



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

**PROCUREMENT AND DISPOSAL AUDIT REPORT FOR
FINANCIAL YEAR 2021/22**

KIRA MUNICIPAL COUNCIL

MARCH 2023

TABLE OF CONTENTS

TABLE OF CONTENTS.....	2
LIST OF TABLES.....	3
LIST OF FIGURES.....	3
ACRONYMS.....	4
EXECUTIVE SUMMARY.....	5
CHAPTER ONE: INTRODUCTION.....	8
1.1 Background.....	8
1.2 Overall Objective.....	8
1.3 Audit Scope.....	8
1.4 Methodology.....	8
1.5 Procurement Structure of the Entity.....	9
1.5.1 Accounting Officer.....	9
1.5.2 Composition of the Contracts Committee.....	9
1.5.3 Staffing of the Procurement and Disposal Unit.....	9
CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS.....	10
2.1 To establish the level of compliance by Kira Municipal Council with the general provisions of the PPDA Act, 2003 as amended and the Local Governments (PPDA) Regulations, 2006.....	10
2.1.1 Failure to implement the Authority's recommendations.....	10
2.1.2 Failure to dispose obsolete items.....	10
2.2 Establish the level of compliance with the PPDA Act, 2003 and the PPDA Local Governments Regulations 2006 in the conduct of procurement and disposal activities	
2.2.1 Contracts Committee approval of a wrong procurement method.....	11
2.2.2 Issuance of poorly drafted solicitation documents.....	12
2.2.3 Lack of evidence of invitation of bidders.....	13
2.2.4 Low bidder Participation.....	14
2.2.5 Irregularities in the Notice of Best Evaluated Bidder (NoBEB).....	15
2.2.6 Unfair and irregular evaluation of submitted bids.....	16
2.2.7 Signing a contract above the market price.....	19
2.2.8 Incomplete procurement action files.....	19

2.3	To assess the level of efficiency and effectiveness in contract implementation	21
2.3.1	Failure to collect performance security	21
2.3.2	Failure to meet the contract terms	21
CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY		23
3.1	Overall Audit Conclusion	23
3.2	Entity's Risk Assessment	23
3.3	Entity's Performance	24
3.4	Recommended Action Plan	26

LIST OF TABLES

Table 1:	List of Contracts Committee Members	8
Table 2:	Composition of the Procurement and Disposal Unit	8
Table 3:	Implementation of Previous Audit Recommendations	9
Table 4:	Procurements with inadequate solicitation documents	11
Table 5:	Low bidder participation	13
Table 6:	Procurements with irregularities in the Best evaluated bidder notice	14
Table 7:	Procurement transactions with irregularities in their evaluation process	15
Table 8:	List of missing documents	19
Table 9:	Failure to meet contract terms and conditions	21
Table 10:	Risk rating criteria	23
Table 11:	Summary of risk assessment of Kira Municipal Council	23
Table 12:	Weighted risk assessment of Kira Municipal Council	24
Table 13:	Recommended Action plan	26

LIST OF FIGURES

Figure 1:	Items due for disposal	10
Figure 2:	Graphical representation of the Entity's risk assessment by number	25
Figure 3:	Graphical representation of the Entity's risk assessment by value	25

ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
BOQs	Bill of quantities
CC	Contracts Committee
CCTV	Closed Circuit Television
EC	Evaluation Committee
FY	Financial Year
HC	Health Center
LG	Local Government
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
SRVCS	Services
SPLS	Supplies
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal audit of Kira Municipal Council that covered a representative sample of ten (10) procurement transactions under the Financial Year 2021/22.

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Kira Municipal Council's procurement system and processes with the provisions of the PPDA Act, 2003 and the Local Governments (PPDA) Regulations, 2006 and assess the level of procurement performance over the audit period.

From the findings of the procurement audit exercise, the performance of Kira Municipal Council for the Financial Year 2021/22 was **Moderately Satisfactory** with overall weighted average risk rating of **52.25%** as detailed in chapter 3 of the report.

Despite the moderately satisfactory performance, the following issues were noted:

1. **Failure to implement 20% of the Authority's recommendations.** Kira Municipal Council was issued with its previous audit report for the Financial Year 2020-2021 in May 2022. Out of five recommendations made, one representing 20% was not implemented which exposes the entity to the risk of continued poor performance.
2. **Failure to dispose obsolete items.** The entity had not disposed the several obsolete assets as recommended by the Board of Survey Report for Financial Year 2020/21. Some of the obsolete assets had been abandoned in the compound of the Municipal Council Offices which inhibits achievement of value for money as funds are held up in assets which are not in use and also lost through depreciation.
3. **The Contracts Committee approved of a wrong procurement method** in the procurements of supply and installation of road naming sign posts on the selected trading centers in Kira MC worth UGX 31,435,200 by Diavi General Enterprise. The entity wrongfully used the Request for Quotation procurement method which limits competition thus affecting achievement of value for money and could also be an indicator of unethical practices with in the Entity to deliberately limit competition.
4. **Issuance of poorly drafted solicitation documents.** The Authority reviewed the procurement action files provided and observed that in four procurements worth UGX 4,512,173,280, solicitation documents were poorly drafted by not stating the bid validity period in the bidding document which may lead bidders to prepare non-responsive bids contrary to the required bid validity period.
5. **Lack of evidence of invitation of bidders.** There was no evidence that invitations to bid were issued to all shortlisted bidders for procurements done using selective bidding contrary to Regulation 66 (4) of the Local Governments (PPDA) Regulations 2006
6. **Low bidder Participation.** The Authority found that there was low bidder participation in five sampled procurement transactions worth UGX 1,195,730,000. Fifty (50%) percent of the sampled procurements either had one or two bidders responding to bid invitations. For example, in the management of revenue collection from Kira Municipal Council Local Service by Lubega John, the advertisement was open but only bidder responded.
7. **Irregularities in the Notice of Best Evaluated Bidder (NoBEB).** In five procurements worth UGX 1,646,896,978 the Authority noted irregularities in the Notice of Best Evaluated Bidder as there was no evidence that the notices of best evaluated bidder were sent to all bidders who participated in the procurement at the time of display as required under Regulations 85 (5) of the Local Governments (PPDA) Regulations, 2006 which diminishes transparency in the procurement processes and raises questions as to whether

bidders are given sufficient time to put forward their complaints before the contracts are signed

8. **Unfair and irregular evaluation of submitted bids.** The audit revealed irregularities in the evaluation of five procurements worth UGX 1,300,855,200. For example, in the supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council by Middle East Company Ltd worth UGX 447,220,000, the Evaluation Committee passed a non-compliant bidder that did not present the relevant documents as required in the solicitation document:

In addition, The Authority also noted that there were no evaluation minutes on any of the sampled procurement files as required under Regulation 72 (7) of the Local Governments (PPDA) Regulations, 2006. This Unfairness during evaluation leads to contract award to non-compliant and incompetent bidders which increases the risk of non-performance or delayed completion of contract

