



**THE PUBLIC PROCUREMENT AND DISPOSAL OF PUBLIC  
ASSETS AUTHORITY**

**PROCUREMENT AND DISPOSAL COMPLIANCE  
INSPECTION REPORT FOR FINANCIAL YEAR 2020/21**

**BUDUDA DISTRICT LOCAL GOVERNMENT**

**OCTOBER 2022**

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## ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
BOQs	Bill of Quantities
CC	Contracts Committee
FY	Financial Year
LTD	Limited
MOU	Memorandum of Understanding
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
PS/ST	Permanent Secretary/ Secretary to the Treasury
DLG	District Local Government
UGX	Uganda Shillings
(U)	Uganda
VAT	Value Added Tax

## EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal Compliance Inspection of Bududa District Local Government that covered a sample of ten (10) procurement transactions under the Financial Year 2020/21.

The overall objective of the procurement and disposal Compliance Inspection was to assess and establish the degree of compliance of Bududa District Local Government's procurement system and processes with the provisions of the PPDA Act, 2003 as amended and the Local Governments (PPDA) Regulations 2006 and assess the level of procurement performance over the compliance inspection period.

From the findings of the procurement Compliance Inspection exercise, the performance of Bududa District Local Government for the Financial Year 2020/21 was **Satisfactory** with an overall weighted average risk rating of **48.9%**. The risk assessment criteria is detailed in chapter 3 of the report.

### **Despite the satisfactory performance, the following exceptions were noted:**

1. The Authority noted that the Lower Local Governments did not follow any formal and structured procurement procedures as enshrined in the PPDA Act ,2003 and Local Government Regulations 2006 when acquiring items such as fuel, oils and lubricants and construction materials among others yet these did not even go through the Procurement and Disposal Unit. Subsequently these were not reported to the Contracts Committee and the Authority. The Accounting Officer could not therefore account for these procurements that were conducted at the Lower Local Governments under his jurisdiction.
2. The Entity did not conduct any disposal process during the period under review, although some assets were found grounded and vandalized on the Entity's premises. In addition to this, the auditors were not availed with the Board of Survey report for the FY 2019/2020 contrary to Regulation 122 (2) of the Local Governments (PPDA) Regulations 2006 that requires the accounting officer to appoint a board of survey to verify and determine which assets of the council are to be boarded off.
3. The Internal Audit Department did not audit the procurement and disposal procedures of the Entity for the period under review as noted from the first, third and fourth quarterly internal audit reports contrary to Regulation 28 of the Local Governments (PPDA) Regulations, 2006. Lack of reviews by the internal auditor denies the Entity an opportunity to identify and address weaknesses within the procurement function at the earliest opportunity therefore aiding weak internal controls.
4. In all the ten (10) sampled procurements worth UGX. 1,811,005,650, the User Departments did not accompany their procurement requisitions with statement of requirements (SOR)/specifications/Terms of Reference (TOR) to guide preparation of solicitation documents and the bidding process. As a result, the solicitation document did not provide sufficient guidance to bidders so as to meet the requirements of the Entity.
5. There was limited competition in three (3) procurement transactions worth UGX 279,781,431 where the Entity received less than three (3) bids in response to invitations to bid under the selective bidding procurement method. This was contrary to Section 46 of the PPDA Act,

- 2003 which provides that all procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money.
6. The Entity's Contracts Committee approved inadequate solicitation documents for issue to bidders in three procurements worth UGX 625,635,540 such as use of an inappropriate solicitation document and failure to state specific academic requirements for technical personnel required contrary to Section 34 (1) of the PPDA Act 2003. Inadequate solicitation documents mislead providers, cause challenges during evaluation and contract implementation and also deter competition.
  7. In two procurements conducted under the selective bidding procurement method worth UGX 60,930,390, there was no evidence to confirm that the Entity conducted detailed technical evaluation of all the bids to determine that they were responsive to the technical requirements of the Entity. This may lead to subjectivity and award of contracts to incompetent providers thus hindering the achievement of value for money.
  8. The Entity did not conduct due diligence on the performance securities submitted by the Best Evaluated Bidders in two procurements worth UGX 487,491,788. This was in contravention of the PSST's circular Ref: FAD154/308/01 issued on 7<sup>th</sup> August 2014 that requires the Accounting Officer to conduct due diligence on the information submitted by the bidders to ensure that the Entity does not rely on forged and fraudulent documents to conduct business with providers.
  9. There were irregularities in the evaluation of four (4) procurement transactions worth UGX 542,512,411 such as deviation from the set criteria which was contrary to Regulation 73 (1) (2) and (3) of the Local Governments (PPDA) Regulations, 2006 that provides that detailed evaluation shall be conducted to compare the details of the received bids with the terms, conditions and criteria stated in the bidding documents and that the detailed evaluation shall not be based on any terms, conditions or criteria that was not included in the bidding documents.
  10. In four (4) contracts entered into by the Entity worth UGX 1,021,775,512, there was no evidence of contract management reports on file during the audit period contrary to Regulation 119 (1) of the LG PPDA Regulations, 2006. Lack of contract management reports/progress reports and other records casts doubt on whether contracts were executed in accordance with contractual requirements and terms and conditions.

**Key Recommendations made:**

1. The Accounting Officer should ensure that any procurements to be handled at Sub county level are formally delegated with clear guidance, thresholds, reporting requirements and PPDA procurement procedures must be adhered to. Sub county Chiefs should be held responsible for any breach in the procurement process handled at the Lower Local Governments.
2. The Accounting Officer should ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the Local Governments (PPDA) Regulations, 2006.
3. The Accounting Officer should ensure that the Internal Auditor reviews the procurement procedures of the Entity in accordance with Regulation 28 of the Local Governments (PPDA) Regulations, 2006.

4. The Heads of User Departments should ensure that initiation forms are duly filled with clear statement of requirements for onward submission to the PDU in accordance with Section 34 (b) of the PPDA Act, 2003.
5. The Accounting Officer should investigate the causes of low bidder participation leading to reduced competition in the Entity, thus affecting value for money and also formulate strategies to increase the procurement attractiveness in order to build confidence of bidders.
6. The Accounting Officer should task the Contracts Committee to ensure that thorough scrutiny of the bidding documents is done to achieve quality and competitiveness before they are approved for issue to bidders.
7. The Head Procurement and Disposal Unit and the Contracts Committee should ensure that the preliminary and technical evaluation requirements are stipulated clearly in the solicitation documents issued to bidders and that evaluation is conducted in accordance with Regulation 76 of the Local Governments' (PPDA) Regulations 2006 and Guideline No. 7 of the Local Governments' PPDA Guidelines 2008.
8. The Accounting Officer should ensure that due diligence is conducted on all the information submitted by the bidders in order to weed out unserious and fraudulent firms.
9. The Accounting Officer should formally request for training of the Entity's User Departments on procurement procedures from the Authority.
10. Heads of User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with the Local Governments (PPDA) Regulations, 2006 and the Accounting Officer should direct the Finance Department to always share copies of payments records with the Procurement and Disposal Unit in order for procurement action files to be closed off.

