



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

**PROCUREMENT AND DISPOSAL AUDIT REPORT OF FORT
PORTAL MUNICIPAL COUNCIL FOR FINANCIAL YEAR 2018/2019**

FEBRUARY 2020

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ACRONYMS

FY	Financial Year
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority

EXECUTIVE SUMMARY

Introduction

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out the Procurement and Disposal audit of Fort Portal Municipal Council. The audit covered a representative sample of twenty (20) procurement transactions carried out during the Financial Year 2018/19. The audit involved a review of procurement system, procurement processes, asset disposal processes and the procurement performance indicators following the Public Procurement and Disposal of Assets Act 2003 and Local Governments (PPDA) Regulations, 2006.

From the findings of the procurement audit exercise, the summary performance of your Entity revealed that the compliance score was 70.6%, the performance score was 65% and the overall weighted average performance of **67.2%**, which is **satisfactory** performance as summarized in the table 1:

Table 1. Entity's Overall Weighted Procurement Performance Score

No.	Compliance Indicator	Score %	Weight	Weighted Score
1.	Average Compliance Indicator Score	70.6	0.4	28.2
2.	Average Performance Indicator Score	65	0.6	39
Entity's Weighted Procurement Performance Score				67.2

Table 2. Performance Rating

No.	Compliance Level (%)	Compliance Rating
1.	90-100	Highly Satisfactory
2.	60-89	Satisfactory
3.	30-59	Unsatisfactory
4.	0-29	Highly Unsatisfactory

Despite the satisfactory performance, the following exceptions were noted:

1. Lack of evidence of a system of market price assessment in five (5) procurements worth UGX 1,016,308,228 leading to outrageously high variations between the estimated and awarded prices.
2. Signing of contract for completion of an 8 classroom block at Mpanga Secondary School worth UGX 67,963,858 before securing the 10% performance security worth UGX 6,796,385 from the contractor implying that the Entity may be exposed to risks of non-performance of a contract.
3. Irregular bidding period in the completion of Kataraka Nurses' house worth UGX 42,999,200. The Entity did not provide an adequate bidding period for the bidders implying bias and unfairness in the procurement process.
4. Lack of evidence of issue and receipt of bidding documents in two procurements worth UGX 48,243,674, implying a lack of transparency and accountability in the bidding process.
5. Lack of transparency on road activities whereby the Entity's procurement plan and issued Local Purchase Orders for inputs did not specify the particular roads to be worked on under force account mechanism.
6. Execution of works on an expired contract in the completion of Kataraka nurses' house worth UGX 42,999,200 implying that works are undertaken under irregular circumstances leading to breach of legal obligations of both the Entity and the Contractor.

7. Irregularities during the evaluation process in five (5) procurements worth UGX 176,491,658 which may lead to award of contracts to incompetent firms.
8. Approval of evaluation reports with irregularities in five (5) procurements worth UGX 176,491,658, which implies that the Contracts Committee did not fully play its oversight role in accordance with the PPDA Law.
9. Failure by the Entity to collect budgeted revenue from contracted revenue sources worth UGX 73,803,300 implying that activities meant to be implemented using local revenue were not implemented thus denying services to the intended beneficiaries.

Fort Portal Municipal Council should implement the following recommendations:

1. The Accounting Officer should develop a mechanism to ascertain market prices in accordance with Section 26 (4) of the PPDA Act, 2003. The Accounting Officer should ensure that assessments of market prices are done at the planning stage, prior to the commencement of the procurement process and before signing of the contract in accordance with Section 26 (6) of the PPDA Act, 2003.
2. The Head Procurement and Disposal Unit should ensure that where performance security is requested, adherence to the form specified in the solicitation document is done in accordance with Regulation 102 of the Local Governments (PPDA) Regulations 2006.
3. The Head Procurement and Disposal should ensure that the minimum bidding periods specified in Guideline 2 of the Local Governments (PPDA) Guidelines 2008 are adhered to, in accordance with Regulation 55 (3) of the Local Government (PPDA) Regulations 2006.
4. The Head Procurement and Disposal Unit should handle the bidding process in a manner that promotes transparency, accountability and fairness in accordance with Section 45 of the PPDA Act 2003.
5. During the preparation of the combined work plan, obtained from the User Department, the Head Procurement and Disposal Unit should include a detailed breakdown of works, services and supplies to be procured in accordance with Regulation 62 (4) (a) of the Local Governments (PPDA) Regulations 2006. The Head Procurement and Disposal Unit should ensure that issued Local Purchase Orders for the inputs of road works clearly state the actual roads to be worked on.
6. The Procurement and Disposal Unit should monitor contract management by User Departments and ensure that contracts are implemented in line with the terms and conditions of the awarded contract in accordance with Regulation 25 (3) (f) of the Local Governments (PPDA) Regulations 2006.
7. The Evaluation Committees should evaluate bids in line with the evaluation methodology and criteria stated in the solicitation in accordance with Section 73 (2) and (3) of the PPDA Act 2003.
8. The Contracts Committee should adhere to Section 30 of the PPDA Act, 2003 which clearly outlines its role including adjudication of submissions of recommendation of award of contract
9. The Accounting Officer should follow-up on the matter failure by the Entity to collect budgeted revenue from contracted revenue sources and ensure that the unpaid amounts worth UGX 73,803,300 are recovered from the providers.

Fort Portal Municipal Council should implement the recommended action plan on **pages 27-29** of the audit report.

CHAPTER 1: INTRODUCTION

1.1. Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal audit of Fort Portal Municipal Council that covered a representative sample of twenty (20) procurement transactions in the Financial Year 2018/2019. The audit involved a review of the procurement system, procurement processes and asset disposal processes.

1.2. Objectives of the Audit

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Fort Portal Municipal Council's procurement systems 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 audit period.

