

**CONTRACT AUDIT REPORT INTO THE CONSTRUCTION OF SENENDET SEED
SECONDARY SCHOOL IN BUKWO DISTRICT LOCAL GOVERNMENT UNDER
UGIFT PROGRAM**

CONTRACTOR: TRINITY TECHNICAL SERVICES LTD

PROCUREMENT REF: MOES/UgIFT/WRKS/20-21/00005

JULY 2025

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ACRONYMS

ESHS	-	Environmental, Social, Health and Safety
GCC	-	General Conditions of Contract
HC	-	Health Center
LC	-	Local Council
PPDA Act	-	Public Procurement and Disposal of Public Assets Act Cap. 205
PPDA	-	Public Procurement and Disposal of Public Assets Authority
SCC	-	Special Conditions of Contract
UGX	-	Uganda Shillings
UGIFT	-	Uganda Intergovernmental Fiscal Transfer Program
VAT	-	Value Added Tax

EXECUTIVE SUMMARY

The Government of Uganda appropriated funds worth UGX. 2,833,391,108 to undertake the construction of Senendet Seed Secondary School in Bukwo District. Funds were obtained from the World Bank through the Uganda Intergovernmental Fiscal Transfer Program (UGIFT), the implementing ministry was the Ministry of Education and Sports.

On 14th October 2022, Bukwo District Local Government entered into a contract with Trinity Technical Services Ltd for the construction of Senendet Seed Secondary School at a cost of UGX. 2,833,391,108 with the intended completion date on 13th May 2024 and a defects liability period of 12 months.

In line with Section 8 (1) (j) (ii) of the PPDA Act, Cap. 205, the Public Procurement and Disposal of Public Assets Authority (hereinafter “PPDA or the Authority”) conducted a contract audit into the contract with an overall objective of assessing the status of contract implementation. The specific objectives of the contract audit were to assess the;

- (i). Progress of works;
- (ii). Effectiveness of time, quality & cost control of works undertaken; and
- (iii). Adherence to Environmental, Social, Health and Safety (ESHS) safeguard requirements.

Key Findings of the Authority

The Authority found the following:

1. **Delayed completion.** The Authority noted that the contract with M/s Trinity Technical Services Ltd, signed on 14th October 2022 with site handover on 13th November 2022 and a contractual completion date of 13th May 2024, had exceeded its timeline by eight months as of 22nd January 2025. At the time of physical verification, only 64% of the works had been completed despite 144% of the contract time having elapsed, rising to 178% by June 2025. Additionally, the contractor and key personnel were absent during the site visit, and no workers were present. This absence of contractor presence and delays significantly disrupted project implementation, contravening Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023, and Clause 14.1 of the General Conditions of Contract (GCC), and heightened the risk of further delays and non-performance;
2. **Slow progress of works.** The project’s physical progress stood at 64% as of 22nd January 2025 and 70% by June 2025 with trees planted, site hoarded off, structures completed up to RC frames, walling, roofing, external metallic doors and window frames installed, site offices in place, and electrical works done except in staff houses. While key works remained pending, including: site clearance and levelling, grass planting around the site and sports field, internal and external painting, installation of rainwater harvesting systems and tanks, drainage, furniture, ramps on some structures, window glasses, electrical fixtures and fittings, lightning arrestors, plumbing in science labs, labelling of structures and general landscaping contrary to Section 51 of the PPDA Act, Cap. 205;
3. **Execution of works against an expired contract.** The Authority observed that the 18-month contract awarded to M/s Trinity Technical Services Ltd, signed on 14th October 2022 with an expected completion date of 13th May 2024, had expired by the time of physical verification on 22nd January 2025. At that point, physical progress stood at only 64%, while time progress

had reached 144%. This indicates that the contract was no longer legally binding, exposing the Entity to risks of non-performance. Consequently, the Entity contravened Regulation 52 (3) (e) of the PPDA (Contracts) Regulations, 2023, which requires timely contract implementation and safeguards against performance risks; and

4. **No project safety warning signs.** The Authority observed that the contractor failed to provide essential safety, health, and welfare signage or warning tape around hazardous areas such as pits, increasing the risk of accidents and injuries for workers and visitors due to unmarked site hazards.

Audit Conclusion

In conclusion, the Authority noted that the project implemented by M/s Trinity Technical Services Ltd suffered significant delays, slow and incomplete works, execution beyond the agreed contract period, lack of essential safety signage, and absence of contractor personnel on site collectively contravening the PPDA Act and Contracts Regulations, compromising supervision and safety, and exposing the Government to risks of substandard delivery, time overruns, and financial loss.