9. **Signing a contract above the market price.** The Authority noted that in the provision of consultancy services for supervision of construction of Agenda-Mbalwa Namugongo Road and Pine Road Phase II worth UGX 182,200,000 by MBI Technology, the contract was amended by a 9.87% increase in the original contract price (UGX 18,000,000) without proof of commitment of additional funding by Accounting Officer. This affects the implementation of other planned activities and creates budget arrears
10. **Incomplete procurement action files.** The Authority found that various procurement procedural forms and documents were missing from their respective procurement action files in six sampled procurement transactions worth UGX 5,152,173,280. Records that were missing included the solicitation documents, contract management records, progress reports, payment records among others. Lack of records on a procurement process is a sign of laxity in the procurement structure and casts doubt on whether the Entity was monitoring projects effectively.
11. **Failure to charge performance security.** In the procurement of completion of Kira MC Council Hall extension block worth UGX 252,383,928 and in the procurement of supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council worth UGX 447,220,000, there was no evidence that the contractors submitted performance security worth 10% of the contract value in accordance with the General Conditions of Contract which exposes the Entity to the risk of financial loss since there is no recourse in case the contractors produce shoddy works or abandon the project.
12. **Failure to meet the contract terms.** The audit revealed that in two contracts worth UGX 459,220,000, contractors did not meet the contract terms and conditions. For example, in the completion of Kira MC Council Hall extension Block by Mobi-Tex Engineering Company Works worth UGX 252,383,928, there was delayed completion of works yet the contract had expired without evidence of contract extension. The ceiling was incomplete, wall finishes were not done, internal doors and window glasses had not been installed among others. This causes loss of money value of time.

Key Recommendations made:

1. The Accounting Officer should put in place an accountability mechanism to monitor the implementation of recommendations made by the Authority.
2. The Accounting Officer should fast-track the disposal of obsolete assets before further loss in value in accordance with Regulation 122 of the Local Government (PPDA) Regulations, 2006.

3. The Head Procurement and Disposal Unit and Contracts Committee should ensure that appropriate procurement methods are used to invite bidders to promote competition in accordance with Guideline 1 for Thresholds for Procurement Methods of the Local Governments (PPDA) Guidelines 2008.
4. The Procurement and Disposal Unit should prepare quality solicitation documents in accordance with Regulation 48 of the Local Governments (PPDA) Regulations, 2006.
5. The Head Procurement and Disposal Unit should ensure that all bidders shortlisted for a particular procurement are formally invited and evidence of invitation provided in accordance with Regulation 66 (1) of the Local Governments (PPDA) Regulations, 2006
6. The Head Procurement and Disposal Unit should ensure that the number of shortlisted firms when using selective bidding method is increased from a minimum of three to possibly five or ten firms. There should be evidence of issue of invitation and acknowledgement of the same by the selected bidders. In the event that the Entity has fewer firms on the prequalified list, then the Entity may adopt the prequalified list of another PDE to beef up competition in that specific category or even use the PPDA register of providers list.
7. The Accounting Officer should ensure that the notices of Best Evaluated Bidder are in line with Regulations 85 of the Local Governments (PPDA) Regulations, 2006 before appending his signature.
8. The Evaluation Committee members should strictly adhere to the criteria set out in the solicitation document in accordance with Section 71 (3) of the PPDA Act, 2003
9. The Accounting Officer should not sign the contract where the cost is above the market price assessed at commencement of the procurement process.
10. The Procurement and Disposal Unit should prepare and maintain complete procurement action files with all relevant procurement forms and documentation in accordance with Regulation 46 (2) of the Local Governments (PPDA) Regulations, 2006.
11. The Accounting Officer should explain why performance security was not acquired in accordance with the contract terms and conditions.
12. The contract supervisors should monitor the contract terms and durations, and report any deviations to the Accounting Officer and Procurement and Disposal Unit for action in accordance with Regulation 119 of the Local Governments (PPDA) Regulations, 2006

Kira Municipal Council should implement the recommended action plan on pages **26-27** of the report.

CHAPTER ONE: INTRODUCTION

1.1 Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal audit of Kira Municipal Council that covered a representative sample of ten (10) procurement transactions under the Financial Year 2021/22. The audit involved a review of the 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 audit was to assess and establish the degree of compliance of Kira Municipal Council's procurement system and processes with the provisions of the PPDA Act 2003 and Regulations 2006 and assess the level of procurement performance over the audit period.

The specific objectives were:

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

1.3 Audit Scope

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation on sample basis. The audit covered a representative sample of ten procurement transactions under the Financial Year 2021/22. The list of sampled transactions is contained in **Annex 2**.

1.4 Methodology

The auditors examined records and documents for each sampled procurement transaction and/or disposal and obtained the relevant evidence to derive audit conclusions. This involved a review of the Entity's procurement and 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 fit for purpose.

During the audit, 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 systems and processes in place.

A debrief meeting to clear all pending issues that arose during the audit was held with the Entity management and staff on **7th December 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 **19th January 2022** with a request to submit a management response by **27th January, 2023** which was submitted on **8th February 2023**.

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

1.5 Procurement Structure of the Entity

The key players in the procurement structure at Kira Municipal Council included the Town Clerk as Accounting Officer, the Contracts Committee (CC), the Procurement and Disposal Unit (PDU) and the User Departments.

1.5.1 Accounting Officer

Section 26 of the PPDA Act 2003 gives the Accounting Officer the overall responsibility for the successful execution of procurement, disposal and contract management in the Procuring and Disposing Entity. The Town Clerk; Mr. Yiga Benon was designated as the Accounting Officer of the Entity during the Financial Year 2021-2022.

1.5.2 Composition of the Contracts Committee

During the audit period, the Entity's Contracts Committee was fully constituted as per the provisions of Section 27 of the PPDA Act, 2003 and Regulation 15 of the Local Governments (PPDA) Regulations 2006 that require the Town Clerk to nominate members among the public officers of the Procuring and Disposing Entity for approval by the Secretary to the Treasury. The list of Contracts Committee members is indicated in Table 1 below;

Table 1: List of Contracts Committee Members

No	Name	Title	Position on the Committee
1.	Mr. Kato Geoffrey	Senior Physical planner	Chairperson
2.	Dr Abubakar Kintu	Senior Veterinary officer	Member
	Ms. Winnie Namaweje	Environment Officer	Member
3.	Ms. Joan Nalubega	Assistant Town clerk	Member

1.5.3 Staffing of the Procurement and Disposal Unit

The Authority noted that the Procurement and Disposal Unit was not fully constituted, with only a Senior Procurement Officer (Head Procurement and Disposal Unit) as shown in the Table 2 below:

Table 2: Compensation of the Procurement and Disposal Unit

No.	Name	Qualification	Position
1.	Ms. Catherine Nambwere	<ul style="list-style-type: none">• Post Graduate Diploma in Procurement and Logistics• Bachelor's Degree in Procurement and Logistics	Senior Procurement Officer

CHAPTER TWO: KEY FINDINGS AND RECOMMENDATIONS

2.1 TO ESTABLISH THE LEVEL OF COMPLIANCE BY KIRA MUNICIPAL COUNCIL WITH THE GENERAL PROVISIONS OF THE PPDA ACT, 2003 AS AMENDED AND THE LOCAL GOVERNMENTS (PPDA) REGULATIONS, 2006

2.1.1 Failure to implement 20% of the Authority's recommendations

Kira Municipal Council was issued with its previous audit report for the Financial Year 2020-2021 in May 2022. Out of five recommendations made, one representing 20% was not implemented as detailed in Table 3 below

Table 3: Status of implementation of Financial Year 2020/21 recommendations

No.	Recommendation	Implementation Status	Management Response
1.	The Contracts Committee should always review all bidding documents and ensure their completeness and accuracy before approval.	Not implemented.	The newly nominated Contracts Committee shall be inducted immediately after approval and emphasis shall be put on this duty.

Implication

Failure to implement PPDA recommendations exposes the Entity to the risk of continued poor performance.

Management Response

The Authority's Recommendations were taken on seriously however time for improvement was too short to realise a big change since the audit exercise for FY 2020/2021 was conducted in May 2022 one month to the completion of the financial year 2021/2022. Management is committed to put up accountability mechanism (as indicated in the table above) to monitor the recommendations.

Recommendation

The Accounting Officer should put in place an accountability mechanism to monitor the implementation of recommendations made by the Authority.

2.1.2 Failure to dispose obsolete items

At the time of the audit, Kira Municipal Council had not disposed OF several obsolete assets as recommended by the Board of Survey Report for Financial Year 2020/21. Some of the obsolete assets had been abandoned in the compound of the Municipal Council Offices as shown in the pictures in Figure 1 below:

Figure 1: Pictures showing some of the assets that were abandoned at the Entity's premises



Implication

Failure to dispose of assets whose use ceased inhibits achievement of value for money as funds are held up in assets which are not in use and also lost through depreciation.

Management Response

It's true that assets in pictures were not disposed of because they are owned by other entities. They were donated to council by ministries without transferring ownership. Management has written to relevant ministries notifying them about the obsolete items for their course of action.

Recommendation

The Accounting Officer should fast-track the disposal of obsolete assets before further loss in value in accordance with Regulation 122 of the Local Government (PPDA) Regulations, 2006.

2.2 ESTABLISH THE LEVEL OF COMPLIANCE WITH THE PPDA ACT, 2003 AND THE PPDA LOCAL GOVERNMENTS REGULATIONS 2006 IN THE CONDUCT OF PROCUREMENT AND DISPOSAL ACTIVITIES

2.2.1 Contracts Committee approval of a wrong procurement method

In the procurements of supply and installation of road naming sign posts on the selected trading centers in Kira MC worth UGX 31,435,200 by Diavi General Enterprise, the Entity wrongfully used the Request for Quotation procurement method contrary to Guideline No. 1 of the Local Governments (PPDA) Guidelines, 2008 and Regulation 38 of the Local Government (PPDA) Regulations, 2006.

Implications

- Use of inappropriate procurement methods limits competition thus affecting achievement of value for money.

- This could also be an indicator of unethical practices with in the Entity to deliberately limit competition.

Management Response

This error has been noted. Measures have been put in place to avoid future occurrence of this omission. The HPDU has also been cautioned accordingly.

Recommendation

The Head Procurement and Disposal Unit and Contracts Committee should ensure that appropriate procurement methods are used to invite bidders to promote competition in accordance with Guideline 1 for Thresholds for Procurement Methods of the Local Governments (PPDA) Guidelines 2008

2.2.2 Issuance of poorly drafted solicitation documents

The Authority reviewed the procurement action files provided and observed that in four procurements worth UGX 4,512,173,280, solicitation documents were poorly drafted contrary to Regulation 48 of the Local Governments (PPDA) Regulations, 2006. These procurements are indicated in Table 4 below:

Table 4: Procurements with inadequate solicitation documents

No	Subject of Procurement	Amount (UGX)	Findings
1.	Provision of consultancy services for supervision of construction of Agenda-Mbalwa-Namugongo Road and Pine Road Phase II by MBI Technology	182,200,000	<ul style="list-style-type: none"> • Bid validity was stated as 120 working days. The Entity should have stated the exact date of expiry of bid validity.
2.	Supply and installation of road naming sign posts on the selected trading centres in Kira MC by Diavi General Enterprises Ltd	31,435,200	<ul style="list-style-type: none"> • Bid validity was 30 days and not stated as an actual date. • Wrong bidding document for Request For Quotation was used.
3.	Upgrade to bitumen standards of Agenda-Mbalwa-Namugongo road 1.63km and Pine Road 0.564Km in Kira Municipality by Kiru General Services Ltd	4,282,962,080	<ul style="list-style-type: none"> • The bid validity period was stated as 120 working days. The Entity should have stated the exact date of expiry of bid validity.

No	Subject of Procurement	Amount (UGX)	Findings
4.	Provision of Security services by Senaca U Ltd	15,576,000	<ul style="list-style-type: none"> The bid validity period was stated as 60 working days. The Entity should have stated the exact date of expiry of bid validity. According to GCC20.1 in the bidding document: supplies were to be completed and performed in one (1) week yet the statement of requirements indicated 12months.
Total		4,512,173,280	

Implication

- There is a risk of attracting bidders who do not possess the competence to perform the contracts.
- Failure to state the exact date of expiry of bid validity period in the bidding document may lead bidders preparing non-responsive bids contrary to the required bid validity period.

Management response

Noted with concern and immediate action taken to ensure compliance to PPDA Act and Regulations in regard to bid validity by stating the exact date instead of number of days.

Recommendations

- The Contracts Committee should always scrutinize bidding documents for completeness, correctness, clarity and accuracy before issuing their approval.
- The Procurement and Disposal Unit should prepare quality solicitation documents in accordance with Regulation 48 of the Local Governments (PPDA) Regulations, 2006.

2.2.3 Lack of evidence of invitation of bidders

There was no evidence that invitations to bid were issued to all shortlisted bidders for procurements carried out using selective bidding contrary to Regulation 66 (4) of the Local Governments (PPDA) Regulations 2006.

Implications

- Without proof of receipt of invitations, the auditors could not ascertain whether all shortlisted bidders had been invited.
- Failure to invite all shortlisted bidders is unfair and limits competition in the Entity's procurement processes.

Management Response

All bidders shortlisted for the procurements were formally invited, issued bidding documents and submitted their bids. The newly nominated Contracts Committee shall be inducted immediately after approval and emphasis shall be put on this duty.