The specific objectives were:

1. To establish the level of compliance of the internal procurement systems with provisions of the PPDA Act, Regulations and Guidelines and the adequacy for effective procurements and disposals.
2. To assess procurement, contracting and implementation process based on a representative sample of contracts to confirm the level of compliance with the PPDA Act, Regulations, and Guidelines.
3. To assess the level of compliance of the asset disposal contracts with the PPDA Act, Regulations and Guidelines.
4. To establish the level of procurement performance of the Entity and the achievement of value for money for each of the sampled contracts in terms of time, competition and cost.
5. Based on the key findings on the procurement systems, process, and performance, to offer an opinion on attainment of value for money and recommend measures to improve performance.

1.3 Scope of the Audit

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal audit of Fort Portal Municipal Council from 15th October 2019 to 25th October 2019. The Entity had a total procurement budget of **UGX 5,557,855,023** in the audit period.

The audit covered a representative sample of twenty (20) procurement transactions carried out during FY 2018/2019. The list of sampled transactions is contained in **Annex 1**. The audited procurement contracts totaled **UGX 2,272,120,498** which was **78%** of the total procurement spend of **UGX 2,999,217,905** in the audit period.

The audit questions and criteria were derived from the Public Procurement and Disposal of Assets Act 2003 and Local Governments (PPDA) Regulations, 2006 as well as PPDA Guidelines 2014. The three audit tools used in the audit were: procurement system audit criteria, procurement process audit criteria and asset disposal audit criteria as contained in the PPDA Procurement Audit Manual.

1.4. Methodology

Fort Portal Municipal Council was notified about the upcoming audit on **12th September 2019**. To prepare for the audit, the auditors reviewed the Entity's budget, procurement plan and quarterly reports.

The procured items in the transaction list were stratified by (a) category of works, supplies, consultancy, and non-consultancy services, (b) procurement method, (c) and contract value. A representative sample of twenty (20) procurement transactions were selected for audit based on a stratified random sampling method.

Using guidelines in the Procurement Audit Manual, the sample size was assessed as representative of the population of transactions. The distribution of the transaction population and sample is in Table 3.

<i>Population</i>			<i>Sample</i>		<i>Percentages</i>	
Method	No.	Value	Number	Value	% Number	% Value
Open Domestic Bidding	30	2,099,322,196	9	1,425,173,420	30	68
Selective Bidding	18	305,506,627	9	283,828,896	50	93
Direct	2	563,118,182	2	563,118,182	100	100
Micro procurements	89	31,270,900	-	-	-	-
Total	139	2,999,217,905	20	2,272,120,498	14	78

An entry meeting was held on **16th October 2019** and the list of those in attendance is shown in **Annex 2**. At the meeting, the objectives of the audit were discussed as well as the timelines, roles and responsibilities. The Entity's management was requested to avail the required records in time for the audit, to which they agreed to give the necessary assistance to the auditors.

Two Procurement Audit Officers under the supervision of the Director, Performance Monitoring carried out the audit. During the audit, the auditors had personal interviews with the staff from the Procurement and Disposal Unit and User Departments. The meetings were necessary to obtain qualitative information that was crucial to understand the internal control system and processes. The list of the staff in the PDU during the audit is shown in **Annex 3**.

The examination of records and documents was done for each of the sampled transactions. The auditors obtained the relevant evidence to arrive at audit conclusions. Physical inspection was carried out at the end of the audit.

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;

At the end of the field data collection, a debriefing meeting was held on **25th October 2019** with the staff and management of the Entity to conclude pending issues and any records that could not be accessed during the audit.

The auditors prepared the management letter, which was sent to the Entity on **19th November 2019** with a request to submit management response by **2nd December 2019**. The responses were submitted on **13th December 2019**. The exit meeting was held on **13th December 2019** at Mbarara Regional offices.

CHAPTER 2: KEY FINDINGS AND RECOMMENDATIONS ON THE PROCUREMENT SYSTEM, PROCESS AND DISPOSAL

This chapter presents the findings arising from the audit. The audit was carried out based on the set criteria per the PPDA Act, Regulations and Guidelines and the procurement audit manual. The root causes of non-compliance and implications are presented. The recommendations are made considering the management responses from the Entity.

2.1 Accounting Officer

The compliance level for the Accounting Officer was assessed to be **75%**, a rating which is **satisfactory**. However, the audit observed the following areas of exception in the functions of the Accounting Officer:

2.1.1 Lack of evidence of a system of market price assessment

The Authority noted that the Accounting Officer did not conduct market price assessment prior to the commencement of the procurement process in five (5) procurements worth **UGX 1,016,308,228** leading to outrageously high variations between the estimated and awarded prices.

As a result, the Entity entered into negotiations with the best evaluated bidders to reduce scope because of the inadequately assessed market prices prior to initiation of the procurement process as detailed in Table 4:

Table 4: Procurements without market price assessment

No.	Subject of procurement	Estimated price at initiation (UGX)	Best Evaluated Bidder's Quoted price (UGX)	Price after negotiations (UGX)	Variance between bidder's quoted price and estimated price (UGX)
1.	Completion of staff houses at Kataraka	43,000,000	72,744,788	42,999,200	29,744,788
2.	Paving of Kabundaire	25,000,000	49,211,345	25,594,028	24,211,345
3.	Supply of school and hospital furniture	38,160,000	66,060,000	46,715,000	27,900,000
4.	Construction of Shallow well at Mpanga market	4,500,000	11,976,900	16,000,000	7,476,900
5.	Paving of MT Kisenyi road	903,000,000	934,588,851	885,000,000	31,588,851
	TOTAL	1,013,660,000	1,134,581,884	1,016,308,228	120,921,884

Note: The planned amount in the Entity's budget for paving of MT Kisenyi Road was UGX 500,000,000. However, at initiation the amount was increased to UGX 903,000,000.

Implications

- The award of contracts above the market price creates variances that affect implementation of other planned activities. For instance, poor assessment of the market price for paving of MT Kisenyi Road affected implementation of other planned road works in the Entity, since

funds for those roadworks were used as additional funding for this one project. Eventually, the other roads were graded but without gravel, a reduction in scope of works.