Bududa District Local Government should implement the recommended action plan on page **26 to 28**

## CHAPTER 1: INTRODUCTION

### 1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal Compliance Inspection of Bududa District Local Government that covered a representative sample of (10) procurement transactions under the Financial Year 2020/21. The compliance inspection involved a review of procurement structures, procurement and asset disposal processes, as well as contract performance following the provisions of the Public Procurement and Disposal of Assets Act 2003 and Local Governments (PPDA) Regulations 2006.

### 1.2 Overall Objective

The overall objective of the procurement and disposal compliance inspection was to assess and establish the degree of compliance of Bududa District Local Government procurement system and processes with the provisions of the PPDA Act 2003 and Local Governments (PPDA) Regulations 2006 and assess the level of procurement performance over the compliance inspection period.

#### **The specific objectives were:**

1. To establish the level of compliance by the Entity with the general provisions of the PPDA Act 2003 as amended and the Local Governments (PPDA) Regulations 2006;
2. To establish the level of compliance with the PPDA Act, 2003 and the Local Governments (PPDA) Regulations 2006 as amended in the conduct of procurement and disposal activities; and
3. To assess the level of efficiency and effectiveness in contract implementation.

### 1.3 Compliance inspection Scope

The Compliance Inspection involved a review of the procurement process, disposal process, general compliance issues and contract implementation on sample basis. The compliance inspection covered a sample of ten (10) procurement transactions worth UGX 1,811,005,650 under the Financial Year 2020/21.

### 1.4 Compliance inspection Methodology

The Compliance Inspection exercise examined records and documents for each sampled procurement transaction and/or disposal and obtained the relevant evidence to derive compliance inspection conclusions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and processes. At the end of the document review, a physical verification was undertaken to ascertain the level of contractual delivery and fitness for purpose. Special attention was given to reporting mechanisms within the Entity and internal controls due to repeated failures by the Entity as highlighted in previous reports.

During the Compliance Inspection, the auditors held interviews with the staff from the Procurement and Disposal Unit (PDU) and User Departments that were necessary in obtaining crucial qualitative information about the internal control system and processes in place.

A debriefing meeting to clear all pending issues that arose during the compliance inspection was held with the Entity management and staff on **20<sup>th</sup> May 2022** before the auditors could embark on preparation of the management letter. The auditors prepared the management letter,

which was sent to the Entity on **30<sup>th</sup> June 2022** with a request to submit a management response by **8<sup>th</sup> July 2022**, which was submitted on **23<sup>rd</sup> August 2022**.

On completion of data collection and before writing the report, the Regional Manager reviewed the working papers for completeness. The working papers contain detailed chronology of findings on each of the sampled transactions. The compliance inspection report presents the key findings and conclusions arising from the compliance inspection.

## 1.5 Structure of the Entity

The Entity had a substantive Accounting Officer, a Procurement and Disposal Unit with two staff for the period under review and adhoc Evaluation Committees appointed for each procurement transaction. The Entity's substantive Accounting Officer during the Financial Year was the Chief Administrative Officer Mr. Joshua Mabiya.

### i. Composition of the Contracts Committee

The PS/ST of Ministry of Finance, Planning & Economic Development approved the following members of the Contracts Committee who also acted during the period under review:

**Table 1: List of Contracts Committee Members**

No	Name	Job Title	Committee Position	Date of appointment
1.	Mr. Michael Obuya	Principal Education Officer	Chairperson	25 <sup>th</sup> October 2021
2.	Mrs. Kevin Namutosi	Senior Records Officer	Member	25 <sup>th</sup> October 2021
3.	Mr. Malachi Majeme	Hospital Administrator	Member	25 <sup>th</sup> October 2021
4.	Mrs. Susan Nandutu	Staff Surveyor	Member	25 <sup>th</sup> October 2021

### ii. Composition of the Procurement and Disposal Unit

The procurement and Disposal Unit was composed of the following members during the period under review

**Table 2: Staffing in the PDU**

No	Name	Academic & Professional qualifications & certifications	Experience	Job Title
1	Mr. Jonathan Christopher Muyinda	MCIPS, BA.(SS), PGD(PSCM)	13 Years	Senior Procurement Officer
2	Mr. Ronald Watira	BPSCM	2 Years	Procurement Officer

## CHAPTER 2: KEY FINDINGS AND RECOMMENDATIONS

### 2.1 To establish the level of compliance by the PDE with the general provisions of the PPDA Act, 2003 as amended and the Local Governments PPDA Regulations 2006

#### 2.1.1 Failure to fully constitute the Contracts Committee

The inspection revealed that the Accounting Officer failed to duly constitute a Contracts Committee as it had only four members instead of the required five members, contrary to Section 26 (1) (b) of the PPDA Act 2003.

**Table 3: Members of the Contracts Committee**

No	Name	Job Title	Committee Position	Date of appointment
1.	Mr. Michael Obuya	Principal Education Officer	Chairperson	25 <sup>th</sup> October 2021
2.	Mrs. Kevin Namutosi	Senior Records Officer	Member	25 <sup>th</sup> October 2021
3.	Mr. Malachi Majeme	Hospital Administrator	Member	25 <sup>th</sup> October 2021
4.	Mrs. Susan Nandutu	Staff Surveyor	Member	25 <sup>th</sup> October 2021

#### Implications

- This may affect the effectiveness and efficiency of the procurement function.
- Failure to fully constitute the Contracts Committee may negatively affect adjudication of recommendations from the Procurement and Disposal Unit as well as award of contracts due to lack of sufficient expertise/ experience.

#### Management response

Management had written to the Ministry of Finance, Planning and Economic Development as per attachment to renew the appointment of Kefa Walimbwa for the second term but is awaiting a response.

#### Recommendations

The Authority notes the Entity's Response and recommends as follows:

- The Accounting Officer should follow up with the Permanent Secretary/Secretary to Treasury on the nomination of Mr. Kefa Walimbwa to ensure that the Committee is adequately constituted in accordance with Section 26 (1) (b) of the PPDA Act 2003.
- The Accounting Officer should task the Head Procurement and Disposal Unit to monitor the term of membership of the Contracts Committee members and notify the Accounting Officer at least two (2) months prior to expiry of term of membership in accordance with Regulation 24 (i) of the Local Governments (PPDA) Regulations, 2006.

### 2.1.2 Inadequate facilitation of the Procurement and Disposal Unit

The Authority noted that although the Procurement and Disposal Unit was fully constituted with a Senior Procurement Officer (Head Procurement and Disposal Unit) and one Procurement Officer, the Unit lacked adequate office space and filing cabins in addition to this most of the documents were kept in paper files that wear out easily.

