied by Croydon, Brent, Bromley, Havering, Harrow, Enfield, Redbridge and Hounslow

Therefore, from the available data it is difficult to reach a conclusion on how the Council are performing against trading standards KPIs, owing to the lack of comparator data.

However, using the information detailed in Stage 1 of this report it shows that the Council are delivering Environmental Health and Trading Standards services for a net cost of provision -£1.49 per head of population. This is the lowest cost per head of the whole benchmarking cohort for the delivery of these services.



Prices (Fees and Charges)

Regulatory Services: Environmental Health and Trading Standards

Street Trading

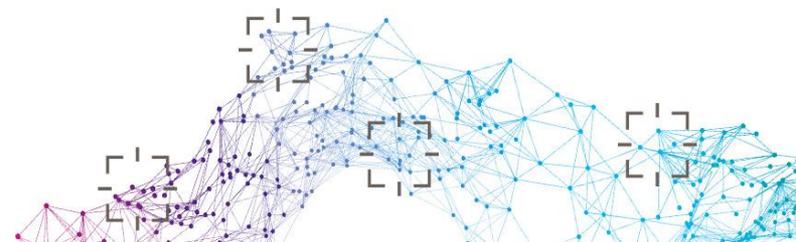
Part of the remit of the regulatory function within local authorities is the granting of licences for street trading. These licences ensure that street traders are appropriately authorised and have undergone appropriate checks. The charge for street trading licences varies between local authorities and the charges levied by the Council and the 'nearest neighbour' authorities are detailed in the table to the right. It should be noted however that each local authority details in a slightly different way, making it difficult to make a direct comparison.

This data shows that the charge levied by the Council for a permanent street trading licence is at the lower end of the scale when compared with the charges levied by benchmark organisations.

Charges levied for street trading permanent trading licences- per annum (2016/17)

| London Borough | Street Trading Charges – Permanent Licence (per annum) |
|----------------|--|
| Barnet | £550 |
| Croydon | £3,905 based on trading for six days per week |
| Hillingdon | £880 |
| Ealing | No information available |
| Enfield | Between £212 and £1,679 dependent upon size of pitch |
| Redbridge | £1,735, £2,310 or £4,620 dependent upon the size of the pitch |
| Hounslow | £106 per square metre of pitch size |
| Harrow | £550 |
| Brent | £74 plus £3 per square metre per day (approximately £800 per annum based on Monday-Friday trading) |
| Bromley | £1,996 for 6 months based on 7 days per week |
| Havering | Between £287.50 and £2,000.60 dependent upon the number of days per week |

Source: Grant Thornton data collection tool, supplemented with data from council websites



Prices (Fees and Charges)

Regulatory Services: Environmental Health and Trading Standards

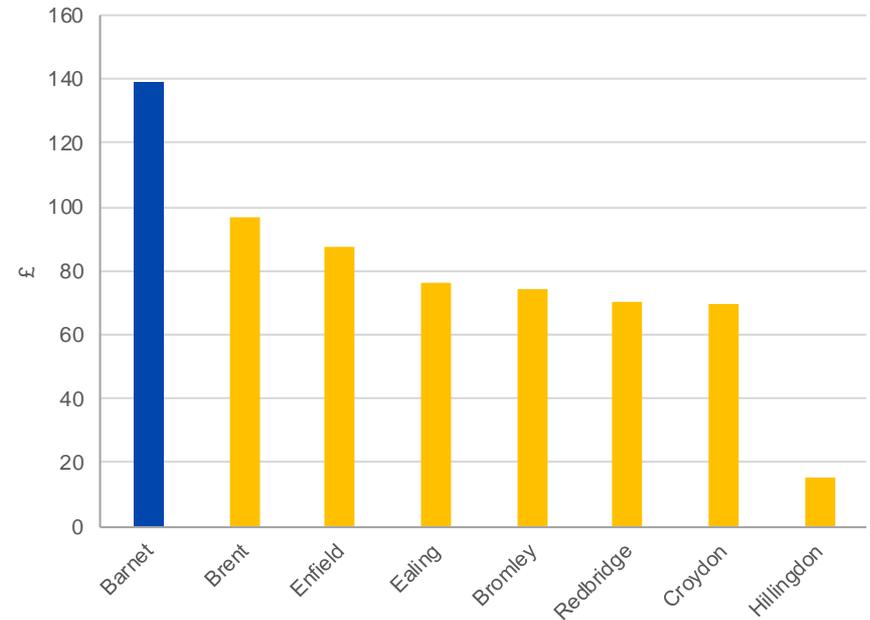
Pest Control

Pest control is a discretionary service offered to residents by a local authority. As this service is discretionary councils are able to charge for the delivery of it. The charge levied differs from council to council and the charges for the benchmark organisations to deliver pest control in relation to rats is shown in the graph to the right.

This shows that the Council have the highest charges for the delivery of pest control services when benchmarked against 'nearest neighbour' London Boroughs. For consistency purposes, the figure that has been used as the basis of the benchmarking is the cost of pest control services not including any discounts offered for council tenants/people in receipt of benefit.

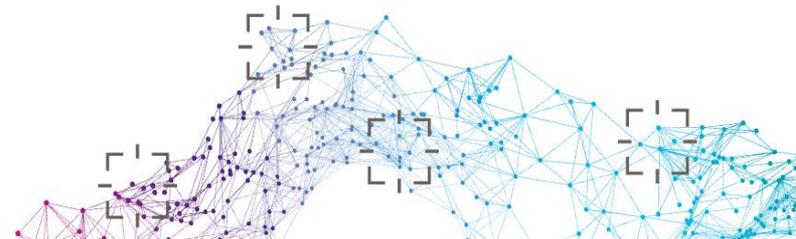
There are limitations to this direct benchmarking as developing an understanding of costs and margins of this service provision would provide greater insight when comparing the performance of the benchmark organisations.

Charge for pest control in relation to rats (non-discounted) (2016/17)