Recommendations.

The Authority takes note of the Entity's response however Annex 7 attached was indicating the best evaluated bidder notice not invitations to bid therefore;

- The Accounting Officer should task the Contracts Committee to oversee the selection and invitation of bidders when selective bidding method is used.
- The Head Procurement and Disposal Unit should ensure that all bidders shortlisted for a particular procurement are formally invited and evidence of invitation provided in accordance with Regulation 66 (1) of the Local Governments (PPDA) Regulations, 2006 and evidence of invitation recorded in accordance with Regulation 66 (4) of the LG (PPDA) Regulations, 2006.

2.2.4 Low bidder Participation.

The Authority found that there was low bidder participation in five sampled procurement transactions worth UGX 1,195,730,000. Fifty (50%) percent of the sampled procurements either had one or two bidders responding to bid invitations. These procurements are detailed in Table 5 below;

Table 5: Low Bidder Participation

No.	Subject of Procurement	Amount (UGX)	Number of bidders invited	Number of bids received
1.	Supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council by Middle East Company Ltd	447,220,000	Open to all	1
2.	Supply and installation of road naming sign posts on the selected trading centres in Kira MC by Diavi General Enterprise Ltd	31,435,200	3	2
3.	Provision of consultancy services for design of Kironde and Cyprian Kizito road	181,498,800	Open to all	1
4.	Management of revenue collection from Kira Municipal Council Local Service by Lubega John	520,000,000	Open to all	1
5.	Provision of Security services by Senaca U Ltd	15,576,000	3	1
Total/Average		1,195,730,000		1

Implication

This undermines the principle of competition and hinders the achievement of value for money.

Management response

Management appreciates the observation made and recommendation taken for action to find out the root cause of low bidder participation. We intend to intensify use of supplier forums, popularizing the entity website and Facebook to capture our external customers.

Its noted that there are many other procurements in the same financial year that attracted a big number of bidders.

Recommendations

- The Accounting Officer should urgently address the issue of low bidder participation in the procurement processes of the Entity. This may require holding bidder workshops to understand the root cause of low bidder participation even when open bidding method is used.
- The Head Procurement and Disposal Unit should ensure that the number of shortlisted firms when using selective bidding method is increased from a minimum of three to possibly five to ten firms and there should be evidence of issue of invitation and acknowledgement of the same by the selected bidders. In the event that the Entity has fewer firms on the prequalified list, then the Entity may adopt the prequalified list of another PDE to beef up competition in that specific category or even use the PPDA registrar of providers list

2.2.5 Irregularities in the Notice of Best Evaluated Bidder (NoBEB)

- There is no evidence that the notices of best evaluated bidder were sent to all bidders who participated in the procurement at the time of display as required under Regulations 85 (5) of the Local Governments (PPDA) Regulations, 2006.
- In the following five procurements worth UGX 1,646,896,978 the Authority noted irregularities in the Notice of Best Evaluated Bidder as detailed in Table 6 below;

Table 6: Procurements with irregularities in the Notice of Best Evaluated Bidder

No.	Subject of procurement	Contract Price (UGX)	PPDA Finding
1.	Construction of Kira Health Center IV Phase III by CK Associates Ltd	898,386,978	The NoBEB issued by the Entity did not include period of validity.
2.	Provision of consultancy services for design of Kironde and Cyprian Kizito road	181,498,800	
3.	Management of revenue collection from Kira Municipal Council Local Service by Lubega John	520,000,000	
4.	Provision of Security services by Senaca U Ltd	15,576,000	
5.	Supply and installation of road naming sign posts on the selected trading centers in Kira MC by Diavi General Enterprise Ltd	31,435,200	<ul style="list-style-type: none"> • The NoBEB issued by the Entity did not include period of validity. • Did not state reasons for elimination of the unsuccessful bidder.
Total		1,646,896,978	

Implication

This diminishes transparency in the procurement processes and raises questions as to whether bidders are given sufficient time to put forward their complaints before the contracts are signed.

Management response

The NOBEB not indicating removal date is noted and immediate action taken however the NOBEB availed to the team had date of display and period of display.

Recommendation

The Accounting Officer should ensure that the notices of Best Evaluated Bidder are in line with Regulations 85 of the Local Governments (PPDA) Regulations, 2006 before appending his signature.

2.2.6 Unfair and irregular evaluation of submitted bids

The audit revealed irregularities in the evaluation of five procurements worth UGX 1,300,855,200 contrary to Regulation 48 (4) of the Local Governments (PPDA) Regulations, 2006 as indicated in Table 7 below:

Table 7: Procurements with irregularities during evaluation

No.	Subject of procurement	Contract Value (UGX)	PPDA Finding	Response
1.	Supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council BEB: Ms. Middle East Company Ltd	447,220,000	<ul style="list-style-type: none"> • Passing of a non-compliant bidder: The Best Evaluated Bidder (BEB) did not present the following as required in the solicitation document: <ul style="list-style-type: none"> ➤ Registered Powers of Attorney specific to the bid; ➤ Statement of compliance of after sales services; ➤ Manufacture's Authorization, and letter of manufacture's appointment for dealership of the equipment; ➤ Copy of operator's manual, maintenance and service manual, copy of parts catalogue for low bed. • No evidence of provision of Bid 	<p><i>Since the supply was for a reconditioned motor vehicle manufacturer authorization was not applicable.</i></p> <p><i>The bid security was submitted and its authenticity confirmed with the issuing bank.</i></p> <p><i>Since the supply was for a reconditioned motor vehicle manufacturer authorization was not applicable.</i></p> <p><i>The company's core objectives were</i></p>

No.	Subject of procurement	Contract Value (UGX)	PPDA Finding	Response
			<p>security of worth UGX 5,000,000.</p> <ul style="list-style-type: none"> • Change of evaluation criteria: In the Evaluation report, manufacturer's authorization was considered N/A • According to BEB's trading license, the company's nature of business was Moto Vehicle Garage. 	<p>obtained from the <i>Memorandum of association</i> which were provided by the <i>supplier</i>.</p>
2.	<p>Completion of Kira HCIII Extension block</p> <p>BEB: Flying Construction Co. Ltd</p>	120,000,000	<ul style="list-style-type: none"> • Passing of a non-compliant bidder. The solicitation document required bidders to demonstrate access to the key equipment listed hereafter; 20Ton dumper trucks (1), 2Ton dumper trucks (1), Pickup Vehicles (1), Mobile self-loading concrete mixer (1). <p>However, the equipment presented by bidder did not include any of the above required. The bidder presented basic receipts on pangas, wheelbarrows, spades and safety gears for workers.</p>	<p><i>On description of works required the main works were painting and tiling. The evaluation committee found it not necessary to consider the equipment requested. The execution of works did not require those equipment thus waived for all bidders.</i></p> <p><i>It should also be noted that we a relatively new and learning municipality, such errors have since stopped.</i></p>
3.	<p>Provision of consultancy services for supervision of construction of Agenda-Mbalwa</p>	182,200,000	<p>Inadequate evaluation and failure to conduct post evaluation criteria; The BEB submitted a bid security from Credit</p>	<p><i>True, we were unable to conduct the post evaluation due to limited time and staffing gap. Management is</i></p>