- Some projects failed to take off as a result of this anomaly. The procurement for construction of shallow well at Mpanga Market failed to take off after a contract had been signed. It was established by the project manager during implementation that the BOQs had to be varied to UGX 16,000,000.

Management Response

Market price assessment is always conducted but the challenge as per mentioned projects was that the estimated price at initiation only indicated the scope that can be achieved with available funds at the time but the documents prepared for bidding included the entire works in the view of negotiating and re-scoping to avoid the costs involved in soliciting for new contractors to complete the remaining works.

Recommendations

The Authority notes the Entity's response, however, there was no evidence availed to the Authority to show that the Entity had indeed done a market price assessment and that the variations were due to the above stated reason. The Authority therefore recommends that:

- The Accounting Officer should develop a mechanism to ascertain market prices in accordance with Section 26 (4) of the PPDA Act, 2003. The Accounting Officer should ensure that assessments of market prices are done at the planning stage, prior to the commencement of the procurement process and before signing of the contract in accordance with Section 26 (6) of the PPDA Act, 2003.
- The Heads of User Departments should ensure that the estimated price at initiation is based on the scope of works in the issued solicitation document so as to avoid outrageously high variations between the bidder's quoted prices and the estimated price.

2.1.2 Failure to fully implement previous recommendations

The following previous procurement audit recommendations for FY 2017/18 were not fully implemented by the Entity and some were still re-occurring:

- i. The Accounting Officer to demand UGX 12,602,200 from Kabarole Animal Traders Cooperative Society that was not remitted during the collection of revenue from slaughter slabs;
- ii. The Accounting Officer should ensure that the defects identified on Kibogo Road are rectified; and
- iii. The Heads of User departments to nominate members of staff with appropriate skills and experience as contract supervisors.

Implication

Failure to implement PPDA recommendations may imply that little effort is made by the Accounting Officer to improve performance in the Entity's procurement function.

Management Response

The recommendation was noted for future compliance.

Recommendation

The Accounting Officer should ensure that all recommendations made by PPDA are fully implemented to improve performance of the Entity in accordance with Regulation 14 (k) of the Local Government (PPDA) Regulations 2006.

2.2 Procurement and Disposal Unit

The compliance level for the PDU was assessed to be **69%**, a rating which is **satisfactory**. However, the audit observed the following areas of exception in the functions of the PDU:

2.2.1 Signing of unsecured contract

The Procurement and Disposal Unit submitted the contract for completion of an 8 classroom block at Mpanga Secondary School worth UGX 67,963,858 to the Accounting Officer for signing before securing the 10% performance security worth UGX 6,796,385 from the contractors contrary to Section 52.1 of the General Conditions of the Contract (GCC) of the solicitation document which provided that *“the Contractor shall, within twenty-eight (28) days of the notification of contract award, provide a Performance Security for the due performance of the Contract in the amount specified in the SCC.”*

Implication

The Entity may be exposed to risks of non-performance of a contract since there is breach of legal obligation especially when the contractor is incompetent.

Management Response

It was an oversight for it to not be requested for from the contractor.

Recommendations

- i. The Accounting Officer should not sign contracts before securing performance securities from providers where it is a requirement in the contract.
- ii. The Head Procurement and Disposal Unit should ensure that where performance security is requested, adherence to the form specified in the solicitation document is done in accordance with Regulation 102 of the Local Governments (PPDA) Regulations 2006.

2.2.2 Retrospective procurement process

This was in the consultancy services for supervision of Uganda Support to Municipal Infrastructural Development (USMID) Batch 2 worth UGX 115,118,182. This procurement was handled as a direct procurement since the variation from the original contract would be above the 25% threshold. The following anomalies were noted:

- i. The procurement was initiated by the User Department on 16th July 2018 after evaluation, contract award and signature had already been done. The evaluation report was signed on 9th July 2018, the contract was awarded by Contracts Committee on 10th July 2018 and the contract signed on 12th July 2018.
- ii. The User Department did not develop the Terms of Reference (TOR's) for the consultancy. Therefore, the output needed from the consultant was not well defined. This makes it impossible to measure performance of the Consultant.

Implication

Retrospective procurement processes are an indicator that the internal controls are weak. This means that there are no checks and balances and therefore the Entity is likely to be exposed to fraudulent transactions.

Management Response

- i. It is true there was an error with the initiation date, it was initiated on 6th July 2018 but the member signed and followed the error of the initiator i.e. 16th July 2018.
- ii. The Terms of Reference were developed and a copy is available for the Authority's verification.

Recommendations

The Authority notes the Entity's response, however, the Entity submitted the monthly progress report as evidence instead of the issued Bidding document with the Terms of Reference.

- i. The Authority therefore recommends that the Accounting Officer should caution Head Procurement and Disposal Unit for failure to manage the procurement activity and allowing retrospective handling of the process contrary to the PPDA Law.
- ii. The Heads of User Departments should ensure that a Statement of Requirements/Terms of Reference are submitted to the Procurement and Disposal Unit at initiation of the procurement in accordance with Regulation 26 (1) (c) of the Local Governments (PPDA) Regulations, 2006.