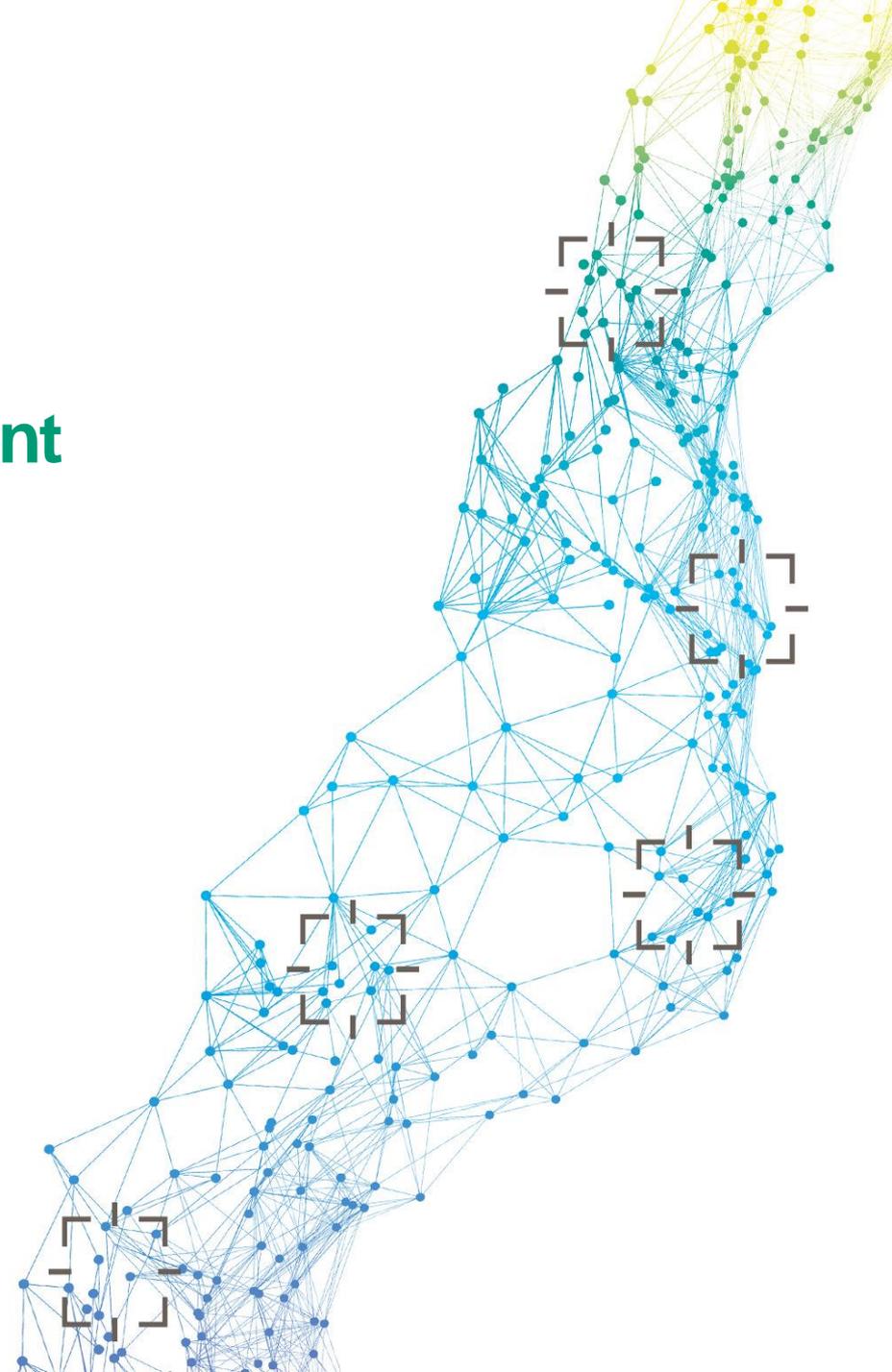


Source: Grant Thornton data collection supplemented with data from council websites

Note: information not supplied by Havering, Harrow and Hounslow



Planning and Development



Standards

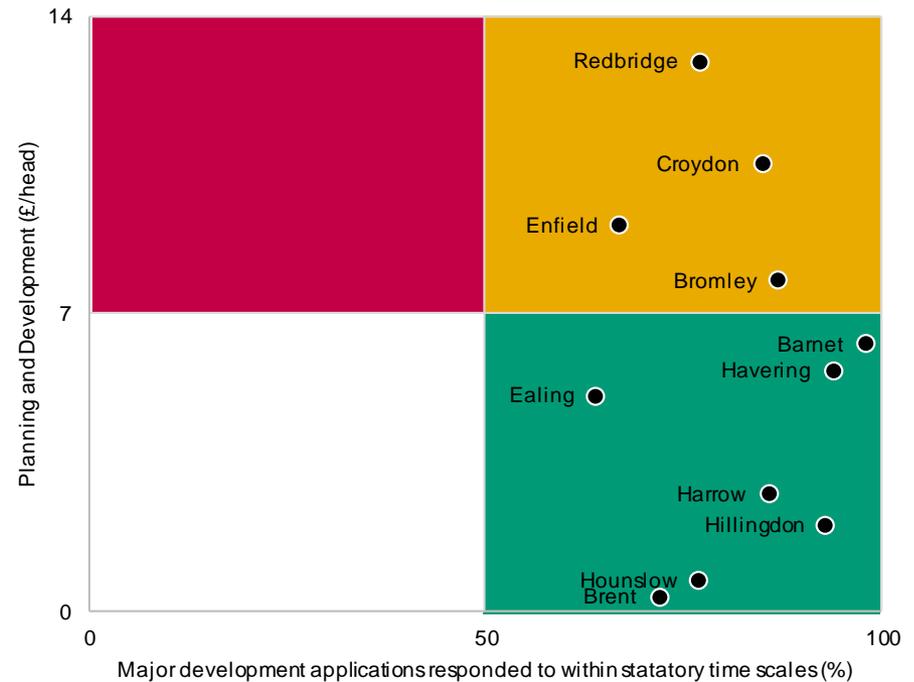
Planning and Development

Application response rate in statutory timescales

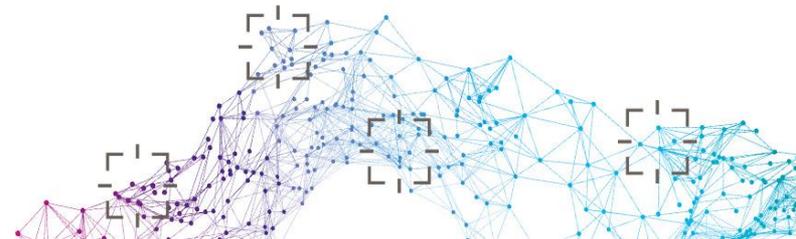
When a local authority receives a planning application it has 13 weeks for major developments and 8 weeks for other developments to inform the applicant of the decision. This is a statutory timescale that all local authorities should adhere to. Therefore, we have considered this to be a good indicator to use when benchmarking the Planning and Development service of the Council with that of the 'nearest neighbour' London Boroughs. The heat-map to the right explores the relationship between performance against this indicator and the net cost of provision for delivering the planning function.

The Council are outperforming all comparator authorities in terms of the percentage of major development applications responded to within statutory timescales. They are delivering this level of performance at an average unit cost in comparison to all of the comparator authorities. This performance has also been delivered in the context of the Council receiving 4,107 planning applications in the year ending December 2016 which is a higher number than any of the 'nearest neighbour' London Boroughs. This pattern is also reflected when looking at minor development and other applications responded to within statutory timescales. The Council deliver good performance within the context of the 'nearest neighbour' group, with the highest number of applications and an average level of spend on planning and development per head of population.