Recommendations

In light of the above findings arising from the contract audit exercise and in accordance with Section 10 of the PPDA Act, Cap. 205, the Authority recommends the following measures: -

1. The Accounting Officer should: -
 - i. Task the Contract Management team to show cause why disciplinary action should not be taken against them for failure to effectively monitor the contract to completion in line with Regulation 52 (1) (b) of the PPDA(Contracts) Regulations, 2023; and
 - ii. Ensure that ongoing projects are running on valid contracts to hedge against non-performance of contracts in accordance with Regulation 52 (3) (e) of the PPDA (Contracts) Regulations, 2023.
2. The contract manager should ensure that the contractor complies with safety and regulatory requirements as indicated in the Bill of Quantities, including installation of signage to mitigate risk, ensure worker safety and avoid penalties or delays in project execution in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.
3. The Accounting Officer, Head of Works Department and Contract Managers should enforce strict adherence to Clause 14.1 of the GCC by ensuring the contractor deploys and maintains key personnel on site throughout project execution. Regular site supervision should be conducted, and any failure to comply should attract penalties or corrective action to safeguard project quality, safety and timelines in accordance with Regulation 52 of the PPDA (Contracts) Regulations, 2023 and Section 28 (1) of the PPDA Act, Cap. 205.
4. The Accounting Officer should consider paying M/s Trinity Technical Services Ltd for the certified works completed to date in accordance with Regulation 52 (3a) (iii) of the PPDA (Contracts) Regulations, 2023. Additionally, the Entity should promptly procure an alternative contractor to complete the remaining works, ensuring that the process upholds the principles of economy and efficiency as outlined under Section 51 of the PPDA Act, Cap 205.
5. The Authority shall undertake suspension investigation on Trinity Technical Services Ltd for failure to meet contractual obligations in accordance with Section 128 (e) of the PPDA Act, Cap. 205, which empowers the Authority to suspend or blacklist providers for breach of contract.

CHAPTER 1: INTRODUCTION

1.1 Contract summary

The key information about the contract is summarized in Table 1 below: -

Table 1: Contract summary for the construction of Senendet Seed Secondary School

Entity	Bukwo District Local Government	
Contract Title	Construction of Senendet Seed Secondary School	
Reference Number	MOES/UgIFT/WRKS/20-21/00005	
Name of Contractor	Trinity Technical Services Ltd	
Contract Sum	UGX 2,833,391,108	
Type of contract	Lumpsum	
Contract Scope	Works Description	Amount (UGX)
	Preliminaries	16,000,000
	Site levelling works	90,782,000
	2-classroom blocks	460,314,750
	2-Unit Science Laboratory Block	295,507,463
	One Administration Block	168,253,000
	Three 2-Unit Teachers House	385,552,125
	Three 2-Unit Teachers Kitchen	105,459,405
	One 2-Stance Lined VIP Latrine at Administration Block	16,722,000
	Three Two-Stance Lined VIP Latrine Block for Teachers House	59,968,500
	One Five Stance Lined VIP Latrine Block for Boys	31,274,500
	One Five Stance Lined VIP Latrine Block for Girls	30,949,500
	External works	146,260,000
	One rain water harvest system with 5000 litres	5,146,000
	One ICT library Block	348,102,000
	One Multipurpose Hall	227,008,000
	One sports field	50,000,000
	Sub Total 1	2,022,982,928
	VAT 18%	810,408,180
	TOTAL AMOUNT	2,833,391,108
Contract Signing date	14 th October 2022	
Site hand over date	13 th November 2022	
Original contract completion date	13 th May 2024 (18 months)	
Defects Liability period	6 months	

Contract Extension	NIL
Method of procurement	Open National Bidding
Amount Paid	UGX 1,800,318,954 as at 22 nd January 2025
Contract manager	Mr. Sokuton Fred Twalla -District Education Officer
Progress at site	Physical progress: 70% Financial: 64% Time: 144%

1.2 Laws applicable

The applicable laws and legal framework were:

1. The Public Procurement and Disposal of Public Assets Act Cap. 205;
2. The Local Governments (PPDA) Regulations, 2006;
3. The Local Governments (PPDA) Guidelines, 2008;
4. The PPDA Regulations, 2023
5. The bidding document issued to bidders;
6. The signed contract between Bukwo DLG and Trinity Technical Services Ltd; and
7. The circular on contract management and safeguard requirements under the Uganda Intergovernmental Fiscal Transfer (UGIFT) program dated 16th March 2021.

1.3 Objectives

The overall objective of the contract audit was to assess the effectiveness of the contracting process and the status of contract implementation in regard to the obligations of Bukwo District Local Government (the Entity) and Trinity Technical Services Ltd (the Contractor).

