



Department for
Communities and
Local Government

50 ways to save

Examples of sensible savings in local government

© Crown copyright, 2012

Copyright in the typographical arrangement rests with the Crown.

You may re-use this information (not including logos) free of charge in any format or medium, under the terms of the Open Government Licence. To view this licence, visit www.nationalarchives.gov.uk/doc/open-government-licence/ or write to the Information Policy Team, The National Archives, Kew, London TW9 4DU, or email: psi@nationalarchives.gsi.gov.uk.

This document/publication is also available on our website at www.gov.uk/dclg

If you have any enquiries regarding this document/publication, email contactus@communities.gov.uk or write to us at:

Department for Communities and Local Government
Eland House
Bressenden Place
London
SW1E 5DU
Telephone: 030 3444 0000

December 2012

ISBN: 978-1-4098-3767-1

Foreword

“Every bit of the public sector needs to do their bit to pay off the budget deficit inherited from the last administration, including local government which accounts for a quarter of all public spending. Councils should focus on cutting waste and making sensible savings to protect frontline services and keep council tax down.

“The Department for Communities and Local Government is practising what it preaches.¹ All parts of the public sector need to do more to spread best practice and encourage creative and innovative solutions.

“This document contains practical tips and guidance on making sensible savings, highlighting ways that councillors can challenge officers to deliver savings, and ways that taxpayers can challenge councillors. Some savings are small and easy to deliver, some are very big and take slightly longer to introduce.

“But the message is clear - this is about a change in culture and there is significant potential across both local and central government to save taxpayers’ money. These savings will also help councils take up next year’s council tax freeze, which offers a further year of practical help with the cost of living to families and pensioners across the country.”

*The Rt Hon Eric Pickles MP
Secretary of State for Communities and Local Government*

¹ The DCLG Group (i.e. the department and its agencies) is making a 44% real terms saving against its running costs over this spending review period by 2014-15. This equates to savings of over £570 million by 2014-15. The Institute for Government have noted: ‘DCLG are still the department which has cut the most from their Whitehall figures since the Spending Review... DCLG have cut their core dept by 32.5% FTE since the Spending Review’ (Institute for Government, *Whitehall Monitor #14: Analysis of civil service staff numbers*, September 2012).

50 sensible savings

- 1. Share back office services:** from planning to press, from HR to legal. Does the country really need 350 different business rate collection departments? The Tri-borough initiative in London (Hammersmith & Fulham, Kensington & Chelsea, Westminster) report that they are on track to save £40 million by 2015-16 by combining back office services and management costs. The three authorities estimate that if other councils across the country saved half that amount by sharing services with neighbours, it could deliver potential national savings of £2 billion for councils.² Over a third of all local authorities do not share any services at all.³ The Devon Audit Partnership consists of Devon County Council, Plymouth City and Torbay Councils; since April 2009, the partnership has saved £400,000 on audit costs.⁴ Christchurch, East Dorset and North Dorset District Councils now share revenues and benefits service customer access within all three authority areas. The partnership achieved a reduction of £350,000 in staff, systems and support costs in the first year of implementation after a one-off investment of £631,000.⁵ DCLG shares services with other Whitehall departments for audit and estates, with the Planning Inspectorate for IT, and is moving to a shared service for legal advice.
- 2. Community Budgets - Bring staff and money together:** DCLG wants to roll out Community Budgets across the country.⁶ Cheshire West and Chester are introducing a new integrated health and adult social care delivery model that could result in a net reduction in costs of £26 million over five years; a Troubled Families study has also identified savings of £2 million over five years, as well as helping the lives of those families.⁷ Essex Community Budget pilot estimates that across their proposals there is the potential to generate cashable savings of nearly £127 million by 2019-20.⁸ Greater Manchester predict £183 million of savings over five years (following a £12 million investment) by implementing an intensive support and control package for young adults at risk of short-term custodial sentences, based on an evaluated pilot in Manchester and Salford.⁹
- 3. Use transparency to cut waste:** Publish their spending, contracts, tenders over £500 and property data on online, creating an army of armchair auditors to drive out waste and giving more power to councillors

² http://www.rbkc.gov.uk/pdf/one_year_on_tri_borough_2012.pdf

³ Based on LGA data, cited in CBI, *A problem shared: realising savings through shared services*, July 2012, p.16.

⁴ [LGA Shared Services Map](#) and <http://www.devonaudit.gov.uk/>

⁵ [LGA Shared Services Map](#).