No.	Subject of procurement	Contract Value (UGX)	PPDA Finding	Response
	Namugongo Road and Pine Road Phase II BEB: MBI Technologies Limited		Bank, a bank operating in Kenya. However, there was no proof of the Evaluation Committee conducting due diligence to ascertain the authenticity of this security and also why the bid security was from Kenya. It should be noted that this company is registered and has a trading licence implying it is a running business in Uganda.	<i>committed to conducting due diligence since staffing gap is bridged.</i>
4.	Supply and installation of road naming sign posts on the selected trading centres in Kira MC BEB: Diavi General Enterprise Ltd	31,435,200	Incompetent BEB: The BEB offered 2 months delivery period and not the required 30 days.	<i>This was an oversight however deliveries were made and installations done timely.</i>
5.	Management of revenue collection from Kira Municipal Council Local Service BEB: Lubega John	520,000,000	During Evaluation, the requirement for Power of Attorney was considered N/A. The bidder did not provide it.	<i>No Response</i>
Total		1,300,855,200		

The Authority also noted that there were no evaluation minutes on any of the sampled procurement files as required under Regulation 72 (7) of the Local Governments (PPDA) Regulations, 2006.

Implication

Unfairness during evaluation leads to contract award to non-compliant and incompetent bidders which increases the risk of non-performance or delayed completion of contract.

Management Response

The responses are given in the table above.

Recommendations

- The Evaluation Committee members should strictly adhere to the criteria set out in the solicitation document in accordance with Section 71 (3) of the PPDA Act, 2003.
- Minutes of all meetings should be signed by all members of the Evaluation Committee to confirm that the minutes are accurate and complete record of each meeting. The minutes should form an annex to the evaluation report and should be kept as part of the procurement record in accordance with Regulation 72 (7) and (8) of the Local Governments (PPDA) Regulations, 2006.

2.2.7 Signing a contract above the market price.

The Authority noted that in the provision of consultancy services for supervision of construction of Agenda-Mbalwa Namugongo Road and Pine Road Phase II worth UGX 182,200,000 by MBI Technology, the contract was amended by a 9.87% increment in the original contract price (UGX 18,000,000) without proof of commitment of additional funding by Accounting Officer.

Implication

Signing contracts above the market price affects the implementation of other planned activities and creates budget arrears.

Management Response

The variation of inputs of consultancy service increased the contract price by UGX 18,000,000/=; a commitment of additional funding by the user department was submitted using Form EX 13 A&B. However, by the time of the audit it couldn't be accessed for review since it was on payment documents in custody of another department.

Recommendations

The Authority takes note of the entity's response however the Entity did not provide proof of additional funding of UGX 18,000,000 therefore;

- The Accounting Officer should not sign the contract where the cost is above the market price assessed prior to commencement of the procurement process.
- Where the best evaluated bidder's price is above the estimated cost, the Accounting Officer should re-assess the market price to ascertain whether it is still valid and confirm availability of additional funds before signing the contract.

2.2.8 Incomplete procurement action files

The Authority found that various procurement procedural forms and documents were missing from their respective procurement action files in six sampled procurement transactions worth UGX 5,152,173,280 contrary to Regulation 46 (2) of the Local Governments (PPDA) Regulations, 2006. These are listed in Table 8 below;

Table 8: List of documents missing on procurement action files

No.	Subject of Procurement	Amount (UGX)	Missing records
1.	Supply and installation of road naming sign posts on the selected trading centers in Kira	31,435,200	<ul style="list-style-type: none">• Solicitation Document• Contract Document• Appointment of contract management team• Contract implementation plan• Delivery note• Contract completion report

	MC by Diavi General Enterprise Ltd		<ul style="list-style-type: none"> • Payment records
2.	Completion of Kira HCIII Extension block by Flying Construction Co Ltd	120,000,000	<p>Missing contract management records</p> <ul style="list-style-type: none"> • Appointment of contract management team • Contract implementation plan • Site handover • Progress reports • No proof of completion of works 12 months after contract signature yet GCC 17.1 stated intended completion date of contract was four months after contract signature
3.	Provision of consultancy services for supervision of construction of Agenda-Mbalwa Namugongo Road and Pine Road Phase II by MBI Technology	182,200,000	<p>Missing contract management records</p> <ul style="list-style-type: none"> • Contract implementation plan • Contract progress reports • Payment records
4.	Management of revenue collection from Kira Municipal Council Local Service	520,000,000	<ul style="list-style-type: none"> • Solicitation document. • Missing contract management records • Contract manager appointment. • Contract implementation plan. • Payment records
5.	Upgrade to bitumen standards of Agenda-Mbalwa-Namugongo road 1.63km and Pine Road 0.564Km in Kira Municipality by Kiru General services	4,282,962,080	<ul style="list-style-type: none"> • Costed BOQs attached to the initiation form. • Pre bid meeting minutes taken at Kira Municipal Council on 6th August 2021.
6.	Provision of security services by Senaca U Ltd	15,576,000	<ul style="list-style-type: none"> • Contract management records • Contract manager appointed. • Contract implementation plan • Missing Contract document
Total		5,152,173,280	

Implications

- Lack of records on a procurement process is a sign of laxity in the procurement structure.
- This casts doubt on whether the Entity was monitoring projects effectively.

Management Response

By the time of audit, the mentioned missing documents were attached to payment records which were in custody of Finance department. We were able to access them and now ready for review

Recommendation

The Authority takes note of the entity's response however the Entity did not provide proof of the missing records therefore the Procurement and Disposal Unit should prepare and maintain complete procurement action files with all relevant procurement forms and documentation in accordance with Regulation 46 (2) 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 request/obtain a performance security

- i) In the procurement of completion of Kira MC Council Hall extension block worth UGX 252,383,928, there is no evidence that the contractor submitted a performance security worth 10% of the contract value as required in the General Conditions of Contract.
- ii) In the procurement of supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council worth UGX 447,220,000, there is no evidence that the contractor submitted performance security worth 10% of the contract value in accordance with the General Conditions of Contract.

Implication

Failure to provide performance security exposes the Entity to the risk of financial loss since there is no recourse in case the contractors produce shoddy works or abandon the project.

Management Response

It was an oversight not to require a performance security for the above projects however, quality work was executed and projects completed.

The observation is noted with concern and management is committed to taking action to all future procurements of that category and also building capacity of both PDU staff, contract managers and CC members.