The specific objectives of the contract audit were to assess the:

- i Progress of the works.
- ii Effectiveness of cost and quality control of works undertaken.
- iii Adherence to Environmental, Social, Health and Safety (ESHS) requirements.

1.4 Scope of the Audit

The audit covered the contract implementation and management of the construction of Senendet Seed Secondary School.

1.5 Audit Methodology

The Authority adopted the following methodology:

- i. Review of documentation in the procurement action file;
- ii. Physical verification of the site;
- iii. Debriefing the Entity management on the preliminary findings;
- iv. Issuing a management letter to the Entity for official management response; and
- v. Reporting on findings of the audit and providing recommendations where applicable

1.6 Limitation of Scope

The contract audit was undertaken by auditors who did not have professional competence in engineering and building construction. The audit team could not conclusively give an opinion on the technical quality of the works undertaken. The overall responsibility of the quality of works undertaken lies with the Entity management and the contractor.

CHAPTER 2: FINDINGS AND RECOMMENDATIONS

2.1 ASSESSMENT OF THE PROGRESS OF WORKS

Progress of works.

The Authority reviewed the contract document; however, the contract management records were missing and on 22nd January 2025 conducted physical verification of the project to ascertain the time, physical and financial progress works as shown below:

2.1.1 Time progress

The Authority noted that the Entity signed a contract with Trinity Technical Services Ltd on 14th October 2022 with site handover on 13th November 2022 and a contract completion period of 18 months expiring on 13th May 2024. The Contractor was eight months behind schedule causing delays and disrupting the project's progress.

Table 2 below shows the time progress of the project.

Table 2: Progress as at 22nd January, 2025, updated 12th June 2025

Contract Start Date	14 th October 2022
Original Contract End Date	Initial original contract end date was on 13 th May 2024.
Contract Extension No. 1	Nil
Date for audit verification	22 nd January 2025
Contract Period (Months)	18 months
Time Lapse (Months)-Audit	26 months
Time Lapse (Months)-June 2025	32 months
Time Progress during audit	144%.
Time Progress in June 2025	178%

On 22nd January 2025 during physical verification, the project was behind schedule with 144% time spent, while an updated status in June 2025 revealed that the works were still incomplete with 178% time spent, as shown in Table 2. Furthermore, the contractor and the key personnel were not found on site at the time of physical verification.

2.1.2 Physical progress

Table 3 below shows the physical progress of the project at 64% as at 22nd January 2025, 70% as of June 2025 with trees planted, site was hoarded off, all structures were up, the RC Frames, walling, and roofing were all complete, external metallic doors and window frames were installed, site offices were on ground, electrical installations were done except in staff houses. All structures had doors and windows installed but had no glasses fitted yet.

Table 3: Physical Progress as at 22nd January 2025, updated June 2025

Contract Amount	2,833,391,108
Measured / Valued works as at 5th July 2024 as per Engineers measurement.	1,814,606,954
Physical Progress based on the measured / valued works as at 22nd January 2025	64%
Physical Progress based on the measured / valued works as at June 2025	70%

Pending works were; site clearance and levelling, planting grass around the site, levelling and planting grass on the sports field, internal and external painting not done, installation of rain water harvest system and tanks, drainage works, furniture installations, no ramps on some structures, glasses not installed in the windows, electrical fixtures and fittings, installation of lightening arrestors, plumbing works in the science laboratories labelling of the site structures and general land scaping and no project sign post.

2.1.3 Financial progress

Table 4 below, shows the financial progress of the project that was determined by analysing the cumulative amount of money paid out to the contractor as vis-à-vis the contract amount. The financial performance was 64% worth UGX. 1,814,606,954.

Table 4: Financial Progress as at 13th November 2024

Contract Amount	UGX. 2,833,391,108
Payments Made	<p>IPC 1; 23rd May 2023- UGX 942,102,543- payment for IPC 1 worth UGX 885,576,390- 15th June 2023 IPC 2; 8th June 2023- UGX 672,930,388 payment for IPC 2 worth UGX 632,554,565- 28th June 2023 IPC 3; 30th Jan 2024- UGX 300,199,999 payment for IPC 3 worth UGX 282,187,999- 22nd Feb 2024 additional payment UGX. 14,288,000- 11th July 2024</p> <p>Total payment to date is UGX 1,814,606,954</p>
Advance Payment	30%
Total Payments as at review by the Authority	UGX. 1,814,606,954
Financial Progress	64%

Note: The Authority noted that the contractor had been paid UGX.1,814,606,954 which was equivalent to 64% of the contract sum and was relatively equivalent to the works done at the time with physical progress of 64%.