2.2.3 Irregularities at bidding

The Head Procurement and Disposal Unit failed to manage the bidding process. The Authority discovered irregularities that were made at this stage of the procurement process as shown below.

i. Irregular bidding period

The Entity did not provide an adequate bidding period in the completion of Kataraka Nurses' house worth UGX 42,999,200 contrary to Regulation 55 and Guideline No 2/2008 on minimum bidding periods. Four bidders were invited under selective national bidding on 7th June 2018. On receipt of two bids on 8th June 2018, the bidding process was closed, a day after issuance of bids to shortlisted firms. Consequently, only two bids were received and opened. Regulation 55 provides that the bidding period shall start on the date of issue of bid documents to bidders and shall be used to allow a potential bidder sufficient opportunity to prepare a bid. Guideline No 2/2008 provides a bidding period of a minimum of 10 working days. Therefore, a bidding period of one day was irregular and unfair to the bidders.

ii. Lack of evidence of issue and receipt of bidding documents

The Authority noted irregularities in the issue of documents, receipt and opening of bids in the two procurements worth UGX 42,999,200. Specifically, five firms were shortlisted by the Contracts Committee but documents were issued to a selected few firms, consequently sole bids were received. There was no evidence that all the five shortlisted were invited as shown in Table 5:

Table 5: Procurements with irregularities at bidding

No.	Subject of Procurement	Shortlisted Firms	Firms on Record of Issue	Received Bids
1.	Four stance VIP latrine at Kabundaire market	<ul style="list-style-type: none"> • Prutaz Engineering Services Ltd • Kakooza Engineering Services Ltd • Vina Cleaning • Beglo Enterprises Ltd • Goodwill Stones Workshop 	No record of issue and receipt of bids	<ul style="list-style-type: none"> • Beglo Enterprises Ltd • Goodwill Stones Workshop
2.	VIP latrine at Kataraka HC IV	<ul style="list-style-type: none"> • Prutaz Engineering Services Ltd • Kakooza Engineering Services Ltd • Vina Cleaning • Beglo Enterprises Ltd • Goodwill Stones Workshop 	No record of issue	Goodwill Stones Workshop

iii. Incomplete solicitation document

In the supply of school and hospital furniture, the issued bidding document did not have the delivery period under the Special Conditions of Contract.

Implications

- Irregularities during the bidding process could be an indicator of bias and unfairness in the procurement process. It could mean that the Entity favours certain providers over others and therefore there was no real competition in the Entity.
- Providers have formed cartels and colluding during the procurement process.
- This could also imply that the bidders that are shortlisted do not fully satisfy the eligibility requirements and any other requirements needed to be successful in the bidding process.
- Incomplete solicitation documents hinder the preparation of quality bids by bidders.

Management Response

- The records of issue of bid documents have been attached for the Authority's verification.
- Although the Entity forgot to include a delivery schedule in the bidding document, at the time of issuing a purchase order, a delivery schedule was attached and also the contractor indicated a delivery schedule in their bid.

Recommendations

The Authority verified the attached documents and noted that:

- The Entity only submitted the record of issue of bid document and not the record of receipt for the procurement of four stance VIP latrine at Kabundaire market.
- The Entity did not submit for review a record of issue of bid document for the procurement of VIP latrine at Kataraka HC IV as claimed in the management response

The Authority therefore recommends that:

- i. The Head Procurement and Disposal, during preparation of shortlist of bidders, should ensure that the shortlist includes sufficient bidders to ensure effective and real competition. Bidders shall not be included unless they are expected to satisfy fully the eligibility requirements, qualification requirements of competence, capacity and resources and experience in accordance with Regulation 38 (5) (c) and (d) of the Local Government (PPDA) Regulations 2006.
- ii. The Head Procurement and Disposal should ensure that the minimum bidding periods specified in Guideline 2 of the Local Governments (PPDA) Guidelines 2008 are adhered to, in accordance with Regulation 55 (3) of the Local Government (PPDA) Regulations 2006.
- iii. The Head Procurement and Disposal Unit should handle the bidding process in a manner that promotes transparency, accountability and fairness in accordance with Section 45 of the PPDA Act 2003.

2.3 User Departments

The compliance level for the User Departments was assessed to be **63%**, a rating which is **satisfactory**. However, the audit observed the following areas of exception in the functions of the User Departments:

1.3.1 Lack of transparency on road activities

The Authority noted that the procurement plan did not specify the particular roads to be worked on under force account mechanism. Whereas the Entity planned to undertake various works relating to routine manual and mechanized maintenance of paved and unpaved roads, the actual roads to be worked on were not mentioned in the plan. Numerous road inputs were purchased for the above mentioned works but Local Purchase Orders did not specify the roads too as shown in Table 6:

Table 6: Local Purchase Orders lacking particular roads

No.	Subject of Procurement	Date Of LPO	Value Of LPO (UGX)
1.	Routine mechanized maintenance of unpaved roads Fuel for grading: Fuel for loading, transporting, wheel loader, spreading with grader and compacting	LPO 5 dated 22 nd October 2018	33,579,000
2.	Routine mechanized maintenance of paved roads Fuel and lubricants for prep and transport	LPO 27 dated 23 rd November 2018	5,772,000
3.	Stone dust	LPO 36 dated 13 th December 2018	1,600,000
4.	600mm diameter culvert 900mm	LPO 74 dated 3 rd May 2019.	18,502,400
5.	Chippings and stone dust	LPO 73 dated 29 th April 2019.	8,670,000

No.	Subject of Procurement	Date Of LPO	Value Of LPO (UGX)
6.	Gravel Hardcore CRR	LPO 72 dated 29 th April 2019.	35,376,400
7.	Cement for paved road structures 50kg bag	LPO 106 dated 14 th June 2019	4,205,520
8.	Stone dust for maintenance of paved road surfaces 20 tonnes x 80,000	LPO 102 dated 14 th June 2019.	1,600,000
9.	Fuel and lubricants for routine mechanized maintenance of unpaved roads	LPO 103 dated 14 th June 2019	25,157,670
10.	Fuel and lubricants for routine mechanized maintenance of paved roads	LPO 105 dated 14 th June 2019	4,054,150
	TOTAL		97,566,140

Implications

- This affects the audit trail since the actual procurement transactions cannot be tagged to a particular site.
- The procured materials are prone to mismanagement by the Entity, i.e. not procured for the right purpose.

Management Response

It is true the roads were not mentioned in the procurement requisitions form, but the lists of all roads to be worked on were prepared as attached for your verification

Recommendations

The Authority notes the Entity's response and insists that the actual roads to be worked on should clearly be mentioned in the Entity's procurement plan and the issued Local Purchase Orders.

