

Slashing consultancy spend – why are these turkeys voting for Christmas?

By **Jeremy Cooper**, director, iMPower Consulting

You've heard it before, we've heard it before, every government says they are going to cut consultancy spend. Well, we passionately hope and believe it really must happen this time. Billions have been wasted on a model of change, peddled by consultancies and swallowed whole by the public sector, that has in many cases failed to make a difference.

Almost 20% of the Government's in-year target savings, £1.15bn, is in 'discretionary areas' with consultancy top of the list. A fair slice of local government's £1.17bn savings is likely to be from consultancy too, so will increase this figure.

We are a leading local public service consultancy, but we welcome the reduction in consultancy spend wholeheartedly. It is part of the radical change in approach to local public service that is needed.

One way to explain this is that it means turning the coalition's three core concepts into reality – genuinely delivering freedom, fairness and responsibility.

1. Freedom. There is far too much money spent on consultancies box ticking and report writing. The focus is on meeting the agendas of others rather than taking control and thinking for yourselves, so external expertise is valued above local understanding.

The new administration's focus coupled with the economic situation signal a clear need to move away from this culture. Local public service providers should take up the offer of freedom to focus on delivering savings by making real change happen on the ground, not by clever strategies or following a formula.

2. Fairness. Things that impact local areas should now be planned and implemented at local level rather than centrally driven and rolled out by centrally controlled consultants. Too often, when the aim is to impact local services, the vehicle is consultancy commissioned by central government.

Reducing central government consultancy spend will increase



fairness. It is part of a positive move to a rebalancing and decentralisation of power from Whitehall to local areas.

3. Responsibility. Local public service providers now have to take responsibility for delivering change and achieving outcomes themselves. Decreasing the reliance on consultants is one step on the journey. This means breaking the reliance on specialised external firms who are focused on the dissemination of pre packaged solutions.

It is a rejection of the reverence for perceived intellectual superiority and knowledge aligned with centralised and conceptual agendas. Change is core business and should not be 'outsourced'.

The overall direction is clear and local public service providers should grasp the nettle. The budget cuts press release introduces the great concept of 'de-ringfencing' to support this new era. The removal of restrictions on £1.7bn of money given to local authorities gives significant freedom.

Many will argue that the key reason for sharing the freedom is to devolve the responsibility for the difficult decisions that will need to be made as a result of the budget deficit. It is undoubtedly true that real tough decisions and action will be required, but nevertheless, we believe it has got to be better for all if local public services accept the challenge to take control of their own agenda and focus their efforts on creating local solutions that work locally.

Our passion is to help create local public services we are proud of. Decreasing the reliance on misaligned consultants is one step on the journey.

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