**Table 4: Showing the Procurement and Disposal Unit office**



#### **Implication**

Lack of proper storage facilities including office space and files may result in misplacement or loss of records thus affecting the audit trail.

#### **Management Response**

Management has provided storage space for the Unit and has embarked on construction of an administration block to create adequate office space.

#### **Recommendation**

The Authority commends the Entity for the efforts and recommends that in the meantime; the Accounting Officer should provide the Procurement and Disposal Unit with alternative storage space and an adequate budget to enable proper and safe storage of records at least plastic and box files in accordance with Section 41 (1) of the PPDA Act, 2003 as amended.

### 2.1.3 Role of Internal Audit

The audit revealed that the Internal Audit Department was not auditing the procurement and disposal procedures of the Entity for the period under review as noted from the first, third and fourth quarterly internal audit reports contrary to Regulation 28 of the Local Governments (PPDA) Regulations, 2006.

#### **Implication**

Lack of reviews by the internal auditor denies the Entity an opportunity to identify and address weaknesses within the procurement function at the earliest opportunity therefore aiding weak internal controls.

#### **Management response**

Internal Audit has been instructed to carry out quarterly audits as per attachment.

### Recommendation

The Accounting Officer should ensure that the Internal Auditor reviews the procurement procedures of the Entity in accordance with Regulation 28 of the Local Governments (PPDA) Regulations, 2006.

#### 2.1.4 Failure to implement 50% of the previous audit recommendations

The Authority noted that the Entity had been issued its previous audit report for the Financial Year 2018/19 in October 2019. Out of the ten (10) recommendations made, four (40%) recommendations were not implemented, one (10%) was partially implemented and five (50%) were implemented as detailed in the table below:

**Table 5: Showing implementation of previous audit recommendations**

No.	Recommendations	Status
1.	The Accounting Officer should prioritize the provision of adequate office space and storage facilities and internet to the Procurement and Disposal Unit as planned in the current financial year to improve efficiency.	Not Implemented
2.	The Head, Procurement and Disposal Unit should ensure that the bidding document defines the requirements, the evaluation criteria and the contract terms precisely and in a manner that promotes competition in accordance with Regulation 48 (4) of the Local Governments (PPDA) Regulations, 2006.	Partially Implemented
3.	User Departments should ensure that whenever need for items required under framework arrangement arises, requisitions and call off orders are placed through the Procurement and Disposal Unit for completeness in reporting and transparency.	Not Implemented
4.	The Accounting Officer should ensure that all defects and shortfalls noted during physical verification are rectified and should submit a report to the Authority on the same within four weeks of receipt of this letter.	Not Implemented
5.	The Accounting Officer should account with justification for the 21% variance in the procurement plan implementation and submit a report to the Authority within 2 (two) weeks of receipt of this letter.	Not Implemented

### Implication

Implementation of audit recommendations aids strengthening of internal controls within the Entity and where recommendations are not implemented, the Entity risks a weakened control environment. This could be related to having a weak implementation mechanism. Thus, failure to fully implement audit recommendations affects performance of the procurement function and is an indicator of a weak implementation mechanism by the Entity.

### Management response

Management has put in place a task force composed of Internal Auditor, Chief Finance Officer, District Engineer, District Planner, Principal Assistant Secretary and Head of Procurement and Disposal Unit to ensure appropriate implementation of the recommendations.

### Recommendations

The Accounting Officer should ensure that a strong mechanism is put in place to implement recommendations made by the Authority so as to improve the Entity's performance and the task forced mentioned above should be appointed in writing and given specific roles and responsibilities.

#### 2.1.5 Non implementation of 38% of the procurement plan

The following table summarizes information about the procurement plan, budget, and utilization of funds for the FY 2020/2021. The procurement plan implementation rate was 62% while the implementation variance was 38% worth UGX 1,854,093,442.

**Table 6: Procurement Plan Implementation Rate**

<b>Analysis of procurement spend</b>	
Total procurement plan value inclusive of VAT (UGX)	4,847,023,187
Total procurement spend value inclusive of VAT (UGX) excluding the seed school.	2,992,929,745
Implementation variance (UGX)	1,854,093,442
Procurement plan implementation rate (%)	38%

### Implication

Failure to fully implement the procurement plan denies the delivery of those services to the intended beneficiaries.

### Management response

The 38% includes Nakatsi Seed Secondary School whose procurement was hybrid and was completed in March 2022 but was pending a letter of no objection from the Ministry of Education and Sports.

### Recommendation

The Authority noted that Nakwasi Seed School only accounted for UGX 327,069,000 in the procurement plan leaving a balance of UGX 1,527,024,442 in unimplemented procurements. The Authority therefore recommends that:

The Accounting Officer should provide justification for not implementing the procurement plan in its entirety and in addition the Accounting Officer along with Management should regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 58 (4) of the PPDA Act, 2003 as amended to ensure improved performance.

#### 2.1.6 Failure to conduct disposal

The Authority noted that the Entity did not conduct any disposal process during the period under review, although some assets were found grounded and vandalized on the Entity's premises as shown in the pictures below. In addition to this, the auditors were not availed with the Board of Survey report for the FY 2019/2020 contrary to Regulation 122 (2) of the Local Governments (PPDA) Regulations 2006 that requires the accounting officer to appoint a board of survey to verify and determine which assets of the council to be boarded off

**Table 7: Showing images of assets due for disposal**

<i>Old tractor tyres</i>	<i>Old vandalized vehicle</i>
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The old tyres above were also due for disposal



The old pickup had no number plates and was due for disposal as it was in a bad mechanical state at the time of audit

### **Implication**

Failure to dispose off assets whose use ceased inhibits achievement of value for money as funds are held up in assets and also value lost through depreciation.

### **Management response**

Management acknowledges the concern and pledges to implement the recommendation.

### **Recommendation**

The Accounting Officer should ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the Local Governments (PPDA) Regulations, 2006.

### **2.1.7 Irregular acquisition of goods services and works without formal delegated Authority and without following formal procurement processes and procedures as per the PPDA Act, 2003 and Local Government Regulations 2006 by the Lower Local Governments.**

The Authority noted that the Lower Local Governments acquired items such as fuel, oils and lubricants and construction materials among others without any delegated Authority and did not follow the formal procurement processes and procedures as per the PPDA Act 2003 and Local Government Regulations 2006 through the Procurement and Disposal Unit and as such these were not reported to the Contracts Committee and subsequently to the Authority. The Accounting Officer could not therefore account for these procurements that were conducted at the Lower Local Governments under his jurisdiction. Specifically, the following were noted:

- There were no call off orders for the procurements of fuel, oils and lubricants and construction materials at the Lower Local Governments.
- There were no procurement requisitions for the procurements of fuel, oils and lubricants and construction materials at the Lower Local Governments.
- There were no payment records for the procurements of fuel, oils and lubricants and construction materials at the Lower Local Governments.