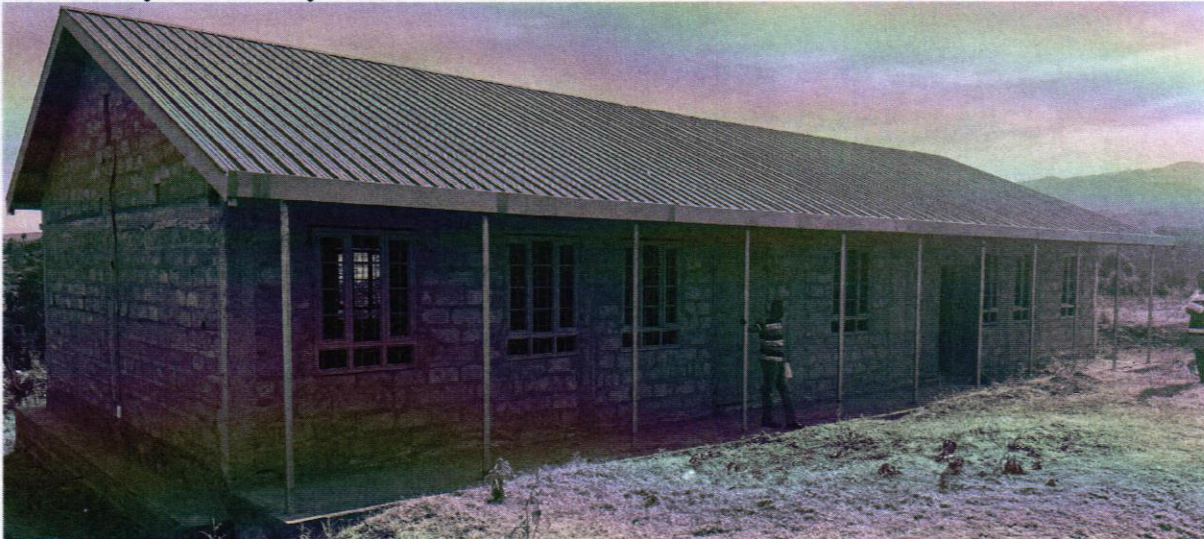
Table 5 below shows project pictures from the physical verification that was conducted by the Authority on 22nd January 2025 and the progress noted.

Table 5: Physical verification pictures as at 22nd January 2025

Classroom blocks



Laboratory and library Blocks



Multi-purpose hall



Teachers' staff houses Kitchen



Administration Block



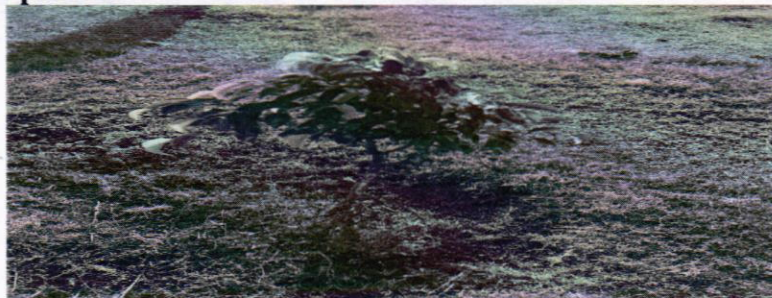
Five -Stance Latrine



Science Laboratory



Compound trees planted



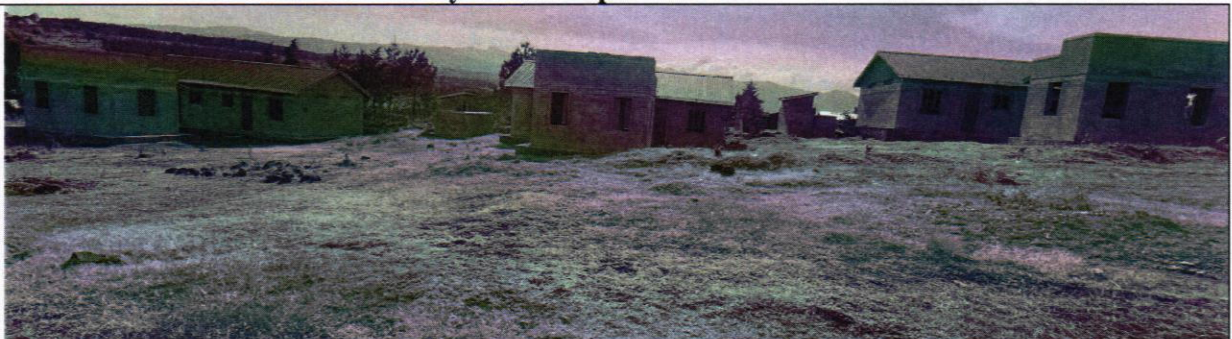
2.2 EFFECTIVENESS OF THE QUALITY, TIME AND COST CONTROLS

