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## **NEWS RELEASE**

### **Campaign urges councils to cut costs not services**

'Cut costs, not services' is the message from the Regional Centres of Excellence as they launch the National Procurement Programme (NPP) to urge councils to cut the costs of goods and services and use the savings to protect frontline services.

High profile advertisements have been placed in the professional press to bring home the message that excellent opportunities exist for councils to drive down the costs of many goods and services that they buy routinely.

The largest analysis of local government spending ever undertaken is revealing huge variations in the amounts councils are being charged for the same item – up to a staggering 2,000% in some cases. Variations as extreme as this are rare but significant variations are common as the analysis, which has been specially commissioned by the RCEs, is beginning to show.

Based upon this intelligence, the NPP has identified where councils can make quick wins in cashable savings and top quality guidance is being prepared to help them cut costs in these areas. The On the Money guides will set out the best deals around and a straightforward process for making the transition onto those deals, while the nine RCEs will be on hand to advise and support councils through the process.

**More...**

## **Cut costs, not services continued.**

The first On the Money guide has just been published and focuses on postal services where analysis by the RCEs shows that at least £20 million in cashable savings can be realised by authorities migrating onto new, more advantageous contracts. Further On the Money guides will be published for energy, ICT hardware, telecoms and temporary staff over the coming months.

Chair of the Chief Executives' Task Force, Rob Sykes, said, "Councils must take every sensible opportunity to reduce their costs to help protect front-line services. The Regional Centres of Excellence National Procurement Programme is an important tool in local government's drive to meet its efficiency targets and I would urge all local authorities to make the most of the opportunities presented by the programme as they come on stream."

Director of the Regional Centres of Excellence National Procurement Programme, Steve Holland, added, "We are entering into an exciting time for local government procurement. Councils are facing greater financial pressures and expectations of better services. The National Procurement Programme should give them the confidence that those organisations with an interest in local government efficiency are working together to provide them with the best deals and support possible."

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## **Notes to editors**

1. The Regional Centres of Excellence National Procurement Programme aims to unlock substantial efficiency gains in the £40 billion local authorities spend each year on procuring commodities, goods and services. Based upon excellent market intelligence and a thorough knowledge of purchasing practice, it is set to transform local government procurement.

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

**Issued by Seth Brook**

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