⁶ <https://www.gov.uk/government/speeches/community-budgets--2>

⁷ [West Cheshire Community Budgets operational plan](#).

⁸ [Essex Community Budget Operational Plan](#).

⁹ Figures provided to DCLG. For more information, see [Greater Manchester Community Budgets Operational Plan](#).

and individual to identify waste. Different parts of the same organisation may be buying similar goods and services through different, expensive contracts which online transparency will help expose. DCLG publishes its contracts over £500 and all its spending over £250.¹⁰

4. **Tackle duplicate payments:** Experian's research has estimated that councils waste up to £147 million a year on duplicate payments, by paying bills more than once. For example, Leeds City Council recovered £500,000 in overpayments to suppliers; internal auditing by the London Borough of Islington that involved checking invoices to their top thirty suppliers revealed that ten had been paid twice and two more paid three times; the overpayments totalled £55,000 on that small sample size alone.¹¹
5. **Clamp down on corporate charge cards:** Introduce greater financial controls on corporate charge cards and credit cards. In DCLG, online transparency and tougher controls have helped cut expenditure on 'Government Procurement Cards' (the government-branded charge card, also used by local councils) by over three-quarters, from £321,076 in 2009-10, to just £70,835 in 2011-12.¹² DCLG cut the number of card holders from 210 in May 2010 to just 26 in November 2012, cancelled the cash withdrawal facility on the card (apart from business continuity users, in the case of a genuine emergency) and introducing new internal checks and audit trails, from pre-approvals to requiring post-transaction reporting.
6. **Special spending controls:** Review the processes for approving how spending is signed off. In Hammersmith and Fulham, the threshold for where spending needs to be authorised by the council leader has been reduced from £300,000 to £100,000.¹³ In Whitehall, special spending controls have been introduced across all information and communication technology spend above £1 million, advertising and marketing, consultancy, property leases and lease extensions and Civil Service recruitment: in turn, spending outside these controls is separately challenged and published online.¹⁴
7. **Tackle fraud:** The National Fraud Authority has estimated that councils could save £2.2 billion a year by cracking down on fraud and improving their prevention, detection and recovery of council fraud.¹⁵ For example, The London Borough of Ealing has used data matching to check household occupancy in relation to council tax single person discount, and this has resulted in backdated account adjustments of £1.5 million

¹⁰ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/dclg-spending-over-250>

¹¹ *Hansard*, 23 February 2012, Col. 893W.

¹² *Hansard*, 4 July 2012, Col. 646W.

¹³ Further to resolution of Full Council, May 2006.

¹⁴ <https://www.gov.uk/government/organisations/department-for-communities-and-local-government/series/dclg-exceptions-to-spending-controls>

¹⁵ National Fraud Authority's 2012 Annual Fraud Indicator.

<http://www.homeoffice.gov.uk/publications/agencies-public-bodies/nfa/annual-fraud-indicator/annual-fraud-indicator-2012?view=Binary>

and an annual value of fraudulent claims removed of £600,000. The London Borough of Camden undertake regular verification processes to check for eligibility for concessionary fares; as a result, they will avoid nearly £1 million of inappropriate expenditure on concessionary fares.¹⁶

8. **Claw back money from benefit cheats:** The London Borough of Croydon used the Proceeds of Crime Act to recover assets in the UK and Nigeria owned by a couple who has been fraudulently claiming benefits, and the Council should receive around £400,000.¹⁷
9. **Get more for less by improving procurement:** Councils spent £58 billion on procuring goods and services in 2011-12.¹⁸ Councils can group together to get better prices thanks to their purchasing power. Innovations like e-auctions can use the internet to get the best price and open up contracts to smaller firms. Procurement experts estimate that councils could save up to 20% on their costs through best practice on their spending.¹⁹ For example, adopting a collaborative approach to all energy procurement, in partnership with local energy providers, has saved Birmingham City Council £4.7 million per year and Gloucestershire County Council £1 million per year.²⁰
10. **Buy together:** Public Buying Organisations facilitate collective buying of goods and services. For example, through a Public Buying Organisations, the Royal Borough of Kingston-Upon-Thames achieved savings of £75,000 in contracting costs and 26% total cost savings on a £32 million project to expand its primary schools. Hampshire County Council, Surrey County Council, Reading Borough Council, and West Sussex Borough worked together to drive down the costs of constructing 8 primary school extensions by £2 million.²¹ North Yorkshire County Council has made savings of approximately £300,000 by buying social care equipment to help people with their daily living through Yorkshire Purchasing Organisation's 'Assistive Technology' contract.²²
11. **Stop the scope for procurement fraud:** Procurement fraud alone in local government costs £890 million.²³ As referred to in DCLG's *Local Government Transparency Code*, councils should follow the Chartered Institute of Public Finance and Accountancy's steps (Red Book 2 – Managing the Risk of Fraud – Actions to Counter Fraud and Corruption).
12. **Utilise £16 billion of reserves creatively:** Councils are sitting on £4.1 billion of unallocated (non-school) financial reserves and a further £12.4