### **Implications**

Failure to formally delegate procurement to Lower Local Governments with clear formal procurement procedures and thresholds results in non-transparency in the procurement process and compromises accountability for public funds.

### **Management Response**

Management acknowledges the concern and promises to make a follow up and take action.

### **Recommendation**

The Accounting Officer should ensure that any procurements to be handled at Sub county level are formally delegated with clear guidance, thresholds, reporting requirements and PPDA procurement procedures must be adhered to. Sub county Chiefs should be held responsible for any breach in the procurement process handled at the Lower Local Governments.

#### **2.1.8 Failure to report micro procurements to the Contracts Committee**

The Authority noted that the User Departments usurped the powers of the Procurement and Disposal Unit and carried out micro procurements without any formal delegation of Authority and subsequently did not submit quarterly reports for the micro procurements conducted to the Contracts Committee for ratification and further reporting to the Authority contrary to Regulation 41 (7) of the Local Governments (PPDA) Regulations, 2006.

### **Implication**

This puts the Entity at risk of fraudulent practices, compromises value for money, accountability and could be an indicator of lack of transparency in the procurement process.

### **Management Response**

Management has noted the observation and cautioned the Heads of Departments, Town Clerks and Senior Assistant Secretaries for failing to report on Micro procurements.

### **Recommendation**

User Departments should be cautioned and must desist from carrying out micro procurements without formal delegated Authority and should ensure that whenever need for those items arises, requisitions and orders are placed through the Procurement and Disposal Unit for completeness in reporting and transparency.

#### **2.2 To establish the level of compliance with the PPDA Act, 2003 as amended and Local Governments (PPDA) Regulations, 2006 in the conduct of procurement and disposal activities**

##### **2.2.1 Failure to prepare statement of requirements**

In all the ten (10) sampled procurements, the User Departments did not accompany their procurement requisitions with statement of requirements (SOR)/specifications/Terms of Reference (TOR) to guide preparation of solicitation documents and the bidding process. As a result, the solicitation document did not provide sufficient guidance to bidders so as to meet the requirements of the Entity.

### **Implications**

- Failure to provide clear statement of requirements at initiation hinders the PDU from preparing bidding documents that meet the required quality standards of the items to be purchased.

- It also deters bidders from preparing bids that are realistic, competitive and meet the PDE's needs.

### Management Response

Management has noted the observation; However, User Departments did indeed accompany their procurement requisitions with Statements of Requirements but these were submitted separately.

### Recommendations

The Authority found the Entity's Response unsatisfactory since the Statements of Requirements are supposed to be submitted at initiation together with the requisition form and not separately. The Authority therefore recommends as follows:

- The Heads of User Departments should ensure that initiation forms are duly filled with clear statement of requirements for onward submission to the PDU in accordance with Section 34 (b) of the PPDA Act, 2003.
- The Heads of User Departments should ensure that the statement of requirements are based on up-to date information with realistic price estimates in accordance with Section 34 (d) of the PPDA Act, 2003.

### 2.2.2 Approval of inadequate solicitation document by Contracts Committee

The Authority noted that the Entity's contracts committee approved inadequate solicitation documents for issue to bidders in the following procurements worth UGX 625,635,540 contrary to Section 34 (1) of the PPDA Act 2003 as listed in the table below:

**Table 8: Procurements with inadequate solicitation document**

No.	Subject of procurement	Contract Value (UGX)	Observations	Management Response
1.	Construction of Bududa District Administration block	227,696,340	The bidding document indicated the Health and Safety Manager, Foreman, carpentry, Foreman masonry, Environmental Officer, Social Development Officer as a requirement without stating the qualifications required from them.	Noted for improvement
2.	Construction of a two Unit staff House at Bulucheke HHC II to III	137,939,200	<ul style="list-style-type: none"> <li>• The bidding document indicated the Health and Safety Manager, Foreman, carpentry, Foreman masonry,</li> </ul>	The Environmental concerns included Greening the project through planting of trees. Levelling and planting paspalam e.t.c. Preliminaries had the following:

No.	Subject of procurement	Contract Value (UGX)	Observations	Management Response
			<p>Environmental Officer, Social Development Officer as a requirement without stating the qualifications required from them.</p> <ul style="list-style-type: none"> <li>• Environmental concerns were provided for at UGX 700,000 but did not elaborate what this entailed likewise, preliminaries were valued at UGX 3,050,000 without a clear break down of what this involved.</li> </ul>	<ul style="list-style-type: none"> <li>• Project sign post.</li> <li>• Granite stone</li> <li>• Mobilisation and demobilisation</li> </ul>
3.	Supply of fuels and lubricants	260,000,000	Use of a wrong bidding document as a prequalification document was used.	Noted for improvement
<b>Total</b>		<b>625,635,540</b>		

### Implication

Inadequate solicitation documents mislead providers, cause challenges during evaluation and contract implementation and also deter competition.

### Recommendation

The Authority noted the Entity's response and recommends as follows:

The Accounting Officer should task the Contracts Committee to ensure that thorough scrutiny of the bidding documents is done before they are approved for issue to bidders.

#### 2.2.3 Failure to conduct detailed technical evaluation

In two procurements conducted under the selective bidding procurement method worth UGX 60,930,390, there was no evidence to confirm that the Entity conducted detailed technical evaluation of all the bids to determine that they were responsive to the technical requirements of the Entity, instead only financial evaluation was conducted on the prequalified bidders. This was contrary to Regulation 76 of the Local Governments (PPDA) Regulations, 2006 that requires evaluation to be conducted in three sequential stages i.e. Preliminary, technical and financial evaluation in that order.

The Authority noted that the Entity relied on the prequalification process to award contracts under selective bidding.

**Implications**

This leads to subjectivity and award of contracts to incompetent providers thus hindering the achievement of value for money.

**Management Response**

Management has noted the observation, However, during prequalification exercise most of the required information was captured, and we found it a duplicate to ask for the same going forward we shall improve.

**Recommendation**

The Head Procurement and Disposal Unit and the Contracts Committee should ensure that the preliminary and technical evaluation requirements are stipulated clearly in the solicitation documents issued to bidders and that evaluation is conducted in accordance with Regulation 76 of the Local Governments’ (PPDA) Regulations 2006 and Guideline No. 7 of the Local Governments’ PPDA Guidelines 2008.

**2.2.4 Failure by the Entity to conduct due diligence on the performance securities submitted by the contractors**

The Authority noted that the Entity did not conduct due diligence on the performance securities submitted by the Best Evaluated Bidders in two procurements worth UGX 487,491,788. This was in contravention of the PSST’s circular Ref: FAD154/308/01 issued on 7<sup>th</sup> August 2014 that requires the Accounting Officer to conduct due diligence on the information submitted by the bidders to ensure that the Entity does not rely on forged and fraudulent documents to conduct business with providers.

