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## **NEWS RELEASE**

### **Green light for plans to unlock millions in council efficiencies**

Councils are set to benefit from plans agreed by the Regional Centres of Excellence (RCEs) designed to unlock millions of pounds in local government efficiencies.

All nine regional directors have given their backing to the principles behind the national procurement programme which is set to transform local government procurement and make major efficiencies in the billions spent each year by the sector on goods and services.

The plans are seen as a major driver to improving council services by enabling the release of millions of pounds in efficiencies that councils can re-invest in better front-line services.

At the heart of the plans lies the creation of procurement action groups (PAGs) – multi-disciplinary teams of procurement experts – to deliver efficiency gains in key markets. Detailed plans for postal services and energy are already underway while other markets, such as ICT hardware, telecoms and temporary staff, are set to be considered by regional directors in the near future.

Each PAG will prepare top quality guidance for councils in the form of 'How to' guides to help them get the very best deals around. The guides will be promoted by each RCE which will be on hand to advise councils how to migrate their spend onto new, more advantageous contracts.

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## **Unlocking millions continued...**

A small team led by Steve Holland, the former Director of the East of England RCE, has been created to oversee the national programme which also includes developing an e-procurement strategy and ensuring that innovative procurement ideas are replicated across the country.

Procurement chiefs are cautious at this stage about predicting how much the plans will eventually realise, but point out that some councils could benefit from a share of a £20 million efficiency gain just from spending on postal services.

Tim Byles, National Procurement Champion and chair of the Chief Executives' Task Force, said, "These plans are a big step forward in the support that the Regional Centres of Excellence are giving local authorities to help them deliver efficiencies and improve services. Local government has a good story of efficiency so far but with a tough Spending Review forecast for 2007, the pressure to deliver still more efficiencies will mount further. The national programme should give local government greater confidence that the tools are there to help them rise to this challenge."

Steve Holland, Director of the National Procurement Programme, said, "I am delighted to support the Regional Centres of Excellence by developing and directing the national procurement programme. The programme will ensure that we fully engage the procurement community in local government so that they can lead the transformation of procurement. And by working with key partners such as the Office of Government Commerce and the Society of Purchasing Officers, we will benefit from their expertise in developing our understanding of key markets in which local government is a major spender."

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**Notes to editors**

The nine Regional Centres of Excellence are the lead change agents for local government efficiency. Uniquely placed to bring councils together, they are run by local government, they bring additional capacity and are results focused. They are supporting councils to secure millions of pounds in efficiencies that are being re-invested in better front-line services.

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