¹⁶ [Fighting Fraud Locally 2012 Review](#).

¹⁷ [Fighting Fraud Locally 2012 Review](#).

¹⁸ *Hansard*, 23 February 2012, Col. 893W.

¹⁹ LGA, [Response to Spending Review Quick Wins Strategy](#), October 2010.

²⁰ [West Midlands Improvement and Efficiency Partnership case study](#).

²¹ Improvement and Efficiency South East.

²² <http://www.ypo.co.uk/index.jsp?i=4317&t=news&s=1111>

²³ Home Office, [The Local Government Fraud Strategy](#), April 2011.

billion of earmarked non-school reserves.²⁴ Many 'earmarked' reserves do not actually have a proper purpose.²⁵ Make creative use of reserves to address short-term costs, such as restructuring or investing now to realise savings in the longer-term (e.g. 'invest to save' projects). For example, West Lindsey District Council is considering investing £1 million from its reserves to support growth in three market towns in its area.²⁶

13. **Improve council tax collection rates:** Every penny of council tax that is not collected means a higher council tax for the law-abiding citizen who does pay on time. There is a total of £2.4 billion of uncollected council tax across England. The council with the biggest single amount of uncollected tax is Liverpool with £114 million of arrears - equivalent to over £500 for every dwelling in Liverpool.²⁷ The best authorities collect 99.5% council tax owed, but the worst collect less than 89.6%. For example, in April, Crawley Council announced that they had increased their collection rates for the tenth year running.²⁸
14. **Encourage direct debit and e-billing for council tax:** Handling cash and cheques for council tax is expensive to administer. DCLG has made it easier for councils to offer voluntary e-billing for council tax, by removing legal requirements to send voluminous documents by post with council tax bills. Councils can use their legal powers to offer discounts or incentive schemes for e-billing.²⁹ Broadland District Council has converted over 3,000 residents to e-billing for council tax, working with the Woodland Trust to plant one tree for every 10 residents who switch.³⁰
15. **Close council cash offices:** Instead allow residents to pay bills in local post offices. This is cheaper, more accessible and helps support local post offices. Alternatively, Brent Council is looking at how prepaid bank cards can be used to improve social care direct payments. Brent spends £5 million per annum on direct payments and expects to save 10% from using the prepaid cards to administer this spend.³¹
16. **Better land and property management:** Make better use of their property assets, including sharing between public bodies. Local 'capital and asset pathfinder' pilots have found that savings of around 20% are possible from a cross-public sector approach.³² Public sector assets are worth an estimated £385 billion, with almost two thirds owned by councils. The government estimates this could potentially save £35 billion over 10

²⁴ DCLG, *Local authority revenue expenditure and financing England: 2011-12 final outturn*, November 2012, p.16; figures as of March 2012.

²⁵ Audit Commission, *Striking a balance*, December 2012, p.3.

²⁶ *This is Lincolnshire*, 28 July 2012.

²⁷ *DCLG statistical release*, 27 June 2012, table 10, and DCLG analysis

²⁸ *DCLG statistical release* and *Crawley Council Press Release*.

²⁹ *DCLG press release*, 31 October 2011. Local residents will retain a legal right to the hard copy council tax billing information, on request.

³⁰ *MJ awards*.

<http://awards.themj.co.uk/library/media/pdfs/Broadland%20District%20Council.doc>

³¹ *Mastercard website* and *Brent Council press release*, 27 September 2012.

³² Local Government Association *Capital and Asset pathfinders Wave 2 summary report*

years through better property management.³³ Further research has suggested that local government could reduce the space that it occupies by 20-30%, with potential savings in running costs of up to £7 billion a year.³⁴ For example, Wiltshire Council share buildings with Wiltshire Police and are creating community campuses across the county; the programme aims to save £85 million over the next 20 years. Wychaven District Council lease land to Waitrose raising £600,000 a year; it has also regenerated the nearby high street, attracting new businesses to the area and boosted revenues from car parks.

