Table Department of Premier and Cabinet performance in 2020-21

Extract from Victorian Government Purchasing Board Annual Report 2020-21

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Performance measure | | 2018–19 | 2019–20 | 2020–21 |
| (%) | | |
| **Value created from department procurement activity** | | **0.3** | **1.9** | **5.3** |
| The increase in value created reflects improved procurement processes and governance across DPC. DPC’s business areas were encouraged to include best and final offer processes in their negotiations. Better manual reporting processes were implemented this year, resulting in better capture of savings in the procurement register and via procurement documentation. DPC is planning to transition to a new procurement application as part of the Common Corporate Platforms Program that will improve savings reporting, cost avoidance and benefits tracking. Implementation was originally planned for 2020–21 but was postponed to enable a smooth transition to a WoVG single instance procurement system. | | | | |
| **Managed spend** | | **n/a** | **29.3** | **29.8** |
| Continued impacts of COVID-19 affected improvements to managed spend. | | | | |
| **Increase in procurement capability** | | **10.0** | **11.8\*** | **7.4** |
| Procurement capability increased mainly due to improvements in contract management processes. Specialised training in contract management was created and presented to several business areas. Uplift in procurement capability is being addressed through improved communication and governance information. | | | | |
| **Supplier satisfaction assessment** | **Successful satisfied** | **84** | **100** | **73** |
| **Unsuccessful satisfied** | **66** | **75** | **64** |
| DPC experienced a drop in satisfaction from successful and unsuccessful suppliers. Suppliers reported dissatisfaction with:  • timeliness of the process (evaluation and advice)  • lack of clarity of the information provided.  This is most likely attributed to DPC’s critical response to COVID-19 which resulted in short turnaround times, project delays, moving priorities and evaluation timeliness. Procurement requirements were untested and urgent in several markets and may have led to suppliers reporting on lack of information clarity. | | | | |
| **Planned procurement activity as a % of actual procurement activity** | | **30.1** | **50.0** | **45.0** |
| DPC implemented improvements to actively work with business areas in maintaining currency of the forward procurement activity plan. Branch budgets were delayed until November 2020 which meant a low response at the time the forward plan was put together. Several planned activities were cancelled due to re-prioritisation of projects due to COVID-19. | | | | |

\* The procurement capability score was reported incorrectly in 2019–20. This score has been revised.

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