Table Department of Transport 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** | **5.3** | **4.8** | **2.2** |
| The Procurement Branch increased its involvement with commercial decisions and negotiations, which is building procurement confidence and capability across the business. |
| **Managed spend** | **n/a** | **n/a** | **79.8** |
| Savings have not been well tracked across the department. Introducing Zycus will help with tracking and managing savings.  |
| **Increase in procurement capability** | **3.0** | **5.8** | **18.7** |
| Procurement capability increased from 116 to 138 out of 150 – an 18.7 per cent increase from last year – which is a significant uplift in capability. The department is rolling out a suite of new procurement, probity and procurement legal training across the business and internally in the Procurement Branch. Procurement training will become a mandatory part of the onboarding process for new employees. |
| **Supplier satisfaction assessment** | **Successful satisfied** | **71** | **96** | **69** |
| **Unsuccessful satisfied** | **45** | **24** | **26** |
| The department had a 14 per cent response rate. The decrease in successful supplier satisfaction may be related to the machinery of government changes and a disparity in the quality of supplier engagement across the organisation. DoT implemented its integrated procurement framework in February 2020 and has since. improved communication with suppliers and facilitated more industry briefings and tender debriefs, which should increase supplier satisfaction in 2020–21. |
| **Planned procurement activity as a % of actual procurement activity** | **40.0** | **66.7** | **10.5** |
| Although DoT, VicRoads and PTV each had a separate forward procurement plan in 2019–20, the department was still working on a joint plan for 2020–21. Now that the three organisations have merged their procurement functions, the Procurement Branch will be able to facilitate better planning with business units to develop a more rigorous forward activity plan focused on business needs and expiring contracts.  |