Recommendation

The Accounting Officer should explain why performance security was not acquired in accordance with the contract terms and conditions.

2.3.2 Failure to meet the contract terms

The audit revealed that in two contracts worth UGX 459,220,000, contractors did not meet the contract terms and conditions as shown in Table 9 below:

Table 9: Procurements contractors did not meet the contract terms and conditions

Contract Title	Supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council
Name of Contractor	Middle East Company Ltd

Method of procurement	Open Domestic Bidding
Contract Price (UGX)	447,220,000
Initial Contract commencement date	16 th May 2022
Initial Contract end date	16 th August 2022 (3months duration)

EXCEPTIONS NOTED

Delayed delivery of item

- The contract expired on 24th November 2022 yet the reconditioned self-loader/low bed had not been delivered at the time of the compliance check on 6th December 2022. This was after CC approved a 60-day contract extension on 22nd July 2022 and a 40-day extension on 3rd October 2022.
- The supplier had not provided the required performance security of 10% of the contract price.

Contract Title	Completion of Kira MC Council Hall extension Block
Name of Contractor	Mobi-Tex Engineering Company Works
Method of procurement	Open Domestic Bidding
Contract Price (UGX)	252,383,928
Initial Contract commencement date	2 nd June 2022
Initial Contract end date	23 rd November 2022

EXCEPTIONS NOTED

Delayed completion of works

During the audit, it was observed that the works had not been completed yet the contract had expired without evidence of contract extension. The following exceptions were noted:

- Incomplete ceiling
- Wall finishes including painting was not done
- Internal doors had not been installed
- Window glasses had not been installed
- Floor had only been partially tiled.



Pictures taken during the audit exercise 7th December 2022

Implication

This causes loss of money value of time.

Management response

The observation is noted with concern and management is committed to requiring performance securities to all future procurements of that category. However, a contract extensions had been sought and approved.

Recommendation

The Authority takes note of the entity's response however the evidence was not provided therefore;

- To protect against non-performance of a contract, performance securities should be made mandatory by the Entity for all high value procurements. Where a bidder is required to provide a performance security as was the case for supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council, the bid security from that bidder shall not be released until a satisfactory performance security is received by the Entity.
- The contract supervisors should monitor the contract terms and durations, and report any deviations to the Accounting Officer and Procurement and Disposal Unit for action in accordance with Regulation 119 of the Local Governments (PPDA) Regulations, 2006.
- Where there is need, contract extensions should be requested and approved before expiry of the contract.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section will present graphically the scores per area assessed under different audit questions.

3.1 Overall Audit Conclusion

The performance of Kira Municipal Council for the Financial Year 2021/22 was **Moderately Satisfactory** with overall weighted average risk rating of **52.25%**.

Table 10: Risk rating criteria

Risk Rating(%)	Description of Performance
0 - 30%	Satisfactory
31-70%	Moderately Satisfactory
71-100%	Unsatisfactory

3.2 Entity's Risk Assessment

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

Table 11: Summary of risk assessment of Kira Municipal Council

Risk Category	Number of Sampled Procurements	%Number	Value(UGX)	% Value
High	3	30	744,703,251	11.6
Medium	4	40	299,395,128	4.7
Low	2	10	5,181,349,058	80.9
Satisfactory	1	10	181,498,000	2.8
Total	10	100	6,406,945,437	100

3.3 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 12: Weighted risk assessment of Kira Municipal Council

Risk category	Rating (By Number)	Weights	Total weighted Average	Rating (By Value)	Weights	Total weighted Average
High	30	0.6	18	11.6	0.6	6.96
Medium	40	0.3	12	4.7	0.3	15.7
Low	20	0.1	2	80.9	0.1	8
Satisfactory	10	0.0	0	2.8	0.0	0
Total	100	1.0	32	100	1.0	30.7

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{32 \times 100}{60} = 53.3\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{30.7 \times 100}{60} = 51.2\%$$

$$\text{Combined Weighted Average} = \frac{53.3 + 51.2}{2} = 52.25\%$$

Figure 2: Graphical representation of the Entity's risk assessment by number

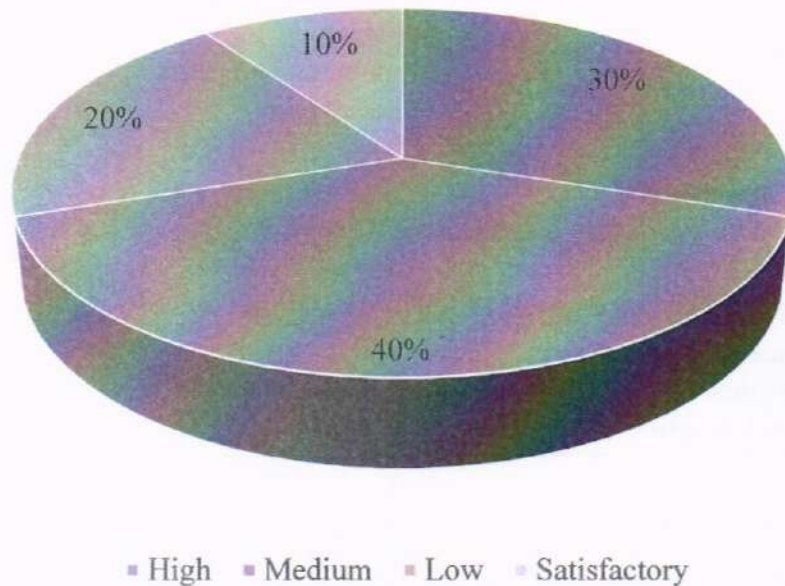
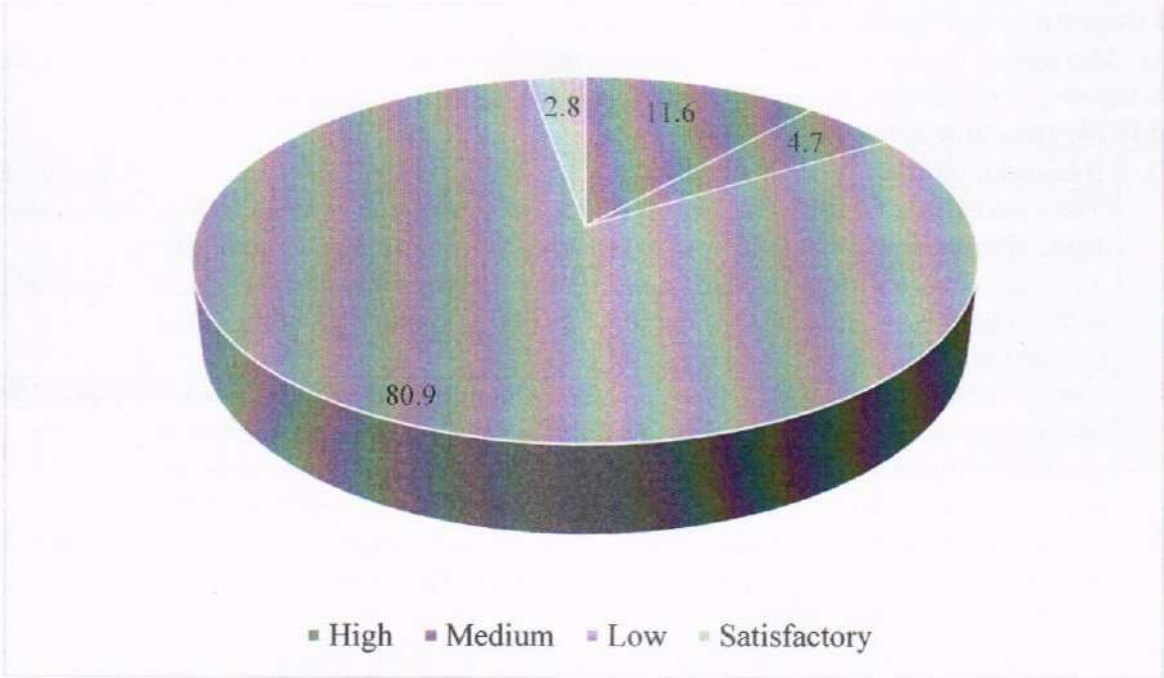