The Authority therefore recommends that:

- During the preparation of the combined work plan, obtained from the User Department, the Head Procurement and Disposal Unit should include a detailed breakdown of works, services and supplies to be procured in accordance with Regulation 62 (4) (a) of the Local Governments (PPDA) Regulations 2006.
- The Head Procurement and Disposal Unit should ensure that issued Local Purchase Orders for the inputs of road works clearly state the actual roads to be worked on.

Management Response

2.3.3 Execution of works on an expired contract

The following contract expired before completion of works and there was no extension of the contract period:

- Completion of Kataraka nurses' house worth UGX 42,999,200; the contract period was 4 months which expired on 29th October 2018. However, according to the progress report from the Senior Assistant Engineer as at February 2019, works were incomplete at 91%

and the works were completed on 26th June 2019 (8 months after expiry of contract). There was no formal extension of contract by Contracts Committee.

Implication

Without a valid contract and a valid performance security, the Contractor is on site illegally implying that works are undertaken under irregular circumstances leading to breach of legal obligations of both the Entity and the Contractor.

Management Response

Both contracts were extended and copies of letters of extension have been attached.

Recommendations

The Authority notes the Entity's response, however, no evidence was availed for this specific procurement. The Authority therefore recommends that:

- i. The Municipal Engineer should show cause as to why the Accounting Officer should not take appropriate disciplinary action against him for failure to supervise the contract and recommend contract extension so as to avoid breach of the Entity's legal obligation.
- ii. The Procurement and Disposal Unit should monitor contract management by User Departments and ensure that contracts are implemented in line with the terms and conditions of the awarded contract in accordance with Regulation 25 (3) (f) of the Local Governments (PPDA) Regulations 2006.

2.3.4 Delayed payment

In the supply of school and hospital furniture, the delivery of 161 three seat desks was made on 18th June 2019 but payment was made on 7th October 2019, 4 months later.

Implication

Delays to pay providers may discourage service providers from bidding with the Entity. This also contravenes the terms and conditions on payment.

Management Response

There was a challenge with this particular LPO as the system would fail to deduct With Holding Tax (WHT) whenever they would attempt to pay until when it was forwarded to IFMS service desk who rectified the problem.

Recommendation

The Authority notes the Entity's response, however, there was no evidence availed to the Authority to that effect. The Authority therefore recommends that the Accounting Officer should ensure that payment of providers is undertaken within 30 days from certification of invoices or as stated in the special conditions of the contract in accordance with Regulation 117 (6) of the LG (PPDA) Regulations, 2006.

1.3.5 Incomplete files

The following procurement transactions had incomplete files as shown in Table 7:

Table 7: Procurements with incomplete files

No.	Subject of Procurement	Missing record
1.	Supply and installation of additional solar street lighting	Contract management report on installation of the lights

No.	Subject of Procurement	Missing record
2.	Completion of Kataraka Nurses house	Issued bidding document
3.	Consultancy supervision for USMID roads batch 2	<ul style="list-style-type: none"> • Issued Bidding document • Final report from the consultant • Contract management report
4.	Fuel for routine mechanized maintenance of unpaved roads	Evidence of delivery for LPO 5 issued to Shell Fort Portal worth UGX 33,579,000
5.	Fuel for routine mechanized maintenance of paved roads	Evidence of delivery for LPO 27 issued to Shell Fort Portal worth UGX 5,772,000

Implication

This affects the audit trail.

Management Response

All documents have been attached for verification.

Recommendation

The Authority notes the Entity's response, however, the above listed documents were not among the documents availed to the Authority for verification. The Authority therefore recommends that the User Departments should ensure that the Procurement and Disposal Unit is provided with all documents relating to contract management so that all procurement action files are complete in accordance with Section 31 (o) of the PPDA Act 2003.

2.4 Contracts Committee

The compliance level for the Contracts Committee was assessed to be **75%**, a rating which is **satisfactory**. However, the audit observed the following areas of exception in the functions of the Contracts Committee:

i. Approval of evaluation reports with irregularities as detailed under 2.5.1

The Contracts Committee made approvals of evaluation reports that had irregularities as noted under issue 2.5.1.

ii. Failure to cancel procurement process

In the construction of VIP latrine at Kataraka HC IV worth UGX 23,571,290, a new procurement process was initiated without cancelling the previous process. The old process had gone up to contract award and there was no Contracts Committee approval of new solicitation document and new shortlist.

Implication

This implies that the Contracts Committee did not fully play its oversight role in accordance with the PPDA Law.

Management Response

For issue (ii), the records have been attached for the Authority's verification.

Recommendation

The Authority notes the Entity's response, however, the Entity did not avail the above records for verification as claimed. The Authority therefore recommends that the Contracts Committee should adhere to Section 30 of the PPDA Act, 2003 which clearly outlines its role including adjudication of submissions of recommendation of award of contract and cancellation of any procurement process initiated by the User Department.

2.5 Evaluation Committees

The compliance level for the Evaluation Committees was assessed to be **57%**, a rating which is **unsatisfactory**. However, the audit observed the following areas of exception in the functions of the Evaluation Committees:

2.5.1 Irregularities during the evaluation process

The following irregularities were noted during evaluation in five (5) procurements worth UGX 176,491,658.