Relationship between planning and development services cost and proportion of major planning applications responded to within statutory timescales (2015/16)



Source: CFO insights: Revenue Outturn 2015/16; Department of Communities and Local Government 2015/16



Standards

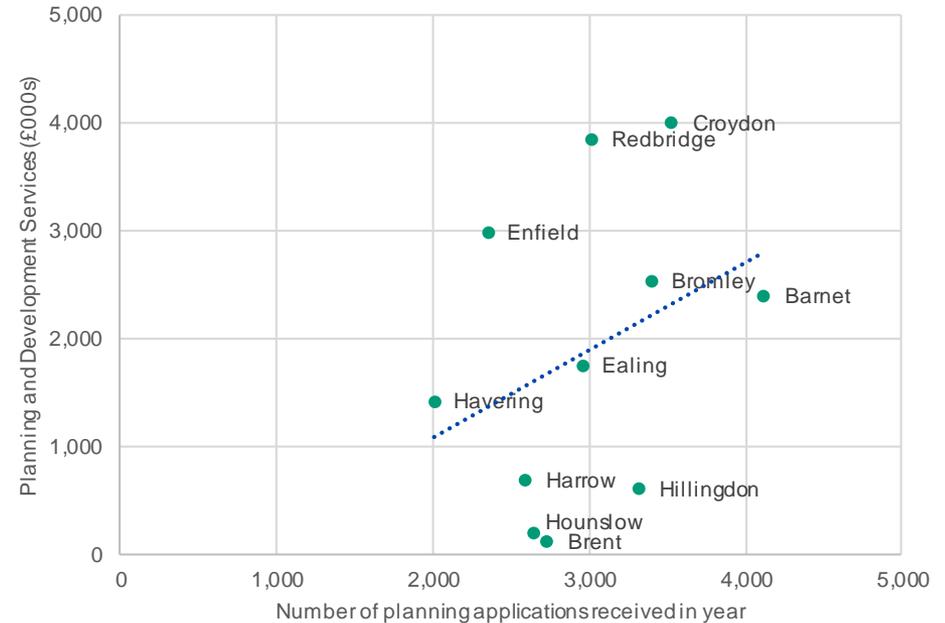
Planning and Development

Planning permissions

The graph to the right shows that there is no positive relationship between the net cost of provision of delivering the Planning & Development service and the number of planning applications received within the nearest neighbour group. Authorities that receive greater numbers of planning applications have higher levels of total spend on planning services.

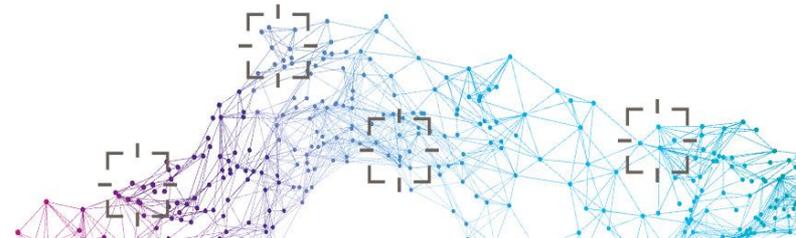
In the year to end of December 2016 the Council dealt with the highest number of planning applications in the nearest neighbour group but did so for a net cost of provision lower than the overall trend for the benchmark authorities. This indicates an efficient delivery of the planning process when compared with 'nearest neighbour' London Boroughs. Six of the benchmark authorities delivered their planning function for a lower net cost of provision than the Council but they delivered this performance on a much lower number of planning applications. Within Barnet there is currently the Brent Cross Cricklewood regeneration scheme which is one of London's major schemes and is amongst the most significant new developments in Europe. A major redevelopment scheme will require significant levels of planning applications and this has been reflected in the data used for the Council and provides context for the number of planning applications received by the council.

Relationship between planning and development net expenditure and number of planning applications submitted (2015/16)



Source: CFO insights: Revenue Outturn 2015/16; www.gov.uk 2016

When bringing together the findings from both pieces of analysis on the previous page it shows that the Council are delivering these planning applications at a high level of performance and for an average cost compared to benchmark authorities.



Prices

Planning and Development

Pre planning application

Within the planning and development function of a local authority the opportunity to generate income exists with the offer of pre-planning application advice. This advice is available to developers prior to the submission of their planning application and it can reduce the likelihood of submitting invalid applications. The pre-application advice is also to help developers understand how planning applications and other requirements could affect their proposal within the local authority planning regime. The following table compares the charges for pre-application advice at the Council with some of the 'nearest neighbour' London Boroughs.

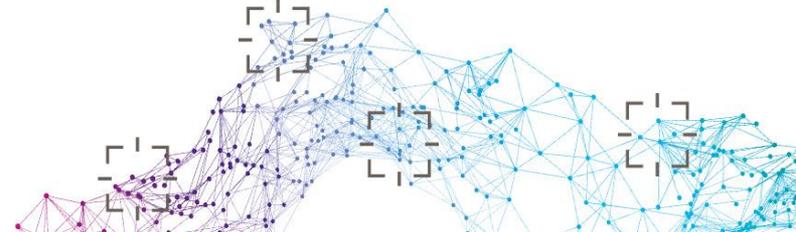
The table to the right shows that, with the exception of London Borough of Brent, the Council charges, in general, the highest price for pre planning application advice. However, when looking at the figures on successful planning applications it shows that the Council has the highest success rate of the comparator authorities.

Charges for pre-application advice (2016/17)