17. **Hot-desking, estate rationalisation and sub-letting:** By moving to hot-desking across the main floors of its headquarters in Eland House, DCLG has freed up space which has been let to other organisations³⁵, saving money. The Planning Inspectorate has vacated one floor of its Bristol office that is now being sublet. The Homes and Communities Agency has reduced its accommodation costs by 49% (£6.5 million) through rationalisation of its estates and facilities requirements. Councils should undertake a comprehensive review of accommodation costs and identify savings through rationalisation, sub-letting and early lease breaks. Southwark Borough Council introduced Hot-desking as part of an attempt to develop modern and cheaper office accommodation. The programme overall has freed up 27 properties and managed to save about £55m.³⁶
18. **Open a 'pop up' shop in spare office space:** DCLG has opened up a pop up shop in its reception in Eland House: this can help share costs and support local small firms.³⁷
19. **Close subsidised council canteens:** For example, a council review by Stoke on Trent City Council discovered their subsidised canteen was operating at a £71,000 yearly loss.³⁸ If there are not any nearby shops, local small firms – commercial sandwich deliverers and caterers – will be happy to visit the council offices to have the opportunity to sell their produces. Alternatively, councils can lease some space to a commercial business or allow in a 'pop up' operator.
20. **Cancel away days in posh hotels and glitzy award ceremonies:** Use a council-owned property to hold any away day. Or borrow a room from a neighbouring council at no cost, and offer a free room to them for their away day. Similarly, stop paying to attend glitzy 'award ceremonies' which are just an excuse to make money from local government; councils spend an estimated £1.2 million a year on such ceremonies.³⁹

³³ [DCLG press release](#), 5 August 2011.

³⁴ Westminster Sustainable Business Forum, *Leaner and Greener: Delivering Effective Estate Management*, February 2011.

³⁵ New tenants in stories formerly occupied by staff include the Nuclear Decommissioning Authority and High Speed 2 Ltd.

³⁶ [Community Care](#), 7 November 2012.

³⁷ [DCLG press release](#), 17 December 2012.

³⁸ [This is Staffordshire](#), 15 October 2011.

³⁹ Freedom of Information requests cited in [Daily Mail](#), 30 September 2011.

21. **Open a coffee shop in the library:** Lease some space in your local library to a coffee shop. This will generate revenue and encourage more readers into the library: coffee shops are increasingly the norm in commercial bookstores, but not in municipal libraries.
22. **Cut senior pay:** The local government Transparency Code opens up middle management and senior pay to greater public scrutiny, and the Localism Act allows councillors via Full Council to set local 'pay policy statements' to get senior pay and perks (as well as pay offs) under control. Councils can lead from the top by having their chief executives take a pay cut. Ministers have taken a 5% pay cut and frozen their pay for five years. Chief executives can do the same.
23. **Share senior staff:** Combine chief executives with other councils or other public authorities. For example, Breckland and South Holland District Council share their management team, including chief executive, aiming to reduce senior management overheads by 35%. The estimated on-going saving is £1.1 million per year.⁴⁰ Cambridgeshire and Northamptonshire county councils achieved savings of £3.8 million from a budget of £83 million in a single year by merging management positions.⁴¹
24. **Scrapping the chief executive post entirely:** DCLG is making it easier to abolish such posts without councils having to fork out expensive 'golden goodbye' payoffs.⁴² For example, Leicester City Council believes it will save £175,000 per year from scrapping the post.⁴³ Alternatively, Breckland Council, Luton Borough Council and South Holland District Council are currently considering plans to share a council chief executive from January 2013. This initiative aims to demonstrate that a Chief Executive can serve three authorities, even when they are under different political control.⁴⁴
25. **Introduce a recruitment freeze:** For example, Devon County council's vacancy management strategy introduced a recruitment freeze, except for hard-to-fill vacancies. Of the 1,200 staff leaving the organisation in 2010-11, the Council replaced only 480 with new appointments. The savings from the strategy was estimated at £7 million by the end of 2011-12.⁴⁵
26. **Freeze councillor allowances and end councillor pensions:** Councillors should be volunteers, not the bankrolled staff of the municipal state. In Whitehall, even full-time Ministers have cut Ministerial salaries and frozen them for the remainder of the Parliament.