**Table 9: Showing procurements where the Entity did not conduct due diligence on performance securities**

No	Subject of Procurement	Contract Amount (UGX)	Contractor
1.	Construction of Bududa District Administration block phase II	227,696,340	Namugabwe Construction Limited General Company
2.	Construction of Subisi GFS Phase 2	259,795,448	Bana Enterprises Limited
<b>Total</b>		<b>487,491,788</b>	

**Implication**

The Entity risks engaging providers on the basis of forged performance securities which leaves the Entity without any form of recourse in case of non-performance by the providers.

**Management Response**

This was an oversight and management promises to conduct due diligence going forward.

### Recommendation

The Accounting Officer should ensure that due diligence is always conducted on all the information submitted by the bidders in order to weed out unserious and fraudulent firms.

#### 2.2.5 Low bidder participation

The audit revealed that in two (2) procurement transactions worth UGX 279,781,431, the Entity received less than three (3) bids in response to invitations to bid under the selective bidding procurement method, an indicator of limited competition in the Entity's procurement processes. This was contrary to Section 46 of the PPDA Act, 2003 which provides that all procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money.

**Table 10: Procurements with low bidder participation**

No.	Subject of Procurement	Contract Value (UGX)	No of firms invited	Number of bids received
1.	Construction of a three VIP latrine at Nanyere RGC in Bukalasi under Water Sector	19,225,939	3	2
2.	Fencing of hospital recovered land including the water pumping	41,704,451	3	1
	<b>Total</b>	<b>60,930,390</b>		

### Implications

- This could be a sign of bidder collusion, lack of information to bidders and subjective award of tenders.
- This could also be a sign of possible loss of confidence by bidders in the procurement processes of the Entity due to issues in the Entity such as failure by members of the Evaluation Committees to adhere to the set criteria thus failure to obtain competitive offers.

### Management response

Management notes the observation.

### Recommendations

- The Accounting Officer should investigate the causes of low bidder participation leading to reduced competition in the Entity, thus affecting value for money and also formulate strategies to increase the procurement attractiveness in order to build confidence of bidders.
- The Entity should increase the number of shortlisted bidders to more than a minimum of three in order to attain maximum competition.
- The Head Procurement and Disposal Unit should aggregate procurements and use the open bidding method which may attract more firms to participate in the bidding process to avoid collusion.

#### 2.2.6 Irregularities in evaluation of bids

The Authority noted irregularities in the evaluation of four (4) procurement transactions worth UGX 542,512,411 which was contrary to Regulation 73 (1) (2) and (3) of the Local Governments (PPDA) Regulations, 2006 that provides that detailed evaluation shall be conducted to compare the details of the received bids with the terms, conditions and criteria stated in the bidding documents and that the detailed evaluation shall not be based on any terms, conditions or criteria that was not included in the bidding documents.

**Table 11: Procurements for which irregularities at evaluation were noted**

No.	Procurement subject	Contract Value (UGX)	Observations
1.	Construction of a two Unit staff House at Bulucheke HC II to III	137,939,200	<ul style="list-style-type: none"> <li>• Premier Contractors and consultancy company Ltd (BEB) was not compliant on the requirement for possession of the following equipment; pickup vehicle, concrete mixer and carpentry and joinery kit.</li> <li>• Fraudulent audited books. The audited books of accounts were audited by CJ. Kwolekya and Company which is not a registered company by the institute of certified public accountants on their portal <a href="https://icpauportal.com/external_portal/firms">https://icpauportal.com/external_portal/firms</a> namely (https://icpauportal.com/external_portal/firms).</li> <li>• The requirement was that “Participation as contractor, management contractor, or subcontractor, in at least 3 contracts within the last 3 years, each with a value of at least UGX 300,000,000, that have been successfully and substantially completed (at least 70 percent complete) and that are similar to the proposed Works. However, the contractor submitted contracts worth; UGX 24,000,000, UGX 21,650,000, UGX 21,522,669, UGX 8,412,998, UGX 16,877,446, UGX 19,999,999, UGX 22,100,000, UGX 10,000,000, UGX 10,950,000, UGX 4713000 and UGX 154,850,678 contrary to the requirements.</li> </ul>
2.	Supply of fuels and lubricants	260,000,000	<p><b>Use of wrong evaluation methodology.</b> The Entity used the merit point system (awarded scores) at evaluation instead of the pass and fail(Technical Compliance Selection) required for the procurement of supplies.</p>
3.	Supply of materials for road construction and buildings		<p><b>Use of wrong evaluation methodology.</b> The Entity used the merit point system (awarded scores) at evaluation instead of the pass and fail(Technical Compliance Selection) required for the procurement of supplies.</p>
4.	Construction of 3 classroom block with an office and	144,573,211	Tsandex Investments (U) Ltd did not attach an Environmental, Social, Health & Safety management plan.

No.	Procurement subject	Contract Value (UGX)	Observations
	store at Shisabasi Primary School		
<b>Total</b>		<b>542,512,411</b>	

### Implications

- This is an indicator that members of the evaluation committees lacked adequate capacity to review bids which could have compromised fairness and transparency in the evaluation process
- Use of a wrong evaluation methodology or criteria leads to subjective award of contracts and award of contracts to firms without capacity to execute contracts.
- This may lead to award of contracts to non-compliant bidders which could result in to failure to attain value for money.

### Management Response

Management has noted and appreciates advice but wishes to request that PPDA conducts training on continuous professional development to build capacity.

### Recommendations

- The Accounting Officer should formally request for training of the Entity's User Departments on procurement procedures from the Authority.
- Evaluation Committees should ensure that evaluations are conducted according to the criteria set in the bidding document in accordance with Section 71 (3) of the PPDA Act, 2003.
- The Head, Procurement and Disposal Unit should ensure that evaluation methodologies are correctly applied in accordance with Guideline Number 7/2008 of the Local Government PPDA Guidelines 2008 and Regulation 73 of the Local Governments (PPDA) Regulations, 2006.

## 2.3 To assess the level of efficiency and effectiveness in contract implementation

### 2.3.1 Failure to maintain complete procurement action files.

The Authority noted that for the following four (4) contracts entered into by the Entity worth UGX **1,021,775,512** had no evidence of contract management reports on file during the audit period contrary to Regulation 119 (1) of the LG PPDA Regulations, 2006.