Figure 3: Graphical representation of the Entity's risk assessment by value



3.4 Recommended Action Plan

Kira Municipal Council should implement the following recommendations within the timeframe given in order to improve its performance in Procurement and Disposal.

Table 14: Recommended Action plan

No.	Recommendation	Target Date
1.	The Accounting Officer should put in place an accountability mechanism to monitor the implementation of recommendations made by the Authority.	Immediately
2	The Accounting Officer should fast-track the disposal of obsolete assets before further loss in value in accordance with Regulation 122 of the Local Government (PPDA) Regulations, 2006.	April 2023
3	The Head Procurement and Disposal Unit and Contracts Committee should ensure that appropriate procurement methods are used to invite bidders to promote competition in accordance with Guideline 1 for Thresholds for Procurement Methods of the Local Governments (PPDA) Guidelines 2008.	April 2023
4	The Procurement and Disposal Unit should prepare quality solicitation documents in accordance with Regulation 48 of the Local Governments (PPDA) Regulations, 2006	Immediately
5	The Head Procurement and Disposal Unit should ensure that all bidders shortlisted for a particular procurement are formally invited and evidence of invitation provided in accordance with Regulation 66 (1) of the Local Governments (PPDA) Regulations, 2006	Immediately
6	The Head Procurement and Disposal Unit should ensure that the number of shortlisted firms when using selective bidding method is increased from a minimum of three to possibly 5 to 10 firms and there should be evidence of issue of invitation and acknowledgement of the same by the selected bidders. In the event that the Entity has fewer firms on the prequalified list, then the Entity may adopt the prequalified list of another PDE to beef up competition in that specific category or even use the PPDA register of providers list	April 2023
7.	The Accounting Officer should ensure that the notices of Best Evaluated Bidder are in line with Regulations 85 of the Local Governments (PPDA) Regulations, 2006 before appending his signature	Immediately
8	The Evaluation Committee members should strictly adhere to the criteria set out in the solicitation document in accordance with Section 71 (3) of the PPDA Act, 2003	Immediately
9	The Accounting Officer should not sign the contract where the cost is above the market price assessed prior to commencement of the procurement process.	Immediately
10	The Procurement and Disposal Unit should prepare and maintain complete procurement action files with all relevant procurement forms and documentation in accordance with Regulation 46 (2) of the Local Governments (PPDA) Regulations, 2006.	Immediately
11	The Accounting Officer should explain why performance security was not acquired in accordance with the contract terms and conditions.	immediately
12	The contract supervisors should monitor the contract terms and durations, and report any deviations to the Accounting Officer and Procurement and Disposal Unit for action in accordance with Regulation 119 of the Local Governments (PPDA) Regulations, 2006	August 2023

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

No.	Subject of procurement	Reasons for High Risk Rating
1.	<p>Completion of Kira Health Center (111) Extension Block</p> <p>Kira781/wrks/2021-2022/00005</p> <p>Flying Construction Co Ltd</p> <p>UGX 115,283,251</p>	<ul style="list-style-type: none"> • Passing of a non-compliant bidder that did not demonstrate access to the required key equipment as outlined in the solicitation document • Missing contract management records. • No evidence of appointment of contract management team. • No evidence of a contract implementation plan. • No Site handover. • No Site progress reports. • No proof of completion of works 12 months after contract signature yet GCC 17.1 stated intended completion date of contract to be 4 months after contract signature.
2.	<p>Consultancy services for supervision of construction of Agenda-Mbalwa and Pine roads phase II</p> <p>Kira781/wrks/2021-2022/00001</p> <p>MBI Technology</p> <p>UGX 182,200,000</p>	<ul style="list-style-type: none"> • Failure to state bid validity by date and only mentioned Bid validity period to be 120 working days. • Inadequate evaluation and failure to conduct post evaluation criteria. The BEB submitted a bid security from Credit Bank, a bank operating in Kenya and due diligence was not done • Signing a contract above the market price. A contract amendment worth UGX 18,000,000 an additional increase of 9.87% of the original contract price without approval of amendment by CC. • Missing contract management records. • Contract implementation plan. • Contract progress reports. • Payment records.
3.	<p>Supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council</p> <p>Kira781/Supls/21-22/00009</p> <p>Open Domestic Bidding</p> <p>Middle East Company Ltd</p> <p>UGX 447,220,000</p>	<ul style="list-style-type: none"> • Low bidder participation: 1 bidder participated despite having advertised openly. • Passing of a non-compliant bidder: The Best Evaluated Bidder (BEB) did not present the following as required in the solicitation document: <ul style="list-style-type: none"> <input type="checkbox"/> Registered Powers of Attorney that is specific to the bid; <input type="checkbox"/> Statement of compliance of after sales services; <input type="checkbox"/> Manufacture's Authorization, and letter of manufacture's appointment for dealership of the equipment; <input type="checkbox"/> Copy of operator's manual, maintenance and service manual, copy of parts catalogue for low bed. • Change of evaluation criteria: In the Evaluation report, manufacturer's authorization was considered N/A yet this was required in the solicitation document. • According to BEB's trading license, the company's nature of business was Moto Vehicle Garage. • Bid security of 5m not provided. • Change of evaluation criteria: In the Evaluation report, manufacturer's authorization was considered N/A yet it was required in the solicitation document • Performance criteria was not collected from the BEB.