⁴⁰ [LGA Shared Services Map](#).

⁴¹ LGA/Drummond MacFarlane, [Services shared: costs spared](#), August 2012.

⁴² [DCLG press release](#), 9 November 2012.

⁴³ [BBC News Online](#), 5 August 2011.

⁴⁴ [Councils' joint press release](#), 18 December 2012.

⁴⁵ Local Government Association and Audit Commission, [Work in Progress – meeting local needs with lower workforce costs](#), December 2011.

27. **Cut spending on consultants and agency staff:** Councils spending on procured professional services (including consultants) increased by 50% to £4.5 billion from 2004-05 to 2009-10. Spending on agency workers increased by 46% to £900 million over the same period. By contrast, Lambeth Council reduced the number of agency workers it employed from over 900 in 2009 to under 300 in 2011, saving £18 million in the process.⁴⁶
28. **End expensive 'leadership' courses:** Councils could review spending money on sending staff and councillors to expensive "leadership" training courses, such as Common Purpose. Such training courses can often run into tens of thousands of pounds.⁴⁷
29. **Cut spending on head hunters and expensive adverts:** publish job vacancy information online as open data instead. It can cost £5,000 to £10,000 to place an advert in some national outlets. This will not end advertising in the media; local newspapers in particular will remain an important source to advertise jobs to those who may be 'digital excluded' and not have access to the internet. But over time, putting job adverts online will drive down advertising costs, make it easier to compare pay ranges within and across councils, and show local people where their council tax goes.⁴⁸
30. **Review and reduce absenteeism:** For example, Staffordshire Council reduced the cost of absenteeism by £100,000 a month by providing support for staff with musculoskeletal problems and introducing new absence reporting measures.⁴⁹ By developing in-house computer software that brought patterns of absence to managers attention, Fareham Borough Council reduced its average sickness rates from 10.6 days in 2003-04 to 7.2 days in 2010-11, saving 'lost days' worth £446,000.⁵⁰
31. **Scrap trade union posts:** Get rid of unnecessary non-jobs such as taxpayer-funded, full-time trade union 'pilgrim' posts.⁵¹ So-called 'facility time' costs an estimated 0.14% of the annual pay bill in the wider public sector, compared to just 0.04% in the private sector.⁵² At least 2,840 full time equivalent public sector staff worked on trade union activities or duties at taxpayers' expense in 2010-11.⁵³ The Civil Service is reducing its facility time and ending the practice of full-time staff spending all their

⁴⁶ Local Government Association and Audit Commission, [Work in Progress – meeting local needs with lower workforce costs](#), December 2011.

⁴⁷ *Hansard*, 26 October 2009, Col. 133W.

⁴⁸ *DCLG press release*, 6 July 2010.

⁴⁹ *Guardian Professional*, 21 June 2012.

⁵⁰ Local Government Association and Audit Commission, [Work in Progress – meeting local needs with lower workforce costs](#), December 2011.

⁵¹ *Hansard*, 19 March 2012, Col. 512W.

⁵² *Hansard*, 25 October 2011, Col. 126W.

⁵³ Taxpayers' Alliance, [Taxpayer funding of trade unions 2011](#), Research Note 97, November 2011.

time on union activities – councils should conduct their own reviews to remove these union posts.

32. **Charge for collecting trade union subscriptions:** Councils can exercise existing legal rights to charge trade unions for the collection of trade union subscription fees via the municipal payroll (so-called ‘check off’ arrangements).⁵⁴
33. **Stop spending money on commercial lobbyists:** Some councils are continuing to hire lobbyists and expensive public affairs consultants despite the guidance in the *Code of Recommended Practice on Local Authority Publicity*.⁵⁵
34. **Stop translating documents into foreign languages:** Only publish documents in English.⁵⁶ Translation undermines community cohesion by encourage segregation. Similarly, do not give community grants to organisations which promote segregation or division in society.
35. **Reduce the number of publications and media monitoring:** Previously, DCLG spent £136,892 in 2008-09 and £113,308 in 2009-10 on newspapers and magazines; this has been cut to £62,074 in 2011-12, including by consolidating seven different sets of newspapers for Ministers each day to just one.⁵⁷ DCLG has cut media monitoring spending from £300,000 in 2009-10 to £78,000 in 2011-12.⁵⁸
36. **Earn more from private advertising:** Include private advertising on council notice boards and examine the scope for private advertising in the council tax bill yearly mailing and on council property. For example, Nottingham City Council’s website, attracting about 200,000 impressions a month, has been able to generate up to £1,500 per month since introducing Google AdSense.⁵⁹ Leeds City Council allows businesses to advertise on its payslips, reaching an audience of 35,000 staff.⁶⁰
37. **Cease funding ‘sock puppets’ and ‘fake charities’:** Many pressure groups - which do not deliver services or help the vulnerable - are now funded by state bodies. In turn, these nominally ‘independent’ groups lobby and call for more state regulation and more state funding.⁶¹ A 2009 survey found that £37 million a year was spent on taxpayer-funded lobbying and political campaigning across the public sector.⁶² Many of