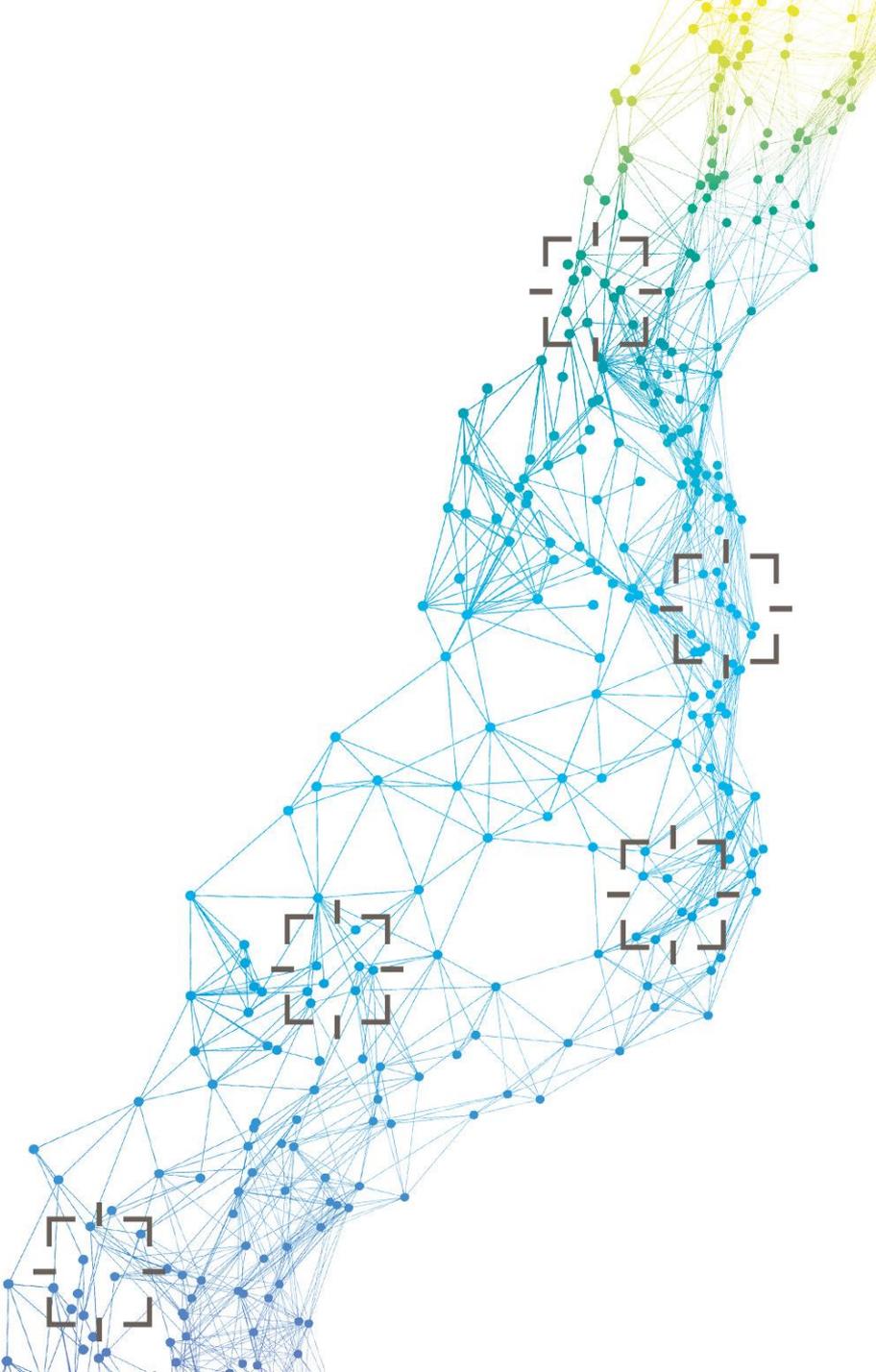
| | London Borough | | | | | |
|---------------------------------------|----------------|------------|--|----------|--------|---------|
| | Barnet | Hillingdon | Redbridge | Hounslow | Harrow | Brent |
| Category A (Complex – 150+ units) | £9,639 | £4,200 | £3,000 + £30 per additional unit over 100 units) | £7,200 | £6,000 | £12,000 |
| Category B (Complex- 25+ units) | £5,355 | £3,000 | £3,000 | £6,200 | £4,000 | £9,000 |
| Category C (Major – 10-24 units) | £2,677 | £2,280 | £1,500 | £4,200 | £2,500 | £4,800 |
| Category D (Minor – 2-9 units) | £1,606 | £1,000 | £700 | £1,700 | £1,100 | £1,800 |
| Category E (1 residential unit) | £285 | N/A | £350 | £500 | £500 | £960 |
| Category F (Small scale development) | £223 | N/A | N/A | £200 | £250 | £360 |
| Category G (Householder development) | £122 | N/A | N/A | £160 | £250 | £240 |
| % of successful planning applications | 79% | 70% | 73% | 70% | 68% | 75% |

Source: <https://www.gov.uk/government/statistical-data-sets/live-tables-on-planning-application-statistics> – Table P134) 2016/17

Note: information not supplied by Croydon, Bromley, Havering, Enfield and Ealing



Highways and Transport



Standards

Highways and Transport

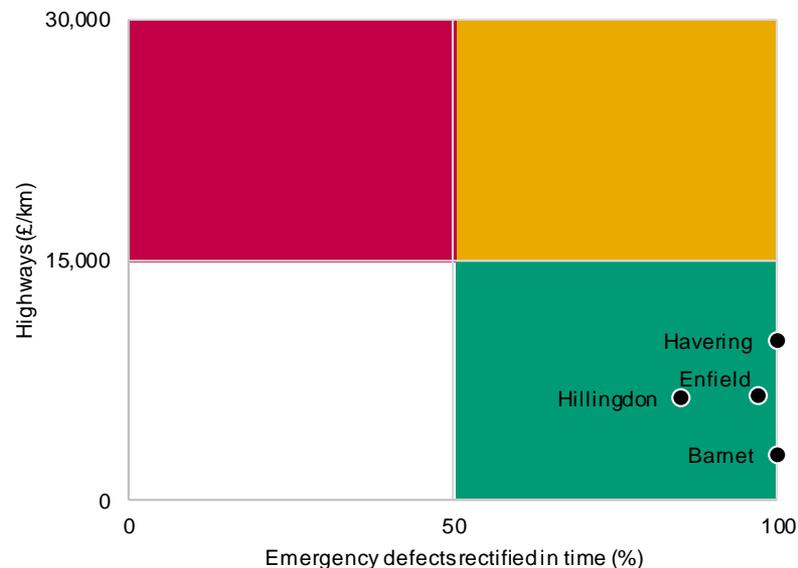
Emergency road repairs

Repairing roads is a major cost to local authorities and the performance in achieving this is important in understanding the quality of service delivered by a highways and transport function. The Council measure the percentage of emergency defects that have been rectified within the appropriate timescale. The KPI is for 100% of these repairs to be completed within the appropriate timescale. As the repairing of roads is a major cost incurred by local authorities considering the relationship between net cost of provision and achievement against this KPI will give an idea of how well a service is performing relative to the cost of delivering the whole service. However, this is not a direct relationship and it is important to acknowledge that repairing roads is only one element of expenditure incurred by highways and transport and therefore there are some limitations to this analysis.

As the 'heat map' shows, the Council are delivering 100% of their emergency defect repairs within the required timescale. Therefore, the service being delivered under the DRS contract are meeting the KPI indicator. When performance is benchmarked against the comparator authorities it shows that the London Borough of Barnet has both high performance and low net cost in comparison to the comparator group.

Further reinforcement of this positive performance includes the fact that the London Borough of Hillingdon are delivering their repairs against the KPI at approximately 85%. However, the target for London Borough of Hillingdon is 100% so they are not meeting their required target, as well as running at a higher cost than Barnet.

Relationship between highways and transport (£/km) and proportion of emergency defects rectification completed on time



Source: CFO Insights: Revenue outturn 2016; Grant Thornton data collection tool

Note: information not supplied by Croydon, Brent, Bromley, Harrow, Ealing, Redbridge and Hounslow

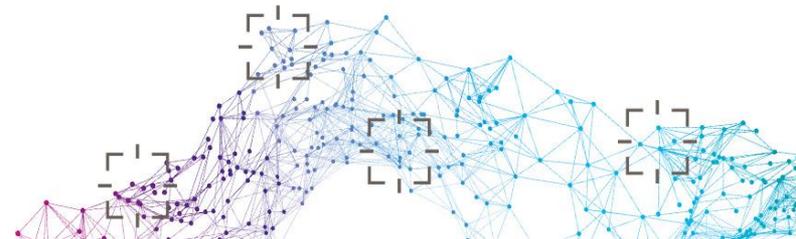
Furthermore, the initial data shows that London Borough of Havering are also performing well, rectifying 100% of emergency defects within the appropriate timescale. However, further investigation confirms that the 'completed on time' for London Borough of Havering is within 24 hours. For the Council an emergency defect is rectified on time if completed within 2 hours from being reported. Therefore, the Council's KPI is based on a much shorter timescale than that of Havering.