		<ul style="list-style-type: none"> • Insufficient time to display the NOBEB. It was Displayed on 10th May 2022 and the contract was signed on 16th May 2022. Furthermore, it was signed by the HPDU and not the AO. • The Contract expired before delivery of the reconditioned self-loader/low bed to Kira Municipal Council.
No.	MEDIUM RISK	REASONS FOR MEDIUM RISK
4.	<p>Supply and installation of road naming sign post on the selected trading centres in Kira MC. Kira781/Supls/21-22/00016</p> <p>Selective Bidding</p> <p>Diavi General Enterprise Ltd</p> <p>UGX 31,435,200</p>	<ul style="list-style-type: none"> • Wrong method of procurement: CC approved use of Request for Quotation (RFQ) method bidding for a supply estimated to cost more than UGX 30,000,000. • Wrong bidding document for RFQ. • Low bidder participation: 2 bidders: Daivi General Enterprise Ltd, Kosha Trading Company Ltd despite having invited three bidders. • Bid validity was stated as 30 days and not an actual date. • Incompetent BEB: offered 2 months Delivery period and not the required 30 days. According to the trading license, the BEB was a retailer. • NOBEB on file had no dates. • No Contract document on file. • No contract management records. • Kosha trading limited had no bid. • No Solicitation Document on file • No Delivery notes on file • No Contract completion reports • No Payment records
5.	<p>Completion of Kira MC Council Hall extension Block Kira781/wrks/2021-2022/00030</p> <p>Mobi-Tex Engineering Company Works</p> <p>UGX 252,383,928</p>	<ul style="list-style-type: none"> • No proof of submission of performance security by contractor as required in the General Conditions of contract. • Slow progress of works; whereas from the contract progress report the contract end date computed was 23rd November 2022 the contract progress report submitted in October 2022 indicated 41% progress of works yet time elapsed was over 80%.
6.	<p>Provision of Security services</p> <p>Kira781/Srvs/2021-2022/00009</p> <p>Senaca U Ltd</p> <p>UGX 31,152,000</p>	<ul style="list-style-type: none"> • The bid validity period was stated as 60 working days. The Entity should have stated the exact date of expiry of bid validity. • Contradiction in the solicitation document. According to GCC20.1 in the bidding document: supplies were to be completed and performed in one (1) week yet the statement of requirements indicated 12 months • No evidence of invitation of bid. • Low bidder participation with three bidders invited but only one responded • The NoBEB issued by the Entity did not include period of validity. • No contract management records.

		<ul style="list-style-type: none"> • No contract manager appointed. • No contract implementation plan. • Missing Contract document.
7.	<p>Management of revenue collection from Kira Municipal Council Local Service</p> <p>Kira781/Supls/21-22/</p> <p>Open Domestic Bidding</p> <p>Diavi General Enterprise Ltd</p> <p>UGX 31,435,200</p>	<ul style="list-style-type: none"> • Low bidder participation: only 1 bidder, Lubega John participated despite having advertised for it openly. • No solicitation document on file. • The Nobeb had no date of display and removal. • During Evaluation, the requirement for power of attorney was N/A. The bidder did not provide it. • No contract management records. • No contract manager appointed. • During Evaluation, the requirement for Power of Attorney was considered N/A. The bidder did not provide it and yet was required in the evaluation criteria
No	LOW RISK	REASONS FOR BEING LOW RISK
8.	<p>Construction of Kira Health Center IV Phase III</p> <p>Kira781/Wrks/21-22/00029</p> <p>Open Domestic Bidding</p> <p>CK Associates Ltd</p> <p>UGX 898,386,978</p>	<ul style="list-style-type: none"> • Inadequate NoBEB; the NoBEB issued by the Entity did not include period of validity of NoBEB.
9.	<p>Upgrade to bitumen standards of Agenda-Mbalwa-Namugongo road 1.63km and Pine Road 0.564Km in Kira Municipality by Kiru General Services Ltd</p> <p>Kira781/Srvcs/21-22/00009</p> <p>Open Domestic Bidding</p>	<ul style="list-style-type: none"> • No evidence that the pre bid meeting at Kira MC scheduled for on 6th August 2021 was held. • Bid validity was stated as 120working days not an actual date • No costed BOQs attached to the initiation form.

	Kiru General Services Ltd UGX 4,282,962,080	
No.	SATISFACTORY CONTRACTS	REASONS FOR BEING SATISFACTORY
10	Consultancy services for road design(Kiwatule Najjera-Kira-Kiwologoma Kimwanyi road 0.9km) Kira781/Srvcs/21-22/00015 Open Domestic Bidding Adrix Consults SMC UGX 181,498,000	No exceptions noted

ANNEX B: KIRA MC SAMPLE AND RISK RATING FOR FY 2021/22

No.	Reference No	Subject of Procurement	Procurement method	Provider	Contract value (UGX)	Risk Rating
1.	Kira 781/Srvcs/2021-2022/00015	Provision of consultancy services for design of Kironde and Cyprian Kizito road	Open Domestic Bidding	Adrix Consults SMC	181,498,000	Satisfactory
2.	Kira 781/Wrks/2021-2022/00023	Provision of Security services	Selective bidding	Senaca (U) Ltd	15,576,000	Medium
3.	Kira 781/Srvcs/2021-2022/00009	Completion of Kira Health Center (111) Extension Block	Open Domestic Bidding	Flying Construction Co. Ltd	115,283,251	High

No.	Reference No	Subject of Procurement	Procurement method	Provider	Contract value (UGX)	Risk Rating
4.	Kira 781/Srvcs/2021-2022/00001	Consultancy services for supervision of construction of Agenda-Mbalwa and Pine roads phase II	Open Domestic Bidding	MBI Technology	182,200,000	High
5.	Kira 781/Wrks/2021-2022/00009	Upgrade to bitumen standards of Agenda-Mbalwa-Namugongo road 1.63km and Pine Road 0.564Km in Kira Municipality	Open Domestic Bidding	Kiru General Services Ltd	4,282,962,080	Low
6.	Kira 781/Wrks/2021-2022/00030	Completion of Kira MC Council Hall extension Block	Open Domestic Bidding	Mobi-Tex Engineering Company Works	252,383,928	Medium
7.	Kira 781/Wrks/2021-2022/00029	Construction of Kira Health Center IV Phase III	Open Domestic Bidding	CK Associates Ltd	898,386,978	Low
8.	Kira 781/Supls/2021-2022/00009	Supply and delivery of a reconditioned self-loader/low bed to Kira Municipal Council	Open Domestic Bidding	Middle East Company Ltd	447,220,000	High
9.	Kira 781/Supls/2021-2022/00016	Supply and installation of road naming sign posts on the selected trading centers in Kira MC	Selective Bidding	Diavi Generall Enterprise Ltd	31,435,200	Medium
Total					6,406,945,437	
10.	Kira781/Srvcs/2021-2022	Management of revenue collection from Kira Municipal Council Local Service	Open Bidding	Lubega John	520,000,000 annually at 15% commission rate taxes inclusive	Medium