⁵⁴ *Hansard*, 19 March 2012, Col. 512W.

⁵⁵ As evident from the APPC register: <http://www.appc.org.uk/en/register/current-register.cfm> and the PRCA register: <http://www.prca.org.uk/paregister>

⁵⁶ Notwithstanding, in the constituent nations of the United Kingdom outside England, there are additional legal requirements to translate documents into other native languages of the United Kingdom.

⁵⁷ *Hansard*, 22 November, Col. 573W; *Hansard*, 31 January 2011, Col. 530W.

⁵⁸ *Hansard*, 22 March 2012, Col. 833W.

⁵⁹ NLGN, *More Light, More Power: Reimagining public asset management*, 2011.

⁶⁰ <http://www.leeds.gov.uk/Business/Pages/Advertising-opportunities.aspx>

⁶¹ IEA, *Sock puppets: How the government lobbies itself and why*, IEA Discussion Paper No 39, June 2012

⁶² Taxpayers’ Alliance, *Taxpayer funded lobbying and political campaigning*, August 2009.

these causes may be worthy, but why should they be funded by taxpayers? Councils should also review their memberships to regional quangos and membership bodies: such residual regional structures are redundant following the abolishing of Regional Development Agencies, Government Offices for the Regions and unelected Regional Assemblies.

38. **Scrap the town hall Pravda:** Local authority newspapers undermine an independent local press. For example, the Mayor of London cancelled *The Londoner* newspaper, helping save £2.9 million a year.⁶³ Essex County Council cancelled their newspaper in favour of an online publication; the council spent £526,000 on producing Essex Works in 2009-10 but this fell to £55,000 in 2011-12 after the publication stopped being printed.⁶⁴ Councillors can still issue their own local ward newsletters using political party funds to help keep in touch with local residents.
39. **Stop providing free food and drink for meetings:** DCLG has cut spending on refreshments for meetings from £456,142 in 2009-10 to £32,053 in 2011-12. Guidance to staff now states that refreshments may only be ordered for meetings with external attendees of longer than four hours. Staff should avoid arranging meetings over lunchtime where possible and attendees should normally be asked to bring their own refreshments where practical. Expensive meals on Government Procurement Cards have also been stopped.⁶⁵ Also, **ban mineral water at council meetings:** Tap water in refillable bottles costs nothing and is better for the environment. Manchester council cut 90% in two years off its £93,000 bottled mineral water bill.⁶⁶
40. **Reduce first class travel:** Previously DCLG spent £200,000 a year on first class rail travel in 2009-10; under the new Administration, such spending has been cut to just £17,500 a year in 2011-12.⁶⁷
41. **Cut mileage payments:** Councils paid out £427 million in mileage allowances in 2009-10.⁶⁸ The HMRC Approved Mileage Allowance Payment is currently 45 pence per mile. Some council employees are on terms and conditions where they can able to claim up to 25p per mile more than the prevailing HMRC rate. Councils could cut the mileage rates back to HMRC levels, which North East Lincolnshire has done.⁶⁹ DCLG only gives out HMRC rates.
42. **Video conference instead of travel:** South Tyneside Council is embracing the latest video conferencing technology to reduce travel costs. The equipment will also generate income for the council who plan

⁶³ [GLA press release](#), 13 May 2008.

⁶⁴ <http://www.holdthefrontpage.co.uk/2012/news/council-newspaper-cost-500k-a-year-figures-show/>

⁶⁵ *Hansard*, 12 December 2012, Col. 305W.

⁶⁶ [Manchester Evening News](#), 27 September 2010.

⁶⁷ *Hansard*, 19 June 2012, Col. 888W.