**Table 12: Procurements with missing records**

No	Subject of Procurement	Amount (UGX)	Missing records
1.	Supply of fuels and lubricants	260,000,000	<ul style="list-style-type: none"> <li>• Copies of original bids</li> <li>• Payment records</li> <li>• Consumption sheets</li> </ul>
2.	Upgrade of Bumusi HC II to III	617,500,157	Progress reports.
3.	Construction of 3 classroom block an office and store at Bunamoso Primary School	144,275,355	Progress reports

No	Subject of Procurement	Amount (UGX)	Missing records
4.	Supply of materials for road construction and buildings		<ul style="list-style-type: none"> <li>The LG Form I was not on file.</li> <li>Consumption sheets</li> <li>Payment documents.</li> </ul>
<b>Total</b>		<b>1,021,775,512</b>	

#### Implications

- Lack of contract management reports/progress reports and other records casts doubt on whether contracts were executed in accordance with contractual requirements and terms and conditions.
- This indicates failure by the Entity to account for public funds.

#### Management response

Management shall comply with the advice given accordingly.

#### Recommendations

- Heads of User Departments should charge all Contract Supervisors to submit progress reports/contract management reports and all contract implementation documentation in accordance with the Local Governments (PPDA) Regulations, 2006.
- The Accounting Officer should direct the Finance Department to always share copies of payments records with the Procurement and Disposal Unit in order for procurement action files to be closed off.

#### 2.3.2 Incomplete contract documents

The Authority found that in the following two (2) procurement transactions, the Special Conditions of Contract on file had not been duly filled. The contractual terms and conditions such as, liquidated damages, mode of payment among others were therefore not clearly stipulated. These procurements were:

**Table 13: Procurements for which the Special Conditions of Contract were not duly filled**

No	Subject of Procurement	Contract Amount (UGX)
1.	Construction of Subisi GFS phase 2	259,851,000
2.	Construction of a two unit staff house at bulucheke HC III	137,939,200
<b>Total</b>		<b>397,790,200</b>

#### Implications

The contract terms and conditions were not stipulated making contract management difficult which could result in to failure to attain value for money.

#### Management Response

This has been noted for future improvement.

#### Recommendation

The Contracts Committee should prior to approval check contract documents for completeness in accordance with Regulation 85 (1) and (2) of the Local Governments (PPDA) Regulations, 2006.

### 2.3.3 Physical verification

The Authority conducted physical verification on four projects worth UGX 426,565,930 and found that they were all in a good physical state except for:

- i. Construction of a two stance unit staff house at Bulucheke HC II TO III worth UGX 137,939,200

#### Issues noted

- The Authority noted shoddy works and evidence of poor workmanship as shown in the pictures below.
- There were major cracks on the kitchen floor.



#### Implication

Irregularities at contract implementation compromise quality and the intended beneficiaries do not get the desired effects of the services delivered. Thus, compromising value for money.

### Management Response

The defects have been corrected by the contractor.

### Recommendations

- Contract supervisors should ensure that the implemented works are technically assessed for quality before issuing payment certificates to pay the contractors so as to achieve value for money.
- The Accounting Officer should ensure that the anomalies identified above are addressed and corrective action taken since no evidence was submitted to the effect that the defects had been corrected.

## 3.0 CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section will present graphically the scores per area assessed under different compliance inspection questions

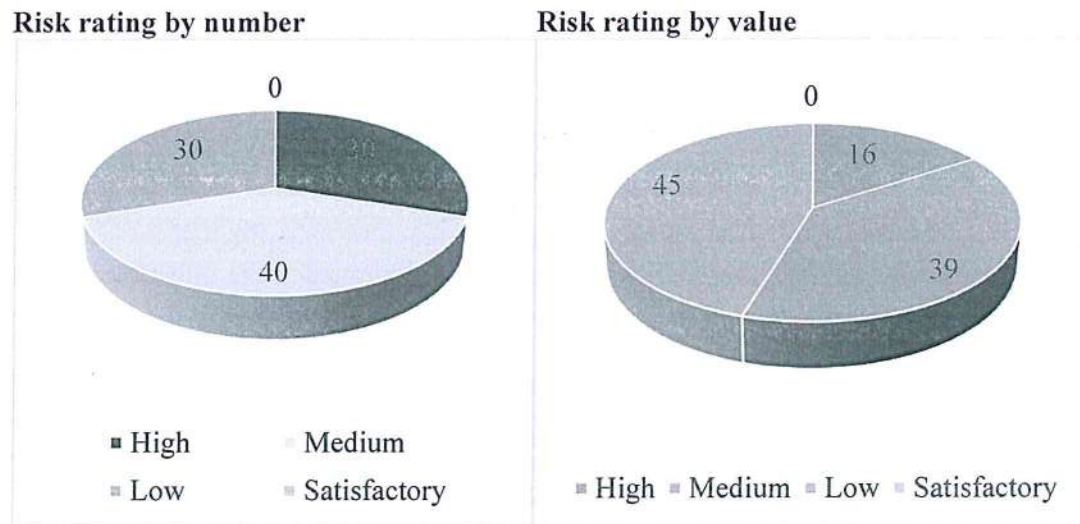
### 3.1 Entity's Risk Assessment

The table below shows the Entity's performance per risk category based on the sampled procurements:

**Table 14: Showing summary of risk assessment of Bududa District Local Government**

Risk Category	Number of Sampled Procurements	%Number	Value(UGX)	% Value
High	3	30	267,939,200	15.93922067
Medium	4	40	651,290,938	38.74412546
Low	3	30	761,775,512	45.31665387
Satisfactory	0	0	0	0
<b>Total</b>	<b>10</b>	<b>100</b>	<b>1,681,005,650</b>	<b>100</b>

**Figure 1: Showing graphical representation of the Entity's risk assessment**



**3.2 Entity's Performance**

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown below:

**Table 15: Showing the Entity's risk score both by number and value of sampled procurement**

Risk category	Rating	Weights	Total weighted Average	Rating	Weights	Total weighted Average
	(By Number)			(By Value)		
High	30	0.6	18	15.93922067	0.6	9.563532401
Medium	40	0.3	12	38.74412546	0.3	11.62323764
Low	30	0.1	3	45.31665387	0.1	4.531665387
Satisfactory	0	0	0	0	0	0
<b>Total</b>	<b>100</b>	<b>1</b>	<b>33</b>	<b>100</b>	<b>1</b>	<b>25.71843543</b>

$$\text{Weighted Average (By no.)} = \sum \text{Weighted Score} \times 100 = \frac{33}{60} \times 100 = 55\%$$

$$\text{Weighted Average (By Value)} = \sum \text{Weighted Score} \times 100 = \frac{25}{60} \times 100 = 42.8\%$$

$$\text{Combined Weighted Average} = \frac{55+41}{2} = 48.9\%$$

### 3.3 Risk rating criteria

The table below shows the risk rating criteria:

**Table 16: Showing the risk rating criteria**

Risk Rating	Description of Performance
0-20%	Highly Satisfactory
21-50%	Satisfactory
51-80%	Unsatisfactory
80-100%	Highly Unsatisfactory

### 3.4 Overall Compliance Inspection Conclusion

The performance of Bududa District Local Government for the Financial Year 2020/21 was **Satisfactory** with overall weighted average risk rating of **48%**.