Standards

Highways and Transport

Emergency road repairs

The data collection has also identified that one of the comparator authorities, London Borough of Ealing, does not record KPIs in relation to emergency defects rectification. Therefore, this demonstrates that the way in which KPIs are recorded at the Council are best practice as this measuring of performance is not replicated by 'nearest neighbour' authorities. Having the ability to measure performance is key to understanding the effectiveness of delivering a service.



Standards

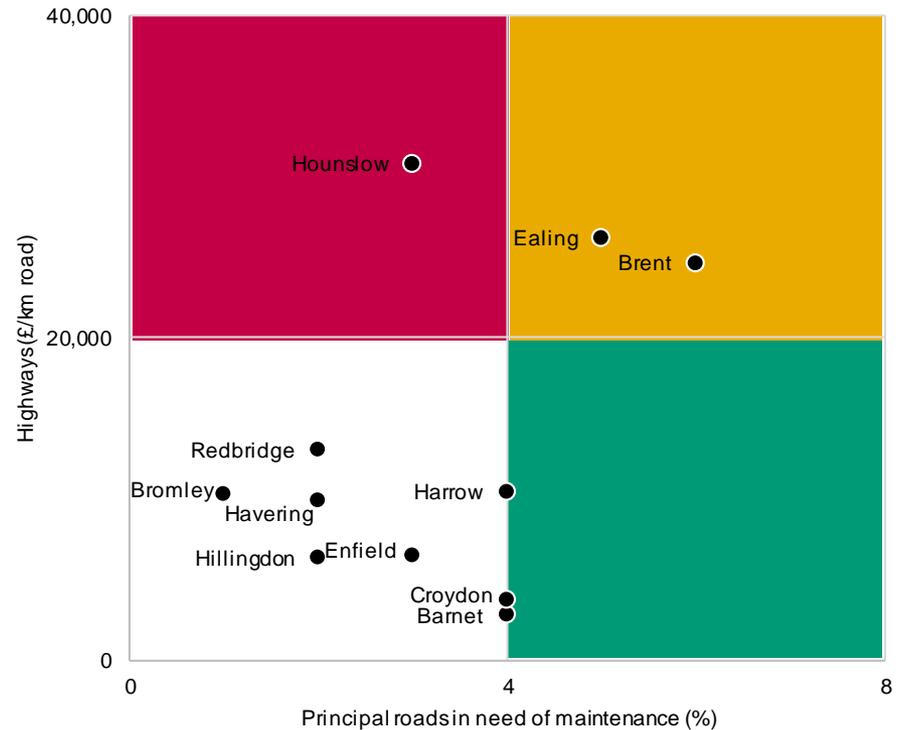
Highways and Transport

Road Maintenance

A key service delivered by a Highways function is the maintenance of key transport routes within the local area.

The chart (see right) explores the relationship between the cost of provision per kilometre of road and the proportion of principal roads in need of maintenance. This shows that the Council is being outperformed by Redbridge, Enfield, Havering, Bromley and Hounslow who have a lower percentage of principal roads requiring maintenance. However, they are delivering this performance at a higher unit cost. Harrow and Croydon are delivering the same level of performance at a higher unit cost. Both Ealing and Brent are being outperformed by the Council in terms of percentage of roads needing maintenance and delivering service at a lower unit cost.

Relationship between highways and transport unit cost (£/km of road) and proportion of principal roads in need of maintenance (2015/16)



Source: CFO Insights: Revenue outturn 2015/16; Department of Transport 2015/16

Standards

Highways and Transport

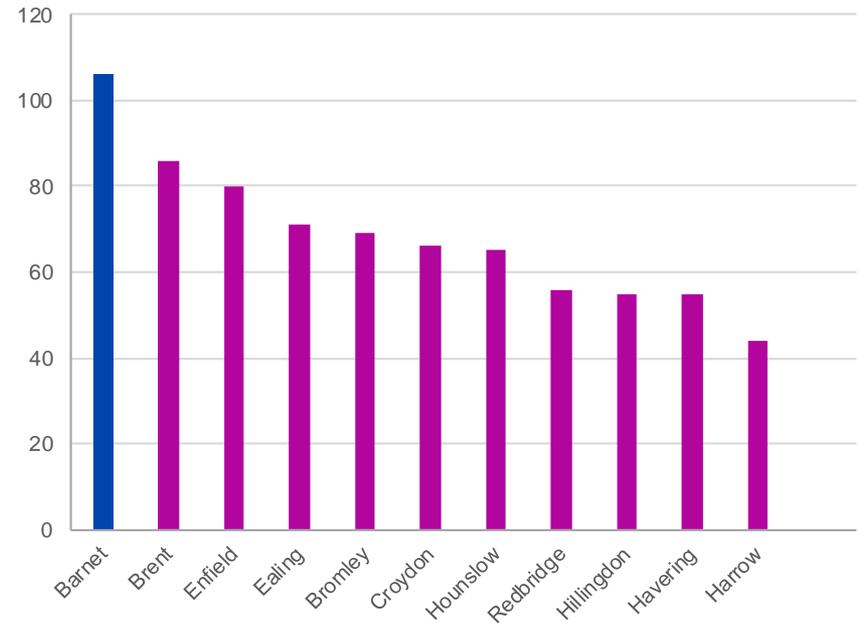
Road injuries

All London Boroughs are required to submit Local Implementation Plan (LiP) KPIs to Transport for London (TfL). This requirement is set under Section 145 of the GLA Act 1999 and outlines how the borough intends to contribute to the implementation of the Mayor's Transport Strategy (MTS). These KPIs are publically available from TfL and are available for all of the London Boroughs identified as 'nearest neighbours' to the Council. The graph to the right shows that of the benchmark authorities, the Council has the highest average number of people killed or injured on their roads.

However, it is important to place this data into a wider context so that there is a clearer picture on performance of the service area. From the LiP data held by TfL there is also information on the proportional change in number of people killed or seriously injured between the 2005-2009 average and 2015 (see table on next page).

This data shows that the Council have reduced the number of deaths and serious injuries on their roads by 37% over the period in question. This is mid-range performance when compared with the benchmark authorities. However, it does indicate that, historically, the Council had a higher number of deaths and serious injuries on their roads and it can be expected that the average number in 2013/2014/2015 is higher than that of the benchmark authorities.