Table 8: Procurements with irregularities at evaluation

No	Subject of procurement	PPDA Findings
1.	Completion of Kataraka Nurses' house worth UGX 42,999,200	Passing Non-Compliant bidder The best evaluated bidder, Beglo Enterprises, submitted a Transaction Tax Clearance Certificate for the period of 26 th July 2016 to 30 th June 2017 as opposed to 2017-2018. (bidding period was June 2018)
2.	Revenue collection from Kachwamba market worth UGX 19,200,000.	Passing Non-Compliant bidder Master Providers U Ltd did not submit a Transaction Tax Clearance Certificate as required in the solicitation document but was found compliant and passed to the technical stage.
3.	Construction of VIP latrine at St. Peter and Paul Primary School worth UGX 25,721,168	Passing Non- Compliant Bidder The best evaluated bidder, Beglo Enterprises submitted one personnel, Mujungu Swaliki, a foreman yet the solicitation document required two personnel, a foreman and site Engineer. The bidder did not state the validity of the bid, completion time and did not submit audited books of accounts as required.
4.	Construction of VIP latrine at Kataraka HC IV worth UGX 23,571,290	Passing Non- Compliant Bidder The best evaluated bidder, Goodwill Stones Workshop submitted one personnel, Mugenyi Manyiraho Joshua, a foreman yet the solicitation document required two personnel, a foreman and Site Engineer.
5.	Construction of water borne toilet at Lugard roadworth UGX 65,000,000	Passing Non- Compliant Bidder The best evaluated bidder, Kakooza Engineering Services lacked a valid trading license (submitted 2017 and 2018) yet the procurement was advertised in February 2019. The bidder lacked experience (was incorporated in 2016 but submitted experience from 2008 to 2012. The experience was just a list typed by the bidder and not completion certificates or contracts to

No	Subject of procurement	PPDA Findings
		substantiate the experience). Lacked a Transaction Tax Clearance Certificate/income tax clearance.

Implications

- This may lead to award of contracts to incompetent firms. For instance, in the construction of shallow well at Mpanga Market, the sole bid was non-compliant in the area of experience as there was no evidence to state otherwise. However, the Evaluation Committee passed the bid as compliant. During contract execution, the bidder failed to perform. Whereas the contract was signed on 19th March 2019, no work had been done at the time of the audit (October 2019).
- Irregularities and inconsistencies during the evaluation process are an indicator of bias and unfairness and lead to reduced bidder confidence and participation in the bidding process, hence low bidder participation.

Management Response

The Entity has noted this anomaly and the recommendations will be implemented.

Recommendations

- The Accounting Officer should investigate the ownership of Beglo Enterprises, Master Providers U Ltd, Goodwill Stones Workshop and Kakooza Engineering Services based on the fact that they were irregularly awarded contracts.
- The Evaluation Committees should evaluate bids in line with the evaluation methodology and criteria stated in the solicitation in accordance with Section 73 (2) and (3) of the PPDA Act 2003.
- The Contracts Committee should always review both the evaluation reports against the bids to ensure bidders satisfy the eligibility requirements.

2.6 Procurement Planning

The procurement planning of the Entity was assessed and Table 9 summarizes information about the plan, budget and utilization of funds. The procurement plan absorption rate was **53.9%** with a budget variance of **UGX 2,558,637,118**.

Total procurement plan value inclusive of VAT (UGX)	5,557,855,023
Total procurement spend value inclusive of VAT (UGX)	2,999,217,905
Procurement plan Absorption Rate (%)	53.9
Budget variance (UGX)	2,558,637,118

The main area of non-compliance was failure to fully implement the procurement plan. The Entity had a variance of UGX 2,558,637,118, which is unsatisfactory performance.

Implication

Failure to fully utilize planned funds may be an indicator of unrealistic planning and poor formulation of needs by the Users which may also deny the intended beneficiaries better services.

Management Response

The procurement plan included projects for USMID that were carried forward from the previous Financial Year like; Rehabilitation of Rukiidi III road and Construction of Mugunu lorry park building.

Recommendation

The Accounting Officer should ensure that the procurement plan is fully implemented by the end of the Financial Year by ensuring that realistic estimates are made during the planning phase and early commencement of the procurement process to ensure full utilization of budgeted funds. In case of budget shortfalls leading to amendments to the procurement plan, the Head, Procurement and Disposal Unit should update the procurement plan in accordance with Regulation 62 of the Local Governments (PPDA) Regulations, 2006.

2.7 Management of revenue sources

2.7.1 Failure to collect revenue from contracted revenue sources

As at 30th June 2019, the Entity had failed to collect budgeted revenue amounting to UGX 73,803,300 that had been contracted out as detailed in table 10:

Table 10: Revenue sources with uncollected revenue

No.	Revenue Source	Contractor	Unpaid amount (UGX)
1.	Slaughter fees	Kabarole Animal Traders Cooperative	4,000,000
2.	Nyakaseke taxi park toilet	Kaswarra Julius	4,210,100
3.	Roasted meat and chapati	Master Providers Ltd	2,600,000
4.	Kahinju toilet	RK Cleaning Services	3,650,000
5.	Special hire	Kamu Enterprise Ltd	1,612,000
6.	Advertising banners and posters	Malah Holdings Ltd	6,345,000
7.	Charcoal fees	Businge Prosper	550,000
8.	Roasted meat and chapatti	Agaba Edson	4,400,000
9.	Slaughter fees	Amanyire Adams	4,000,000
10.	Mugunu washing bay	MuyambaVicent	20,342,300
11.	Katalekenjara	Kaswarra Julius	1,760,000
12.	Slaughter fees	Kabarole Animal Traders Cooperative	15,833,900
13.	Mpanga main toilet	RK Cleaning Services	300,000
14.	Mpanga struggle toilet	RK Cleaning Services	1,600,000
	TOTAL		73,803,300

Implication

The Entity signed contracts with these providers and failure by these providers to deliver implies that activities meant to be implemented using local revenue were not implemented thus denying services to the intended beneficiaries.

Management Response

So far Council has forwarded a list of defaulters to the council lawyer with instructions to recover the above funds.

Recommendations

The Authority notes the Entity's response and recommends that:

- The Accounting Officer should follow-up on the matter and ensure that the unpaid amounts worth UGX 73,803,300 are recovered from the providers.
- The Accounting Officer should prevail over the User Departments to conduct supplier appraisals so as to weed out non-performing providers/contractors.

