

MIND

THE GAP

ARE YOUR
EXPECTED
PROCUREMENT
BENEFITS
REALLY BEING
DELIVERED?

Procurement
Benefits Model

Find out how to
close the gap
and realise your
full procurement
potential...

REALISING YOUR FULL PROCUREMENT POTENTIAL

The public sector is currently facing unprecedented financial challenge: to deliver the significant savings required, public sector organisations are entering into new and/or more complex procurement arrangements.

Senior stakeholders require certainty that the expected level of procurement savings will be delivered, in addition to planned service improvements.

However, the extent to which benefits are actually realised is often unclear; for example, due to:

- Lack of clarity over baseline costs
- Frequent changes to service specifications
- Insufficient management information to measure savings
- The need for closer linkage between performance and payment mechanisms

LG Futures' Procurement Benefits Model closes the gap between procurement objectives and actual outcomes, ensuring that the benefits and savings you expect are delivered in practise.

PROCUREMENT BENEFITS MODEL

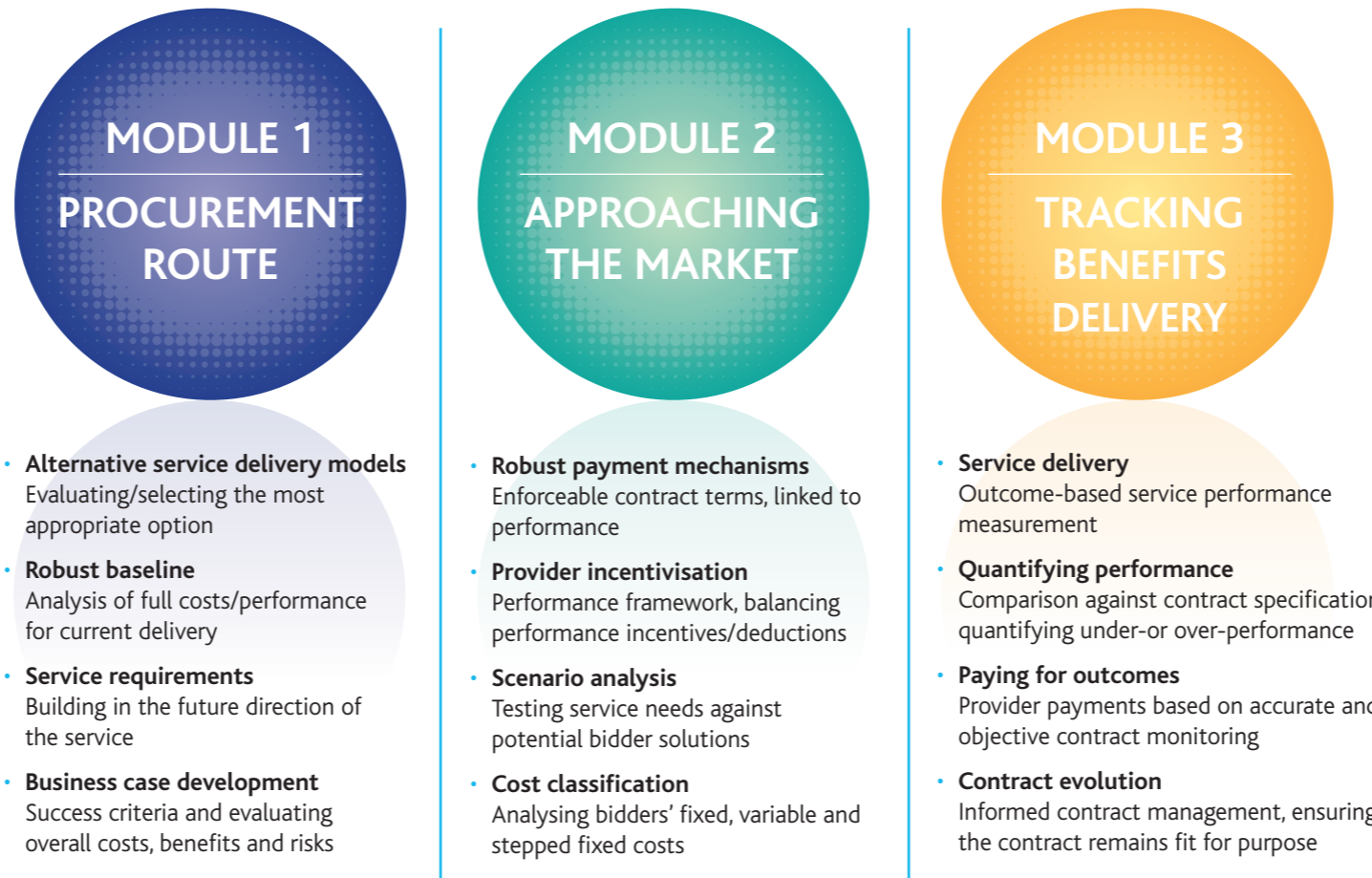
LG Futures has combined its extensive experience of public sector financial management, procurement support and service delivery in our Procurement Benefits Model.