Average number of people killed or seriously injured (average over three years – 2013/2014/2015)



Source: Transport for London (2016)

Standards

Highways and Transport

Road injuries

Of the 'nearest neighbour' benchmark authorities, London Borough of Ealing has seen a significant reduction in the number of people killed or injured on its roads between 2009 and 2015. The 52% reduction in this is possibly a reflection of the fact that the London Borough of Ealing see road safety as a priority with the cabinet member for transport stating that they "want Ealing's roads to be the safest in London...".¹ This has seen a number of initiatives introduced on the roads of Ealing. These include;

- Undertaking a one-year road safety trial in five wards of Ealing. This has seen speed limits set at 20mph.
- Increased numbers of pedestrian crossings
- Cycle training for both children and adults
- Wider pavements in certain areas
- Changes to road layouts to reduce speeding and dangerous parking.

These initiatives appear to have contributed to the successes of London Borough of Ealing in reducing road deaths.

The Council have also introduced initiatives to combat the number road deaths. An example of this is the introduction of the Videalert system to enforce an number of moving traffic contraventions². However, when benchmarked against the 'nearest neighbours' there are still improvements that the Council can make and there is the potential to learn from the achievements of benchmark organisations such as London Borough of Ealing.

% change in number of people killed or seriously injured between 2005-2009 average and 2015

| London Borough | % change | Ranking |
|----------------|------------|----------|
| Croydon | -54 | 1 |
| Ealing | -52 | 2 |
| Bromley | -45 | 3 |
| Hounslow | -41 | 4 |
| Hillingdon | -39 | 5 |
| Redbridge | -38 | 6 |
| Barnet | -37 | 7 |
| Enfield | -35 | 8 |
| Havering | -32 | 9 |
| Brent | -23 | 10 |
| Harrow | -21 | 11 |

Source: *Transport for London (2016)*

¹ <http://ealingnewsextra.co.uk/features/roads-taking-steps-to-safety/>

² <https://www.asmag.com/showpost/22299.aspx>

Prices

Highways and Transport

Licences

The highways department of a local authority is responsible for granting licences to developers who wish to erect any sort of structure (i.e. scaffolding) over a public highway. A charge is levied for this licence and the fee for this varies from authority to authority. The table to the right shows the charges levied by the Council and each of the 'nearest neighbour' London Boroughs. This data shows that the charge levied by the Council for this licence is at the lower end of the scale when compared with the charges levied by the nearest neighbour councils.

Vehicle Crossovers (Dropped Kerbs)

Where a resident wants a dropped kerb to be installed they have to submit an application request to their local council. There is a fee associated with this application and the charge levied by the Council is benchmarked against comparator authorities on the graph to the right.

This data shows that the charge levied by the Council is higher than all bar one of the comparator authorities. As previously noted, there are limitations to this direct benchmarking. Developing an understanding of costs and margins of this service provision would provide greater insight when comparing the performance of the benchmark organisations.

When considering the data collection in relation to prices it was considered to exclude any fees and charges set centrally. Charges such as those set by Transport for London (TfL) are the same across all authorities. Therefore, with the absence of information on costs and margins there would be no value in benchmarking these fees and charges.

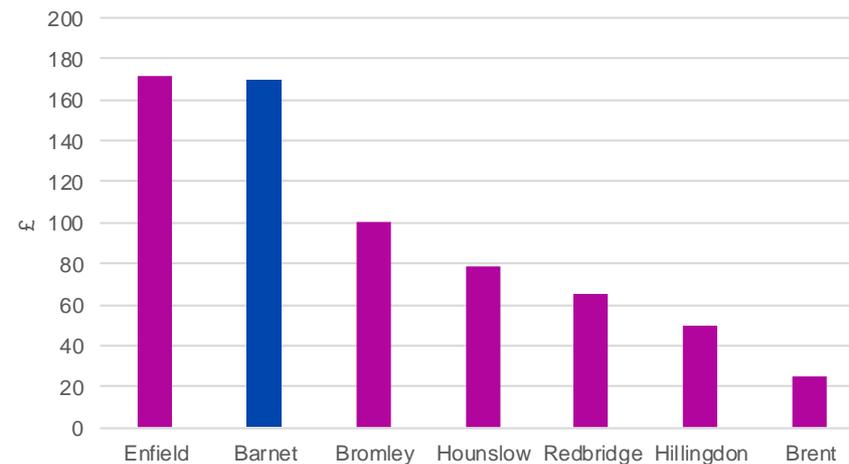
Charges for licence to erect or retain on or over a highway any scaffolding or other structure (2016/17)

| London Borough | Charge for licence to erect or retain on or over a highway any scaffolding or other structure |
|----------------|---|
| Hounslow | £100 |
| Enfield | £100 plus £21 per square metre |
| Barnet | £173 |
| Hillingdon | £185 |
| Ealing | £160-£310 |
| Redbridge | £200 |
| Brent | £200 |

Source: Grant Thornton data collection tool supplemented with data from Council websites.

Note: Data unavailable for Croydon, Harrow, Bromley and Havering

Charge for vehicle crossover application (2016/17)



Source: Grant Thornton data collection tool supplemented with data from Council websites.

Note: Data unavailable for Croydon, Harrow, Ealing and Havering

Customer satisfaction

The Council measure their customer satisfaction key performance indicators (KPIs) annually with quarterly reports issued on progress. Customer satisfaction data is collected through the use of a SurveyMonkey survey being emailed out to customers at either the end of the month or the closure of a service request. Customers rate the service they have received as between 1 (Very Poor) and 5 (Very Good) against ten core questions. These questions are;

- 1) How easy was it to find the information you needed to contact us?
- 2) How easy was it to make contact with us once you found the information?
- 3) Were the staff you dealt with courteous and polite?
- 4) Did the staff you dealt with act in a professional manner?
- 5) Were the staff you dealt with knowledgeable?
- 6) Did you feel we fully understood your request?
- 7) Thinking of the service provided what score would you give?
- 8) Did we keep you fully informed throughout the process?
- 9) Did we explain clearly what would happen next, including timescales?
- 10) Overall, how would you rate your experience of the service?

The KPI scores are then based on the proportion of customers that score the service delivered by RE as either 4 (Good) or 5 (Very Good). Therefore, the Council are able to access timely and detailed information on how satisfied residents accessing the services delivered under contract by RE are. The customer satisfaction data for the Council is available broken down by service area and as an assessment of overall customer satisfaction of Re Ltd.

| Service area | Target | Customer satisfaction for 2015/16 |
|--|--------|-----------------------------------|
| Planning and Development | 69.88% | 66% |
| Regulatory: Environmental Health and Trading Standards | 72% | 77% |
| Highways and Transport | 43% | 43% |
| Re Ltd – Overall customer satisfaction | 55% | 56% |