2.2.1 Abandoned site with no workforce.

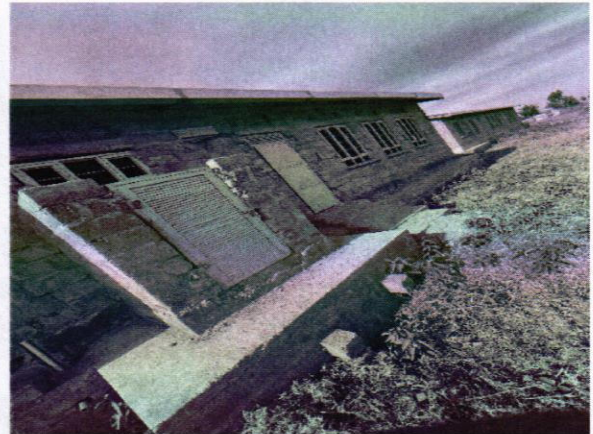
Despite the project reaching 64% completion, the Authority found no contractor personnel on site, even though 144% of the scheduled time had elapsed. This raised concerns about the contractor's commitment to timely delivery of the project. The audit further revealed that the site had remained inactive due to non-payment to the contractor.

Table 6 below shows some of the works that were not yet done by the Contractor as at 22nd November 2024.

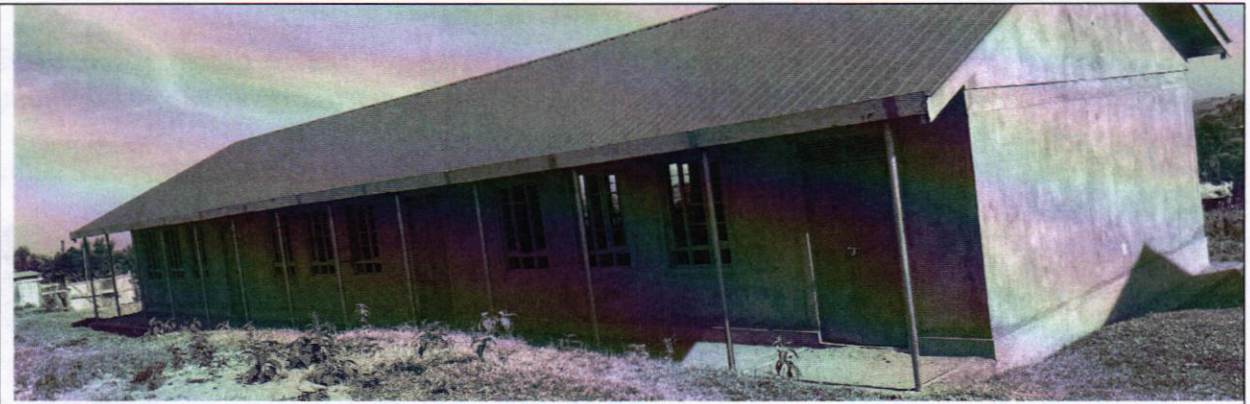
Table 6: Pictorial evidence of delayed/ incomplete works



Staff houses and kitchen were incomplete, pending painting and external works.

