# **Table Department of Environment, Land, Water and Planning performance in 2019–20**

Extract from Victorian Government Purchasing Board Annual Report 2019-20

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Performance measure | | 2017–18 | 2018–19 | 2019–20 |
| (%) | | |
| **Value created from department procurement activity** | | **7.5** | **10.2** | **5.3** |
| The Central Procurement Team continued to generate savings from the procurements led by the team. Actual savings across DELWP would be higher if the savings generated by the best and final offer process conducted by the business were recorded. Rolling out Zycus (expected in the last quarter of 2020) will enable greater visibility, structure and reporting over sourcing processes and contracts. | | | | |
| **Managed spend** | | **n/a** | **n/a** | **26.9** |
| The procurement governance unit reviews all procurement (including construction) with a value greater than $150 000. The number of submissions (including CPO approvals over $150 000 and professional services engagements of any value) processed at the end of 2019–20 was significantly greater (150 per cent increase) than the previous year. DELWP has set up a Strategic Sourcing team to lead all procurement greater than $3 million, allowing for prioritising of planned sourcing events, allocation of appropriate resources and a managed and more effective distribution of submissions to the CPO in 2020–21. Establishing a category management function within the Central Procurement Team has also provided greater oversight and ability to manage spend against DELWP’s three main categories, and this will continue to mature over the next financial year. | | | | |
| **Increase in procurement capability** | | **16** | **11.6** | **6.3** |
| Procurement capability increased from 96 to 102 out of 150. Procurement activities now have greater strategic direction with procurement objectives and performance targets built in. Senior management have shifted their view of procurement from an important function to a core function of the department. A total of 123 staff attended formal procurement and contract management training courses during the year. In addition, 74 staff took the introduction to procurement eLearning module. | | | | |
| **Supplier satisfaction assessment** | **Successful satisfied** | **83** | **90** | **60** |
| **Unsuccessful satisfied** | **42** | **36** | **32** |
| Overall satisfaction declined in 2019–20. These results reinforce the requirement for supplier feedback to be provided to unsuccessful suppliers. Areas where DELWP scored lower than the average for all organisations include levels of satisfaction with the invitation to supply documents and submission process and all aspects of the evaluation process. Higher scoring areas include satisfaction with the feedback process, contract management, all areas of the procurement process and the helpfulness and quality of feedback among successful suppliers. | | | | |
| **Planned procurement activity as a % of actual procurement activity** | | **28.6** | **17.8** | **71.7** |
| DELWP publishes a procurement activity plan for all planned procurement greater than $500 000, which is reviewed every six months. In 2019–20, 46 goods and services procurements were conducted at this value, including four procurements from SPCs. Thirty-three of these were published in the procurement activity plan. The 13 remaining procurements were not included as they were either not captured by the business or were unplanned at the start of the year due to policy and budget issues. | | | | |