CHAPTER 3: PROCUREMENT PERFORMANCE INDICATORS

3.1 Compliance score

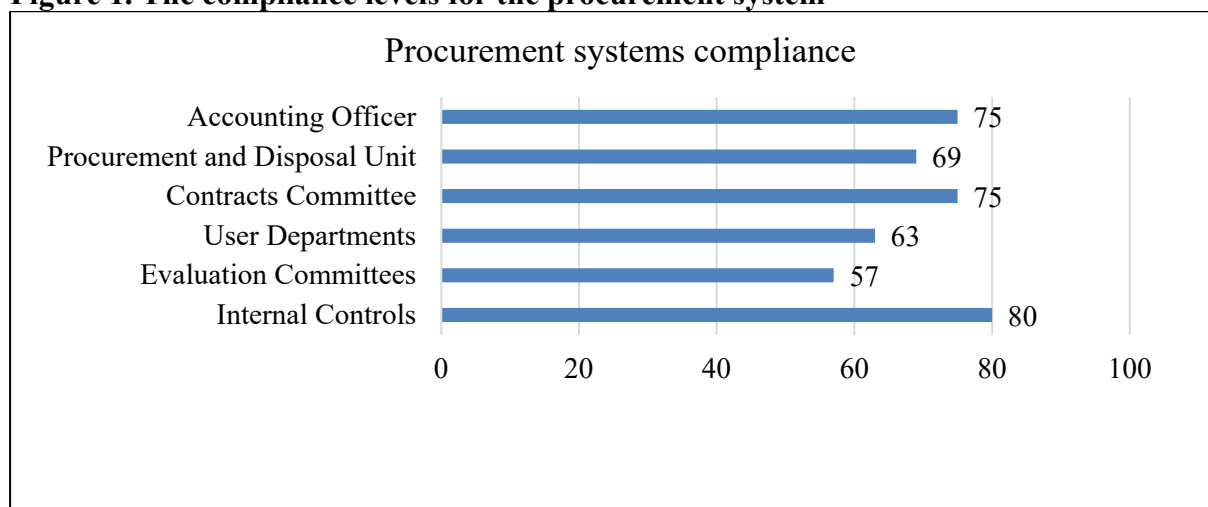
The compliance indicators for the Entity are summarized below:

3.1.1 Procurement System Compliance Level

The compliance levels for each dimension of the procurement system are shown in Figure 1. The overall compliance level for the procurement system was **70%**. Thus, the Entity's performance was **satisfactory** regarding the procurement system.

Figure 1 shows that the Entity had relatively higher compliance levels in the area of Internal Controls. However, it had lower compliance levels in the areas of Evaluation Committees and User Departments.

Figure 1. The compliance levels for the procurement system

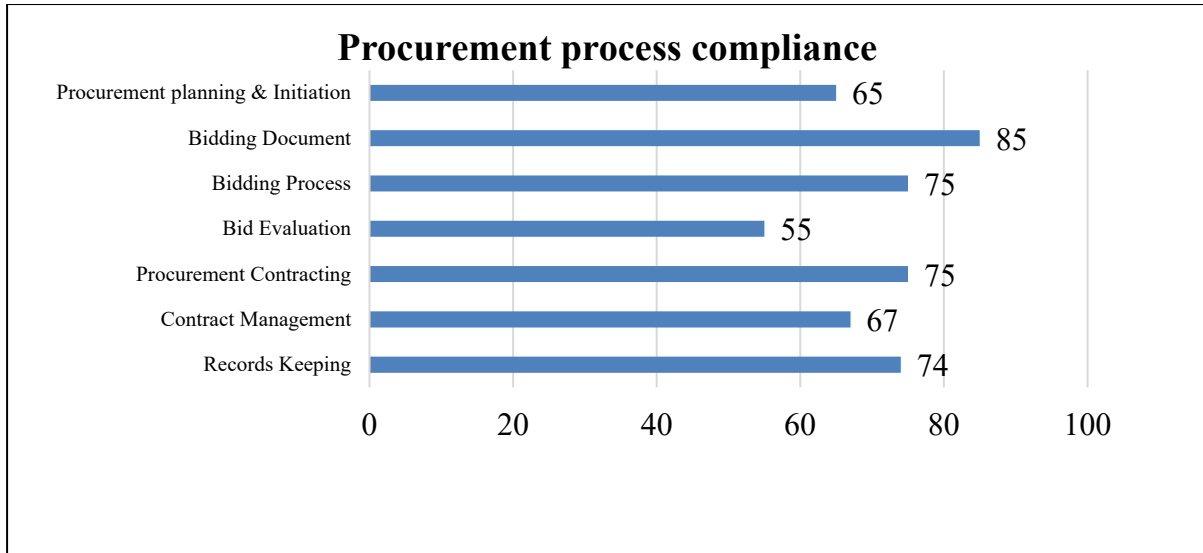


3.1.2 Procurement process compliance level

The compliance levels for each stage in the procurement process are shown in Figure 2. The overall compliance level for procurement processes was **82%**. Thus, the Entity's performance was rated **satisfactory** regarding procurement processes.

Figure 2 shows that the Entity had high compliance levels in the areas of bidding document. However, it had lower compliance levels in the area of bid evaluation.

Figure 2. Procurement process levels of compliance



3.1.3 Disposal process levels of compliance

The Authority noted that the Entity did not have items due for disposal for the period under review and therefore the disposal compliance level was assessed at **NIL**.

Table 11: Compliance scores

Area	Score	weight	Weighted Score
System	70	0.3	21
Process	71	0.5	35.5
Disposal	NIL	NIL	NIL
Average Compliance Score (21+35.5)/80*100			70.6

The Average Compliance Indicator was **70.6%** which is **satisfactory**.