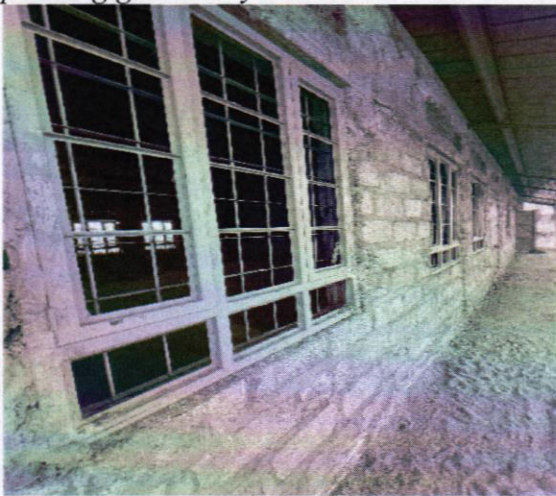


Pending completion of structural works

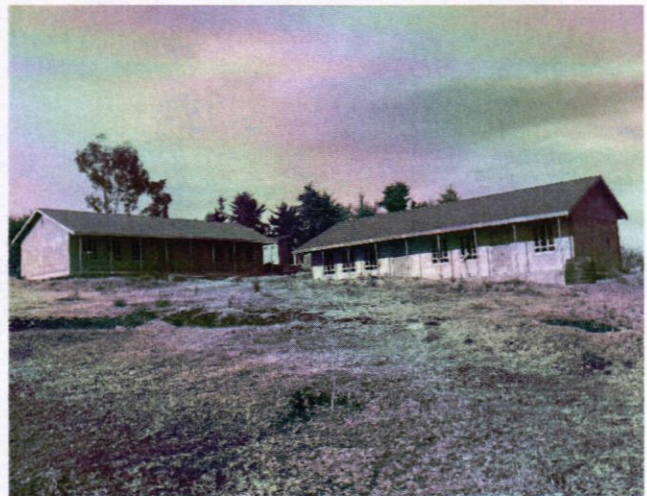


Science laboratory, pending painting

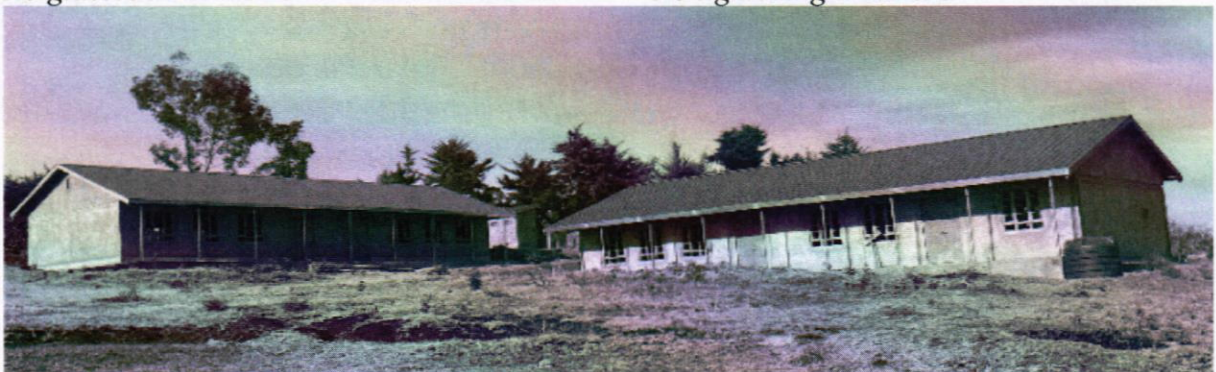
No furniture installation, rain water harvest tanks installation, site clearing, levelling and planting grass not yet done



