# **Table Department of Environment, Land, Water and Planning performance in 2020-21**

Extract from Victorian Government Purchasing Board Annual Report 2020-21

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| --- | --- | --- | --- | --- |
| Performance measure | | 2018–19 | 2019–20 | 2020–21 |
| (%) | | |
| **Value created from department procurement activity** | | **10.2** | **5.3** | **8.8** |
| The central Strategic Sourcing team was expanded in 2020–21 to cater for increased procurement requirements. DELWP's total contract spend was significantly less in 2020–21 than 2019–20, but the department still managed to realise procurement savings of $21 million. Procurement savings are largely a direct result of the output of the central Strategic Sourcing team which leads all procurement greater than $3 million. | | | | | |
| **Managed spend** | | **n/a** | **26.9** | **67.8** |
| In 2020–21, the procurement governance unit reviewed all procurements with a value greater than $150 000 up to November 2020, and procurements greater than $200 000 from December 2020 onwards, as well as all professional services engagements. The team reviewed fewer submissions in 2020–21. This is partly attributed to the higher CPO approval threshold of $200 000 implemented in December 2020. However, DELWP's smaller total contract spend meant that the proportion of spend reviewed by the team more than doubled during 2020–21. | | | | | |
| **Increase in procurement capability** | | **11.6** | **6.3** | **2.9** |
| Procurement capability has increased across DELWP with the implementation of the department's new cloud-based BusinessHub systems (Oracle and Zycus), which included the development of new teams (Sourcing Support and Purchasing Support) and a specialist role (Sourcing Community Engagement Manager) in the central procurement branch (the Hub) to support the model. This is in addition to the previously established and operational Strategic Sourcing team. There are dedicated procurement teams embedded into each group, including sourcing specialists and purchasing officers (the Spokes) to support procurement needs. | | | | | |
| **Supplier satisfaction assessment** | **Successful satisfied** | **90** | **60** | **85** |
| **Unsuccessful satisfied** | **36** | **32** | **57** |
| The sample size increased in 2020–21 to 27% of the total supplier population, compared with 12% in 2019–20. Supplier satisfaction increased among both successful and unsuccessful suppliers compared with last year. This is attributed to the provision of clear information to suppliers, openness and responsiveness to questions, and a simple straightforward procurement process. Areas for improvement are the timeliness of procurement processes and helpfulness of feedback for unsuccessful suppliers. | | | | | |
| **Planned procurement activity as a % of actual procurement activity** | | **17.8** | **71.7** | **55.6** |
| DELWP publishes a procurement activity plan for all planned procurement greater than $500 000. In 2020–21, 72 procurements over $500 000 were conducted, including 22 procurements from an SPC. Forty planned procurements were published in the procurement activity plan. The other significant procurements were not published in the activity plan as they were either not captured by the business or were unplanned at the start of the year due to policy and budget issues. | | | | | |

Refer to *Table 11: Performance measure methodology* in the compliance section for a definition of performance measures.