

The government is a poor shopper

When I go shopping I do not rejoice if I end up spending £75 instead of £60. I concentrate on what I need and aim to buy it at the best prices. If I tell friends and family about what I have bought I do not tell them how much I spent but talk about the great things I purchased and how they can make life better. The only time I might mention cost is where I thought I had found a bargain.

The government does not talk like this. In all the announcements they make about their shopping habits they tell us how much they spent or plan to spend. The opposition always demands they spend more and regularly condemns them for "Tory meanness" as if it was Ministers' own money and on the assumption that more is always better. No Minister ever comes to tell us they got a good deal on price or have taken advantage of special offers. Public procurement systems often conspire to ensure over specification. Over caution in purchasing can lead to too few bidders or to expensive contracts. The contracts themselves often leave plenty of scope for the suppliers to revisit the price, facilitated by government changing its mind mid contract over what it wants.

It would help control spending and improve value and quality if Ministers insisted on talking about needs and about how you best buy the things the state requires. Bragging about large sums of money invites the Opposition to outbid with imaginary money. Instead of proper consideration of what to buy and how much to pay the debate usually bandies figures across the Despatch Box with an Opposition who still think there is a magic money tree or think a small number of very rich people who already pay a lot of tax will stay if we make them pay even more.

There are plenty of Conservative MPs who think we need to spend more on Defence. They may well be right. Before that is agreed we need to complete two exercises. The first is to decide what additional defence capabilities we need. The second is to root out some waste and bad spending habits with the current budget. Then we can see what top up is needed. We will not be better defended by spending £10bn more. We will be if we concentrate on what we need and acquiring by shopping well.