The Model is specifically designed to enable improved measurement and management of procurement activity, to achieve optimum financial and service outcomes.

In particular, this includes ensuring that providers are only paid for what is delivered in practise.

The Procurement Benefits Model comprises three independent modules, each reflecting the main stages of the procurement process.

The modules are flexible, enabling us to support you prior to, during or post-procurement.

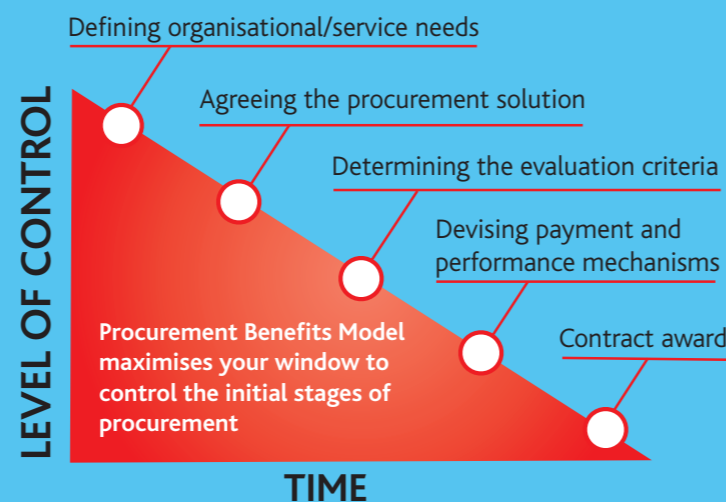


“LG Futures provided senior stakeholders with the tools, knowledge and capacity to ensure that informed financial decisions were made throughout the procurement process.

Their advisers demonstrated a high level of technical expertise at all stages of the process, leading to a clear understanding of the financial issues involved. Working with LG Futures was a valuable investment for a significant outcome.”

Andy Allen, Finance Manager, Reading BC

YOUR AVAILABLE OPTIONS AND ABILITY TO CONTROL DIMINISHES WITH EVERY STEP IN THE PROCESS



CLOSING THE GAP USING THE PROCUREMENT BENEFITS MODEL



FINANCE WITH VISION



10 typical issues that we are able to provide support on include:

- 1 Considering the full range of alternative service delivery models available
- 2 Providing a better understanding of the current full costs/performance baseline
- 3 Ensuring performance measures are linked to meaningful outcomes for the service
- 4 Establishing clear and enforceable provider payment mechanisms
- 5 Devising contracts that appropriately incentivise providers to maximise value
- 6 Ensuring that procurement activity informs the medium term financial planning process
- 7 Removing uncertainty as to whether contracts are delivering their expected benefits
- 8 Providing robust management information to better inform provider dialogue
- 9 Minimising unnecessary procurement risk and exposure
- 10 Ensuring that contracts continue to remain fit for purpose as your service needs change

Find out more about how we can assist you in ensuring that expected procurement benefits are actually delivered.

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