### 3.5 Recommended Action Plan

Bududa District Local Government should implement the following recommendations within the timeframe given in order to improve its performance in Procurement and Disposal.

**Table 17: Recommended Action Plan**

No.	Recommendation	Target Date
1.	<ul style="list-style-type: none"><li>The Accounting Officer should ensure that the Contracts Committee is fully constituted in accordance with Section 26 (1) (b) of the PPDA Act 2003.</li></ul>	December 2022
2.	The Accounting Officer should provide the Procurement and Disposal Unit with alternative storage space and an adequate budget to enable proper and safe storage of records at least plastic and box files in accordance with Section 41 (1) of the PPDA Act, 2003 as amended.	December 2022
3.	The Accounting Officer should ensure that a strong mechanism is put in place to implement recommendations made by the Authority so as to improve the Entity's performance such as instituting a task force that is responsible for ensuring that all audit recommendations are implemented.	December 2022
4.	The Head Procurement and Disposal Unit together with User Departments should in accordance with Section 58 (4) and (5) of the PPDA Act, 2003 ensure that on a quarterly basis the procurement plan is reviewed and updated with notification being given to the Secretary to the Treasury and the Authority are about the changes made	December 2022
5.	The Accounting Officer should ensure that assets of the Entity are reviewed and disposed of following the methods recommended under Regulations 122-133 of the Local Governments (PPDA) Regulations, 2006.	December 2022
6.	The Heads of User Departments should ensure that initiation forms are duly filled with clear statement of requirements for onward submission to the PDU in accordance with Section 34 (b) & (d) of the	December 2022

No.	Recommendation	Target Date
	PPDA Act, 2003 based on up-to date information with realistic price estimates in accordance with Section 34 (d) of the PPDA Act, 2003.	
7.	The Head Procurement and Disposal Unit and the Contracts Committee should ensure that complete and adequate solicitation documents with clear preliminary and technical evaluation requirements and statement of requirements are approved and issued in line with Regulation 48 (2,3,4) of the Local Governments PPDA Regulations 2006.	December 2022
8.	The Accounting Officer should ensure that due diligence is conducted on all the information submitted by the bidders in order to weed out unserious and fraudulent firms.	December 2022
9.	The Accounting Officer should investigate the causes of low bidder participation leading to reduced competition in the Entity, thus affecting value for money and also formulate strategies to increase the procurement attractiveness in order to build confidence of bidders.	December 2022
10.	The Accounting Officer should formally request for training of the Entity's User Departments on procurement procedures from the Authority.	December 2022
11.	<ul style="list-style-type: none"> <li>• Evaluation Committees should ensure that evaluations are conducted according to the criteria set in the bidding document in accordance with Section 71 (3) of the PPDA Act, 2003.</li> <li>• The Head, Procurement and Disposal Unit should ensure that evaluation methodologies are correctly applied in accordance with Guideline Number 7/2008 of the Local Government PPDA Guidelines 2008 and Regulation 73 of the Local Governments (PPDA) Regulations, 2006.</li> </ul>	December 2022
12.	<ul style="list-style-type: none"> <li>• Heads of User Departments should charge all Contract Supervisors to prepare and submit progress reports/contract management reports and all contract implementation documentation to PDU in accordance with the Local Governments (PPDA) Regulations, 2006.</li> <li>• The Accounting Officer should direct the Finance Department to always share copies of payments records with the Procurement and Disposal Unit in order for procurement action files to be closed off.</li> </ul>	December 2022
13.	The Contracts Committee should prior to approval check contract documents for accuracy and completeness in accordance with Regulation 85 (1) and (2) of the Local Governments (PPDA) Regulations, 2006.	December 2022
14.	<ul style="list-style-type: none"> <li>• Contract supervisors should ensure that the implemented works are technically assessed for quality before issuing payment certificates to pay the contractors so as to achieve value for money.</li> <li>• The Accounting Officer should ensure that the anomalies identified above are addressed and corrective action taken.</li> </ul>	December 2022

No.	Recommendation	Target Date
15.	The Accounting Officer should ensure that any procurements to be handled at Sub county or Lower Government level are formally delegated with clear guidance on thresholds, reporting requirements and PPDA procurement procedures that must be adhered to. Sub county Chiefs should be held responsible for any breach in the procurement process handled at the Lower Local Governments.	December 2022

**Annex A: Findings and rating on the individual contracts reviewed**

No	HIGH RISK CONTRACT	REASONS FOR HIGH RISK
1.	<p><b>Supply of fuel, oils and lubricants</b>  <b>Method of Procurement:</b> Open National bidding  <b>Contract Amount:</b> UGX 100,000,000  <b>Contractor:</b> Charma Supplies Limited</p>	<p><b>Bidding document</b>            There was use of a wrong bidding document as a prequalification document was used.  <b>Evaluation</b>            Use of wrong evaluation methodology as in scores were used at financial comparison yet Technical evaluation methodology was used.  <b>Missing records</b>            Copies of original bids.            Payment records and consumption sheets.</p>
2.	<p><b>Construction of a 2 Unit staff house at Bulucheke HC II</b>  <b>Method of Procurement:</b> Open National Bidding  <b>Contract Amount:</b> UGX 137,939,200  <b>Contractor:</b> Premier Contractors and Consultancy Company Limited</p>	<p><b>Planning and Initiation</b>  <ul style="list-style-type: none"> <li>There were no statements of requirements at initiation.</li> </ul> <b>Bidding document</b>  <ul style="list-style-type: none"> <li>Inadequate bidding document. The bidding document indicated the Health and Safety Manager, Foreman carpentry, Foreman masonry, Environmental Officer, Social Development Officer as a requirement without stating the qualifications.</li> </ul> <b>Evaluation</b>  <ul style="list-style-type: none"> <li>Premier Contractors and consultancy company Limited (BEB) was not compliant on the requirement for possession of the following equipment: Pick up vehicle, concrete mixer, carpentry and joinery.</li> <li>Fraudulent audited books. The audited books of accounts were audited by CJ. kwolekya and company which is not a company registered by the institute of certified public accountants on their portal namely (<a href="https://icpauportal.com/external_portal/firms">https://icpauportal.com/external_portal/firms</a>).</li> <li>The requirement was that "Participation as contractor, management contractor, or subcontractor, in at least 3 contracts within the last 3 years, each with a value of at least UGX 300,000,000, that have been successfully and substantially completed (at least 70 percent complete) and that are similar to the proposed Works. The similarity shall be based on the physical size, complexity, methods/technology or other characteristics as described in Section 6, Statement of Requirements. However, the contractor submitted contracts worth; UGX 24,000,000, UGX 21,650,000, UGX 21,522,669, UGX 8,412,998, UGX 16,877,446, UGX 19,999,999, UGX 22,100,000, UGX 10,000,000, UGX 10,950,000, UGX 4713000 and UGX 154,850,678 contrary to the requirement.</li> </ul> </p>