No glasses in windows



No lightening arrestors



No landscaping

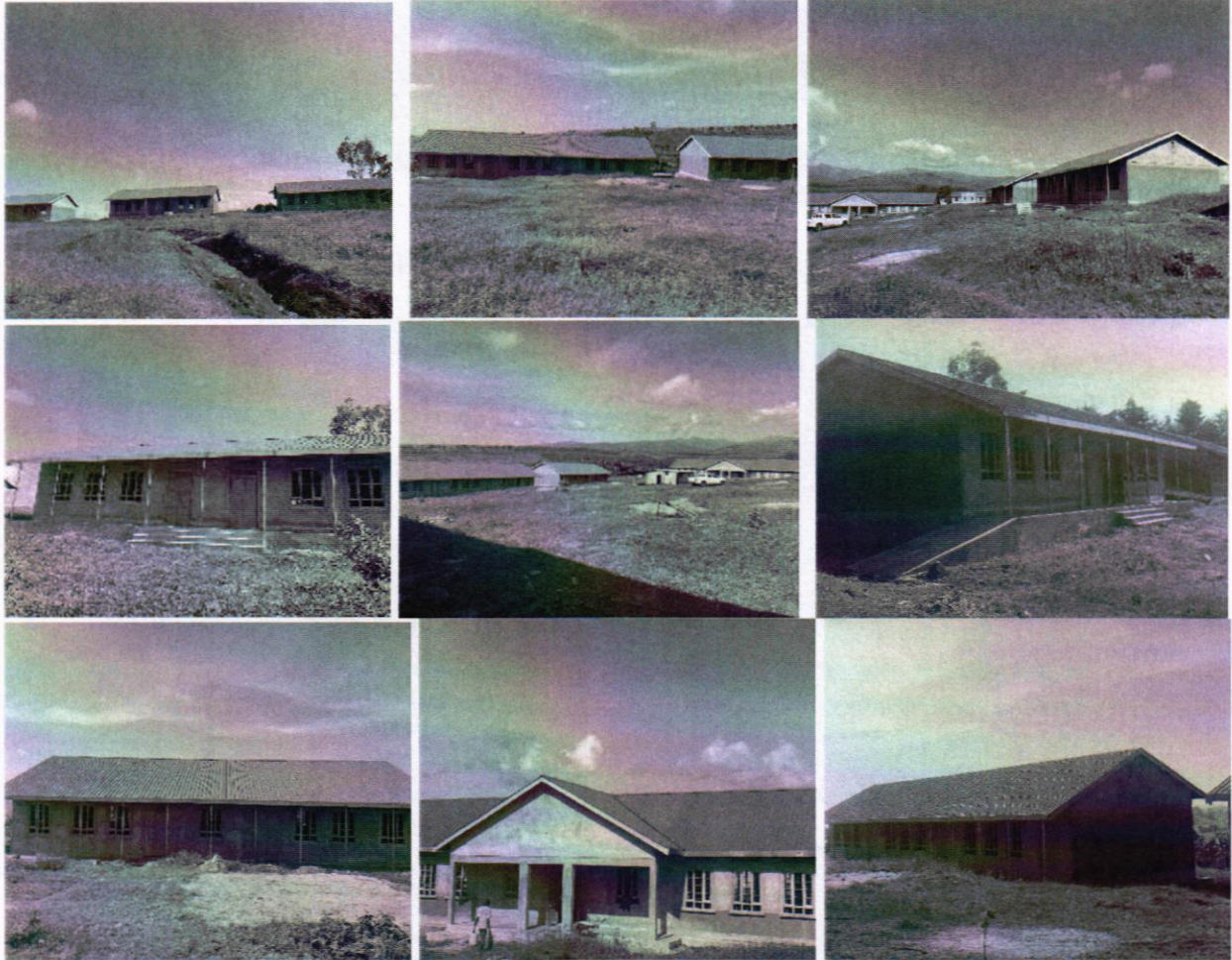
Implication

Having no personnel at the site resulted into delayed completion of the works which delayed education service delivery to the intended beneficiaries and compromised achievement of value for money.

Management response

The contractor was not paid for the work done because the government did not revoke the funds, which were swept in the FY 2020/2021. However, the contractor has resumed works pending the release of funds.

The contract management has started its work of monitoring and supervision as shown below:



Authority's comment:

The Authority acknowledges management's response regarding the non-payment arising from the non-revocation of funds in FY 2021/2022 and notes that project works have since resumed. However the Authority was not able to physically verify whether the works had been resumed. With the exception of random photos, there was no documentary evidence to confirm that a contractor was on site. The Entity should honour its contractual obligation to pay the contractor for certified works completed. Failure to honour these payments exposes the Entity to further delays in project delivery. The Authority emphasizes that the Entity should promptly effect payment for certified works to avoid recurring site abandonment and ensure project completion.

Recommendations

- i. The Accounting Officer should task the Contract Management team to show cause why disciplinary action should not be taken against them for failure to effectively monitor the contract to completion in line with Regulation 52 (1) (b) of the PPDA(Contracts) Regulations, 2023.
- ii. The Accounting Officer should ensure that there is a valid contract between the contractor and the Entity.
- iii. In future procurements, the Contract Manager/Contract Management Team shall ensure that no contractor initiates demobilization without obtaining prior written authorisation, in adherence to Clause 28 of the General Conditions of Contract.

2.2.2 Failure to submit work program updates

The Authority found that the Contract Manager did not caution the contractor, Trinity Technical Services Ltd, for failure to prepare and submit work program updates contrary to GCC 36.1 of the signed contract, which stated that: *The period between Program updates is 30 days.*

Implication

Without work program updates, the Contract Manager could not measure/monitor the actual progress achieved on each activity, and this contributed to time losses during contract execution.

Management response

The contractor has submitted a revised program for the remaining works, and it's available for verification.

Authority's Response

There was no evidence provided to confirm the penalty for the contractor's failure to submit program updates; therefore, the query remains unresolved.

Recommendation

The Contract Manager should enforce compliance with GCC 36.1 by formally requiring the contractor to submit monthly work program updates, and issue timely warnings or sanctions for non-compliance to ensure effective monitoring, early identification of delays, and improved project delivery in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.

2.2.3 Execution of works against an expired contract

The Authority noted that the Entity signed a contract with M/s Trinity Technical Services Ltd on 14th October 2022 with site handover on 13th November 2022 and a contract completion period of 18 months expiring on 13th May 2024. At the time of verification on 22nd January 2025, the contract had already expired yet the physical progress on site was at 64% against a time progress of 144%.

Implication

The contract was no longer legally binding and the Entity was not guarded against contract non-performance.

Management Response

The contract was extended, and the documents for extension are available here for your verification.