⁶⁸ Taxpayers' Alliance, [Council Mileage Allowance Payments](#), April 2011.

⁶⁹ <http://www.publicsectortravel.org.uk/2012/07/22/north-lincs-votes-to-cut-car-mileage-payments/>

to make the service available to businesses and community groups at competitive rates.⁷⁰

43. **Help the voluntary sector save you money:** The Localism Act gives local community, mutual and voluntary sector groups a Community Right to Challenge to run local services. As outlined in DCLG's Best Value guidance, councils should not only involve voluntary and community groups in budget setting but give organisations, local service users and the wider community the opportunity to offer options for reshaping and reducing the costs of the services provided. The best councils are showing that they can both embrace the Big Society and balance the books at the same time.⁷¹
44. **Cut printing costs:** Stop producing glossy brochures. Publish online only, unless local residents ask for a hard copy. Review the leasing costs of photocopiers. For example, Scarborough Borough Council saved £185,000 a year by replacing its printing devices with a far smaller number of cost-effective multifunctional printers.⁷²
45. **End lifestyle and equality questionnaires:** Some councils spend time and money on asking suppliers and residents to fill out intrusive questionnaires about their sexuality, religion and other personal details – be it to take out a library book or make a planning application. Statutory guidance from DCLG has stated that this is simply not necessary.⁷³ Similarly, councils do not need to routinely spend time and money on Equality Impact Assessments on everything they do.
46. **Sell services:** The new general power of competence for councils in the Localism Act 2011 makes it easier for councils to undertake imaginative and joint ventures. Birmingham City Council has established Acivico, a company to trade in back office services with other public bodies, and made £300,000 income through trading in legal services.⁷⁴ Kent County Council's commercial vehicle supplies a range of best value goods and services to other publicly funded organisations; these include local government, education establishments, the care sector and emergency services, with a turnover currently in excess of £600 million per year with over 800 employees.⁷⁵ Across the country there are hundreds of council-run MOT test centres which are used to check council vehicles like taxis and buses for their safety and roadworthiness; these centres can also open their doors to the public to provide MOTs to the wider public: this is a far better way of making money from motorists than the lazy way of hiking parking charges.⁷⁶

⁷⁰ <http://www.southtyneside.info/article/16509/video-conferencing-technology-to-cut-councils-annual-travel-costs>

⁷¹ DCLG, *Best Value Statutory Guidance*, September 2011.

⁷² <http://www.scarborough.gov.uk/default.aspx?page=14627>

⁷³ DCLG, *Best Value Statutory Guidance*, September 2011.

⁷⁴ NLGN, *More Light, More Power: Reimagining public asset management*, 2011.

⁷⁵ <http://www.commercialservices.org.uk/about.aspx>

⁷⁶ [DCLG press release](#), 16 September 2010.

47. **Hire out the town hall:** For example, Sutton Coldfield Town Hall in Birmingham City Council can be booked for weddings and civil partnerships, conferences, meetings and theatre productions.⁷⁷
48. **Lease works of art not on display:** Many councils own art galleries and museums and have extensive collections which never see the light of day, but merely gather dust in storage.
49. **Save money on computer software:** Use open source software. Conduct a full review of software licences across the whole local authority – can they be consolidated or are open source/free alternatives available.
50. **And finally... ask your staff for more sensible savings ideas:** Your staff will be the most informed and actually the most enthusiastic about cutting waste. Give a prize for best staff ideas for efficiencies. Allow staff to submit anonymous ideas too. For example, at Surrey County Council, over 300 employee suggestions have saved approximately £500,000, including: reducing travel and meeting costs, for example using more teleconferencing; reducing print and postage costs, and reducing office equipment and stationery costs.⁷⁸

⁷⁷ <http://www.birmingham.gov.uk/suttoncoldfieldth>

⁷⁸ <http://www.surreycc.gov.uk/council-services/change-and-efficiency-directorate/procurement-services/transparency-in-procurement>

Methodological notes

Sources of this work include research work by organisations such as independent research organisations, the LGA, local operational/delivery plans and media reports, and are presented at face value. This guide is not a statistical publication.

The vast majority of examples report savings that have already been made, although a few refer to predicted saving. Given they are diverse examples based on different timescales, DCLG has not reworked any of the examples, or aggregated these figures to provide a national estimate, or assume that the amount of cost savings reported in one authority will generate the precisely same percentage saving in another authority. However, this guide does show there is significant scope for savings and innovation across local government.