		<ul style="list-style-type: none"> <li>Environmental concerns were provided for at UGX 700,000 but did not elaborate what this entailed likewise preliminaries were valued at UGX 3,050,000.</li> </ul> <p><b>Physical verification</b></p> <ul style="list-style-type: none"> <li>There were major cracks in the kitchen floor.</li> <li></li> </ul>
3.	<p><b>Subject:</b> Supply of materials for road construction and buildings</p> <p><b>Procurement method:</b> Open National bidding</p> <p><b>Contractor:</b> Manjiya Boys(U) Ltd</p>	<p><b>Evaluation</b></p> <ul style="list-style-type: none"> <li>Use of wrong evaluation methodology as in scores were used at financial comparison yet Technical evaluation methodology was used.</li> </ul> <p><b>Missing records</b></p> <ul style="list-style-type: none"> <li>Delivery note.</li> <li>Payment documents and consumption sheets.</li> </ul>

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
1.	<p><b>Construction of 3 classroom block with an office and store at Shisabasi Primary School</b></p> <p><b>Method of Procurement:</b> Open National bidding</p> <p><b>Contract Amount:</b> UGX 144,573,211</p> <p><b>Contractor:</b> Tsandex Investments (U) Ltd</p>	<p>The Best Evaluated Bidder; Tsandex Investments (U) Ltd did not attach an Environmental, Social, Health &amp; Safety management plan but was evaluated compliant at technical evaluation.</p>
2.	<p><b>Construction of a three stance VIP latrine at Nanyere RGC in Bukalasi under water sector</b></p> <p><b>Method of Procurement:</b> Selective National bidding</p> <p><b>Contract Amount:</b> UGX 19,225,939</p> <p><b>Contractor:</b> Premier Contractors and Consultancy Co Ltd</p>	<p><b>Planning and Initiation</b></p> <ul style="list-style-type: none"> <li>There were no statements of requirements at initiation for all the procurements on the sample list.</li> </ul> <p><b>Bidding Document</b></p> <ul style="list-style-type: none"> <li>No detailed technical evaluation criteria.</li> </ul> <p><b>Bidding</b></p> <ul style="list-style-type: none"> <li>Low bidder participation as only two bids received premier contractors and consultancy co limited and Rodma Contractors Limited.</li> </ul>
3.	<p><b>Construction of Bududa Administration block phase II</b></p> <p><b>Method of Procurement:</b> Open National Bidding</p> <p><b>Contract Amount:</b> UGX 227,696,340</p>	<ul style="list-style-type: none"> <li><b>Planning and initiation</b></li> <li>There were no statements of requirements at initiation sample list.</li> <li><b>Bidding document</b></li> <li>Bidders were required to submit evidence of a Health and safety manager, Foreman carpentry, Foreman</li> </ul>

No	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
	<b>Contractor:</b> Namugabwe General Construction Company Limited	masonry, Environmental Officer, Social Development Officer but did not elaborate the qualifications required
4.	<b>Construction of Subisi GFS Phase 2</b> <b>Method of Procurement:</b> Open National Bidding <b>Contract Amount:</b> UGX 259,795,448 <b>Contractor:</b> Bana Enterprises Limited	<b>Bidding</b> <ul style="list-style-type: none"> <li>• Low bidder participation as only one bidder Bana Enterprises Limited was issued with a bid.</li> <li>• There was no due diligence on the performance bond worth UGX 25,979,545 from APA insurance limited.</li> </ul>

No	LOW RISK CONTRACTS	REASONS FOR LOW RISK
1.	<b>Subject:</b> Construction of 3 classroom block an office and store at Bunamoso Primary School <b>Method of Procurement:</b> Open National bidding <b>Contract Amount:</b> UGX 144,275,355 <b>Contractor:</b> Manjiyi Boys(U) Ltd	<b>Missing records</b> Progress reports
2.	<b>Subject:</b> Fencing of hospital recovered land including the water pumping <b>Method of Procurement:</b> Selective bidding <b>Contract Amount:</b> UGX 41,704,451 <b>Contractor:</b> Robann Enterprises Ltd	<b>Bidding</b> <ul style="list-style-type: none"> <li>• Low bidder participation as only one bid from Robbana Enterprises Ltd was received.</li> </ul>
3.	<b>Subject:</b> Upgrade of Bumusi HC II to III <b>Method of Procurement:</b> Open National bidding <b>Contract Amount:</b> UGX 617,500,157 <b>Contractor:</b> Bam Contractors and Surveyors Ltd	The Physical verification of the site on 1 <sup>st</sup> August 2022 revealed that the physical progress of the works was at 70%, despite the fact that the intended completion date was 1 <sup>st</sup> September 2021 leading to a delay of eleven (11) months.

**Annex B: Sample list for the compliance inspection of Bududa District Local Government rating per case for FY 2020/21**

No.	Reference Number	Subject of Procurement	Method of Procurement	Provider	Contract Amount (UGX)	Risk rating
1.	BUDU579/WRKS/2020-2021/00001	Construction of Bududa District Administration block phase II	Open National bidding	Namagabwe General Construction Company Limited	227,696,340	Medium
2.	BUDUDA579/WRKS/2020-2021/00013	Construction of a three stance VIP latrine at Nanyere RGC in Bukalasi under water sector	Selective National bidding	Premier Contractors and Consultancy Co Limited	19,225,939	Medium
3.	BUDU579/WRKS/2020-2021/00006	Construction of a two unit staff house at Bulucheke HC II TO III	Open National bidding	Premier Contractors and Consultancy Co Limited	137,939,200	High
4.	BUDU579/WRKS/2020-2021/00005	Construction of Subisi GFS phase 2	Open National bidding	Bana Enterprises Ltd	259,795,448	Medium
5.	BUDU579/SRVCS/2020-2021/00004	Supply of fuel oils and lubricants	Open National bidding	Charma Supplies Limited	100,000,000	High
6.	MoH-UgiFT/WRKS/2020-2021/00097LOT3	Upgrade of Bumusi HC II to III	Open National bidding	Bam Contractors and surveyors Limited	617,500,157	Low
7.	Budu579/Wrks/2020-21/000020	Fencing of hospital recovered land including the water pumping	Selective bidding	Robann Enterprises Ltd	41,704,451	Low
8.	Budu579/Wrks/2020-21/00002	Construction of 3 classroom block an office and store at Bunamoso Primary School	Open National bidding	Manjiyi Boys(U) Ltd	144,275,355	Low
9.	Budu579/Supls/2020-21/00004	Supply of materials for road construction and buildings	Open National bidding	Manjiya Boys(U) Ltd	30,000,000	High
10.	Budu579/Wrks/2020-21/000003	Construction of a 3 classroom block with an office and store at Shisabasi Primary School	Open National bidding	Tsandex Investments (U) Ltd	144,573,211	Medium