Authority's Response

The Authority acknowledges to Entity's response, however, there was no evidence provided to confirm the extension of the contract; therefore, the query remains unresolved.

Recommendations

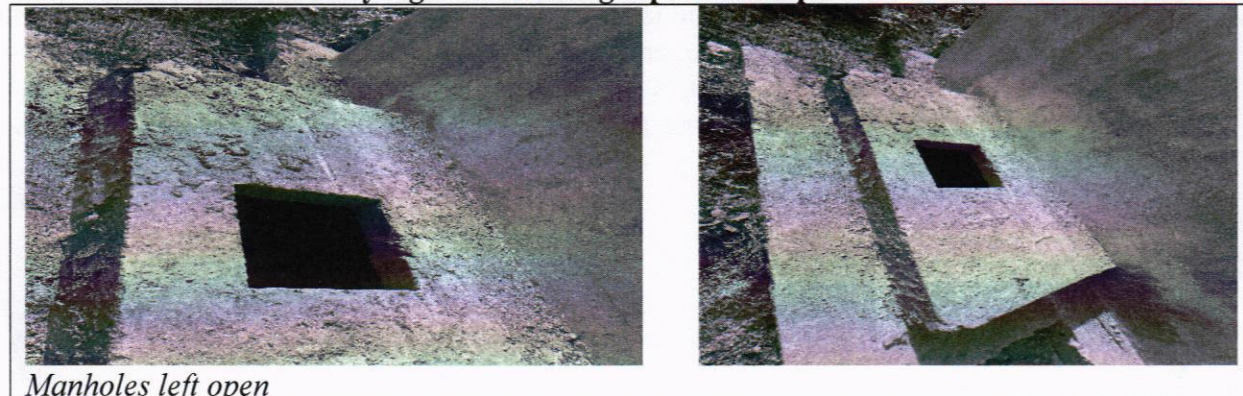
- i. The Accounting Officer should ensure that ongoing projects are running on valid contracts to hedge against nonperformance of contracts in accordance with Regulation 52 (3) (e) of the PPDA (Contracts) Regulations, 2023.
- ii. The contract manager should keep track of key dates in a contract to hedge against the risk of abandonment of site since the contractor no longer holds any contractual obligations with the Entity thus resulting into incomplete works.
- iii. The Accounting Officer should consider paying M/s Trinity Technical Services Ltd for the certified works completed to date in accordance with Regulation 52 (3a) (iii) of the PPDA (Contracts) Regulations, 2023. Additionally, the Entity should promptly procure an alternative contractor to complete the remaining works, ensuring that the process upholds the principles of economy and efficiency as outlined under Section 51 of the PPDA Act, Cap 205.
- iv. The Authority shall undertake suspension investigation on Trinity Technical Services Ltd for failure to meet contractual obligations in accordance with Section 128 (e) of the PPDA Act, Cap. 205, which empowers the Authority to suspend or blacklist providers for breach of contract.

2.3 ADHERENCE TO ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY (ESHS) REQUIREMENTS

2.3.1 No project safety warning signs

The Authority observed that the contractor lacked essential signage to indicate safety, health, and welfare measures for both workers and visitors. There were no hazard, safety, or caution signs, and no warning tape was placed around dangerous areas such as pits, as detailed in Table 7 below.

Table 7: Site with no safety signs or warning tape around pits



Implication

Without safety signs or warning tape, workers and visitors are more likely to be unaware of hazards, such as open manholes or pits, increasing the likelihood of accidents and injuries.

Management response

The project adheres to safety and regulatory requirements.

Authority's Response

There was no evidence provided to confirm the presence of project safety warning signs; therefore, the query remains unresolved.

Recommendation

The contract manager should ensure that the contractor complies with safety and regulatory requirements as indicated in the Bill of Quantities, including installation of signage to mitigate risk, ensure worker safety and avoid penalties or delays in project execution in accordance with Regulation 52 (1) of the PPDA (Contracts) Regulations, 2023.

CHAPTER 3: CONTRACT CLOSURE AND AUDIT CONCLUSION

3.1 Contract Closure and Handover

As at 12th June 2025, the physical progress stands at 70% against a time progress of 178%, implying that the contractor has failed to deliver the project within the stipulated time.

3.2 Audit conclusion

In conclusion, the Authority noted that the project implemented by M/s Trinity Technical Services Ltd suffered significant delays, slow and incomplete works, execution beyond the agreed contract period, lack of essential safety signage, and absence of contractor personnel on site collectively contravening the PPDA Act and Contracts Regulations, compromising supervision and safety, and exposing the Government to risks of substandard delivery, time overruns, and financial loss.