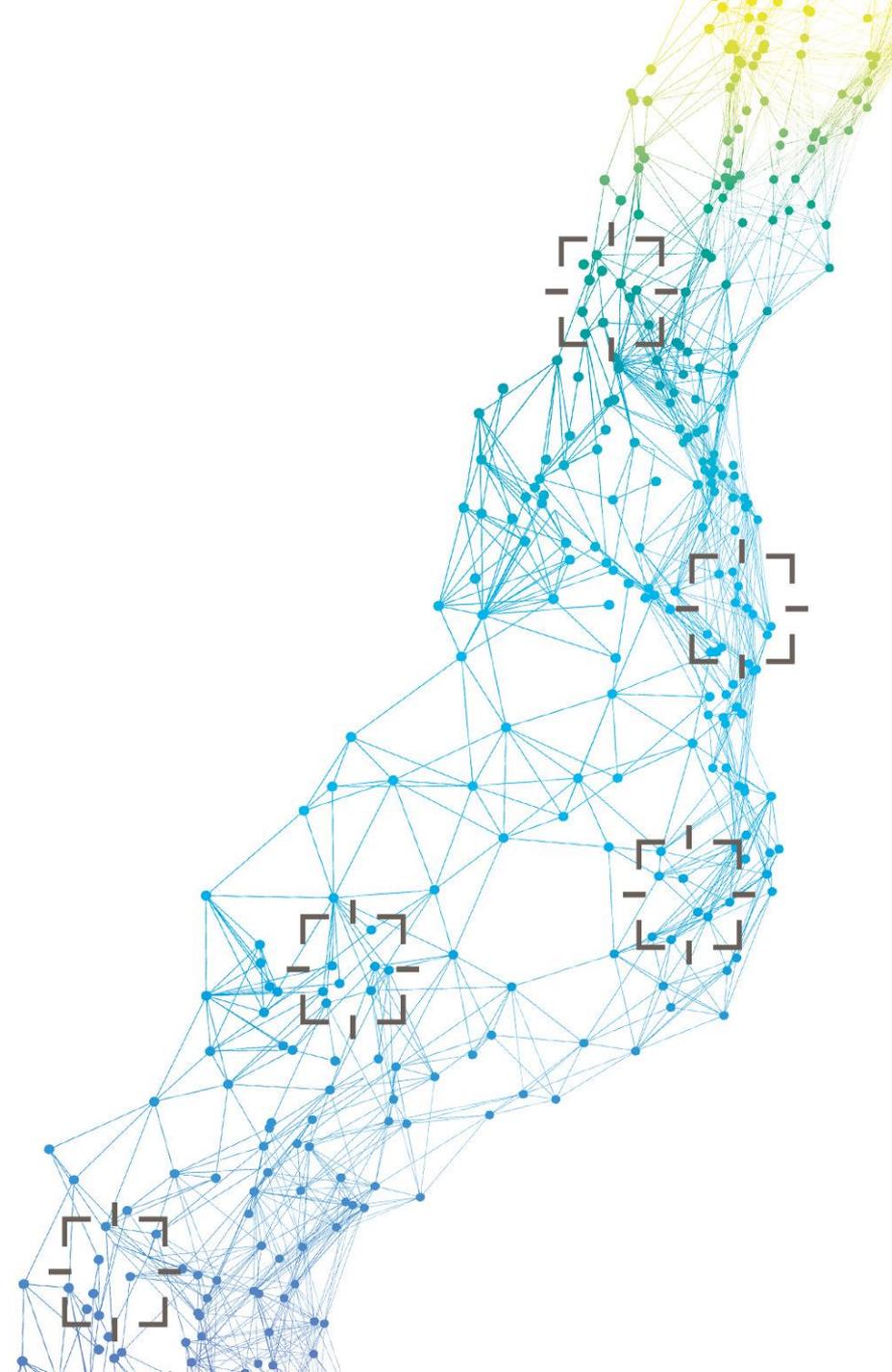
Source: LBB

The table (above) shows that RE met their targets for 2015/16 in relation to customer satisfaction, with the exception of planning and development. However, the level of satisfaction in 2015/16 for this service was an improvement on the previous year (65%).

The responses we received from the 'nearest neighbour' London Boroughs demonstrated that the Council have a comparatively favourable grasp of their customer satisfaction data compared to the benchmark authorities. London Borough of Ealing confirmed that customer satisfaction data for the services included in the scope of this report has not been collected since 2007. Therefore, there is no timely and comparable information available from London Borough of Ealing to benchmark against. This response was replicated by London Borough of Enfield and London Borough of Havering who advised that they did not have readily accessible customer satisfaction data to provide us with.

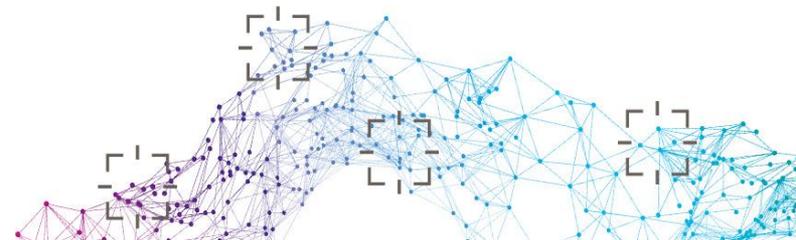
Appendices

NB: Appendix 5 and 6 are provided separately to this report



Appendix 1: Socio-economic profile measures

| Indicator | Description | Source | Coverage |
|--------------------|--|-------------------------------------|------------|
| Age 0-15 (%) | Proportion of total resident population aged 0-15 | Mid year population estimates | 2015 |
| Age 16-64 (%) | Proportion of total resident population aged 16-64 | Mid year population estimates | 2015 |
| Age 65+ (%) | Proportion of total resident population aged 65+ | Mid year population estimates | 2015 |
| Population | Total resident population | Mid year population estimates | 2015 |
| Deprivation | The Index of Multiple Deprivation (IMD) is an overall relative measure of deprivation constructed by combining seven domains of deprivation. | The English Indices of Deprivation | 2015 |
| Full Time Earnings | The average (median) annual earnings, gross of tax for full-time employees who reside in the area. | Annual Survey of Hours and Earnings | 2016 |
| Employment Rate | Proportion of population aged 16-64 in employment | Annual Population Survey | 2015- 2016 |
| Area (hectares) | The hectares that local authority covers | Census | 2011 |
| Road length | Total road length in the area (kilometres) | Department for Transport | 2015 |



Appendix 2: RE provided services

Figures labelled as 'benchmarked services' are an aggregation of service lines including:

Highways and Transport

- Highways maintenance planning, policy and strategy
- Public and other transport planning, policy and strategy
- Structural maintenance - principal roads
- Structural maintenance - other LA roads
- Structural maintenance - bridges
- Environmental, safety and routine maintenance - principal roads
- Environmental, safety and routine maintenance - other LA roads
- Winter service
- Road safety education and safe routes (including school crossing patrols)
- Other traffic management

Regulatory: Environmental Health and Trading Standards

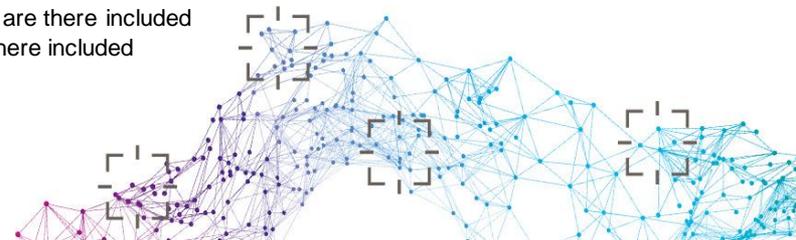
- Cemetery, cremation and mortuary services*
- Trading standards
- Water safety
- Food safety
- Environmental protection; noise and nuisance
- Pest control
- Public conveniences
- Animal and public health; infectious disease control
- Licensing** - Alcohol and entertainment licensing; taxi licensing

Planning and Development

- Building control
- Development control
- Conservation and listed buildings planning policy
- Other planning policy
- Environmental initiatives

*Mortuary services are not part of the RE contract but cannot be split out from this service line and are there included

**Taxi licensing are not part of the RE contract but cannot be split out from this service line and is there included



Appendix 3: Change over time data

| £000s | London Borough of Barnet | | | | | | |
|---------------------------------|--------------------------|---------|---------|---------|---------|---------|---------|
| | 2009/10 | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 |
| Highways | | | | | | | |
| Net Expenditure | 16,386 | 5,353 | 2,533 | 2,176 | 1,965 | 877 | 2,143 |
| Income | 2,341 | 2,325 | 3,033 | 3,629 | 4,943 | 6,655 | 5,602 |
| Gross Expenditure | 18,728 | 7,679 | 5,566 | 5,805 | 6,908 | 7,532 | 7,745 |
| Planning and Development | | | | | | | |
| Net Expenditure | 3,547 | 4,394 | 3,891 | 3,607 | 1,148 | -1,864 | 2,393 |
| Income | 4,461 | 4,261 | 3,467 | 4,036 | 6,613 | 12,212 | 13,106 |
| Gross Expenditure | 8,008 | 8,655 | 7,358 | 7,643 | 7,761 | 10,348 | 15,499 |
| Regulatory Services | | | | | | | |
| Net Expenditure | 2,743 | 2,432 | 2,104 | 2,270 | 3,368 | 794 | -567 |
| Income | 2,155 | 2,355 | 2,044 | 2,161 | 2,288 | 2,044 | 2,487 |
| Gross Expenditure | 4,898 | 4,787 | 4,148 | 4,431 | 5,656 | 2,838 | 1,920 |
| Benchmarked Services | | | | | | | |
| Net Expenditure | 22,676 | 12,179 | 8,528 | 8,053 | 6,481 | -193 | 3,969 |
| Income | 8,957 | 8,941 | 8,544 | 9,826 | 13,844 | 20,911 | 21,195 |
| Gross Expenditure | 31,634 | 21,121 | 17,072 | 17,879 | 20,325 | 20,718 | 25,164 |

Source: CFO insights: Revenue Outturn 2009-2016

Financial data used though out this report is sourced from the revenue outturn which is annually submitted to the Department of Communities and Local Government and is publicly available. This data has been used as it is the most comprehensive dataset for local authority finances and is standardised throughout England allowing for effective benchmarking and comparison between councils. **As a result, financial lines include all costs to the council, not just those directly relevant to the RE contract, including direct, third party and support services**

Appendix 4: Capital Expenditure

| | 2010/11 | 2011/12 | 2012/13 | 2013/14 | 2014/15 | 2015/16 |
|----------------------|---------|---------|---------|---------|---------|---------|
| Barking & Dagenham | 5,158 | 4,458 | 6,829 | 5,754 | 5,265 | 5,444 |
| Barnet | 10,295 | 8,959 | 10,562 | 9,224 | 10,899 | 20,504 |
| Bexley | 12,985 | 6,046 | 6,951 | 8,367 | 8,410 | 7,550 |
| Brent | 10,913 | 9,741 | 9,635 | 9,843 | 9,718 | 10,000 |
| Bromley | 6,023 | 6,635 | 7,795 | 10,047 | 10,539 | 6,436 |
| Camden | 14,830 | 15,348 | 13,938 | 13,160 | 14,245 | 16,288 |
| City of London | 7,715 | 7,501 | 6,009 | 5,644 | 12,447 | 6,640 |
| Croydon | 12,004 | 29,943 | 12,875 | 17,898 | 19,183 | 19,011 |
| Ealing | 13,268 | 9,105 | 10,509 | 13,955 | 11,099 | 14,956 |
| Enfield | 15,143 | 19,833 | 12,070 | 15,910 | 13,597 | 12,260 |
| Greenwich | 3,912 | 5,922 | 2,933 | 3,957 | 4,904 | 3,356 |
| Hackney | 19,151 | 9,538 | 10,711 | 9,479 | 9,885 | 15,516 |
| Hammersmith & Fulham | 6,548 | 7,704 | 6,240 | 8,768 | 7,615 | 7,399 |
| Haringey | 12,217 | 7,578 | 10,957 | 11,631 | 12,800 | 12,041 |
| Harrow | 8,085 | 8,786 | 8,282 | 9,321 | 15,710 | 15,327 |
| Havering | 11,029 | 8,875 | 8,244 | 7,521 | 8,273 | 4,368 |
| Hillingdon | 4,742 | 5,528 | 4,341 | 10,560 | 9,108 | 9,379 |
| Hounslow | 3,364 | 4,001 | 4,206 | 1,335 | 1,284 | 2,529 |
| Islington | 13,036 | 7,382 | 9,362 | 10,862 | 4,579 | 4,984 |
| Kensington & Chelsea | 15,132 | 13,855 | 2,821 | 1,324 | 1,592 | 2,547 |
| Kingston upon Thames | 2,412 | 3,685 | 3,319 | 7,276 | 5,700 | 3,723 |
| Lambeth | 6,534 | 9,263 | 12,554 | 22,405 | 19,815 | 16,402 |
| Lewisham | 5,742 | 11,893 | 8,025 | 9,442 | 5,963 | 7,485 |
| Merton | 7,876 | 11,160 | 7,237 | 6,841 | 6,269 | 7,897 |
| Newham | 36,796 | 26,922 | 13,934 | 8,748 | 9,586 | 15,622 |
| Redbridge | 7,776 | 6,717 | 8,223 | 11,497 | 9,417 | 8,596 |
| Richmond upon Thames | 7,992 | 4,888 | 8,125 | 7,529 | 11,070 | 8,809 |
| Southwark | 9,269 | 11,727 | 12,638 | 10,112 | 19,891 | 13,446 |
| Sutton | 6,772 | 3,728 | 3,723 | 4,881 | 5,606 | 4,004 |
| Tower Hamlets | 9,388 | 6,881 | 6,060 | 5,150 | 5,020 | 4,916 |
| Waltham Forest | 2,805 | 11,577 | 11,744 | 16,042 | 14,241 | 21,698 |
| Wandsworth | 6,811 | 5,740 | 5,568 | 7,500 | 10,451 | 9,656 |
| Westminster | 51,807 | 51,063 | 33,457 | 36,355 | 33,232 | 29,476 |



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