3.2 Performance Score

The performance indicators for the Entity are summarized below:

Table 12. Performance indicators

No.	PERFORMANCE INDICATOR	Score (%)
1.	Procure Ratio: [Actual procurement time divided by planned procurement time in days]	75
2.	Completion Ratio: [Actual completion time divided by contractual completion time in days.]	68
3.	Payment Ratio: [Actual payment time divided by contractual payment time in days.]	80
4.	Number of Received Bids: [If the number of received bids is 3 or more, the score is 100%; if the number of received bids is less than 3, the score is 0%]	40

No.	PERFORMANCE INDICATOR	Score (%)
5.	Bid Responsive Rate: [The number of bids that pass technical evaluation as a percentage of the number of received bids]	70
6.	Plan Ratio: [The total value of the awarded contract divided by the cost estimate in the procurement plan inclusive of VAT.]	55
7.	Procurement plan Absorption Rate: [The actual value of the procurement spend(total procurements reported to PPDA) as a percentage of the procurement plan]	54
8.	Cost Ratio: [The actual final contract amount paid divided by the original contract amount.]	70
	Average Performance Indicator	65

The above indicators are summarized here below:

3.2.1 Efficacy (Procure Ratio). This measured the ability to provide goods or services in accordance with the planned timelines. The audit revealed that **75%** of the sampled procurements were conducted with the planned timelines. Therefore, **25%** of the sampled were not conducted in accordance with the planned timelines. This implies that the Entity's planned timelines in the procurement plan were unrealistic.

3.2.2 Efficiency (Completion Ratio). This analyzed the time required to execute tasks to avoid slow implementation of the contracts. The Entity completed **78%** of sampled procurements within the contractual time and did not complete **22%** within the contractual completion time.

3.2.3 Effectiveness (Payment Ratio): This assessed the time taken to pay contractors such that contract implementation is not delayed more especially advance payments and contracts that are paid cumulatively. The Entity failed to make timely payments in **20%** of the sampled procurements.

3.2.4 Competition (Number of Bids Received)

The Entity received less than three (3) bids in **54%** of the procurements sampled an indicator of low competition levels in the Entity.

3.2.5 The number of bids that passed technical evaluation (Bid Responsive Rate)

The Entity received **70%** compliant and responsive bids and did not receive compliant and responsive bids in **30%** of the procurements sampled. Whereas the Entity received at least three bids during the bidding process, not all the three passed on to the financial stage of evaluation.

3.2.6 The variance between the total value of the awarded contract and the cost estimate in the procurement plan (Plan Ratio)

The audit revealed that **55%** of the sampled procurements were awarded within the cost estimate. This implies that **45%** of the sampled procurements were carried out without proper market assessments prior to commencement of the procurement processes.

3.2.7 The actual value of the procurement spend as a percentage of the procurement budget (Procurement Plan Absorption Rate)

The audit revealed that there was a **54%** plan absorption rate with a variance of UGX 2,558,637,118. Planned activities worth UGX 2,558,637,118 were not implemented which deprived service delivery to the intended beneficiaries.

3.2.8 Final contract cost on completion as compared to the total contract award price inclusive VAT (Cost Ratio). The audit revealed that in **30%** of the sampled procurements, the actual final contract amount was not equal to the original contract amount. This was brought about by contract amendments, incomplete payments for some procurement transactions as well as ongoing procurements at the time of the audit.

3.3 Overall procurement performance

The overall procurement performance score was the sum of the two weighted indicators as summarized below:

Table 13: Entity’s Overall Weighted Procurement Performance Score

No.	Compliance Indicator	Score %	Weight	Weighted Score
1.	Average Compliance Indicator Score	70.6	0.4	28.2
2.	Average Performance Indicator Score	65	0.6	39
Entity’s Weighted Procurement Performance Score				67.2

From the above analysis, the audit team noted that, the Entity had a weighted average performance of **67.2%** in FY 2018/19 which was **satisfactory** performance.

CHAPTER 4: RECOMMENDED ACTION PLAN

Fort Portal 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

Origin	Recommended Action	Target Date
Accounting Officer	<ul style="list-style-type: none"> • The Accounting Officer should develop a mechanism to ascertain market prices in accordance with Section 26 (4) of the PPDA Act, 2003. The Accounting Officer should ensure that assessments of market prices are done at the planning stage, prior to the commencement of the procurement process and before signing of the contract in accordance with Section 26 (6) of the PPDA Act, 2003. • The Heads of User Departments should ensure that the estimated price at initiation is based on the scope of works in the issued solicitation document so as to avoid outrageously high variations between the bidder's quoted prices and the estimated price. • The Accounting Officer should ensure that all recommendations made by PPDA are fully implemented to improve performance of the Entity in accordance with Regulation 14 (k) of the Local Government (PPDA) Regulations 2006. 	August 2020
Procurement and Disposal Unit	<ul style="list-style-type: none"> • The Accounting Officer should not sign contracts before securing performance securities from providers where it is a requirement in the contract. • The Head Procurement and Disposal Unit should ensure that where performance security is requested, adherence to the form specified in the solicitation document is done in accordance with Regulation 102 of the Local Governments (PPDA) Regulations 2006. • the Accounting Officer should caution Head Procurement and Disposal Unit for failure to manage the procurement activity and allowing retrospective handling of the process contrary to the PPDA Law. • The Heads of User Departments should ensure that a Statement of Requirements/Terms of Reference are submitted to the Procurement and Disposal Unit at initiation of the procurement in accordance with Regulation 26 (1) (c) of the Local Governments (PPDA) Regulations, 2006. • The Head Procurement and Disposal, during preparation of shortlist of bidders, should ensure that the shortlist includes sufficient bidders to ensure effective and real competition. Bidders shall not be included unless they are expected to satisfy fully the eligibility requirements, qualification requirements of competence, capacity and 	August 2020

Origin	Recommended Action	Target Date
	<p>resources and experience in accordance with Regulation 38 (5) (c) and (d) of the Local Government (PPDA) Regulations 2006.</p> <ul style="list-style-type: none"> • The Head Procurement and Disposal should ensure that the minimum bidding periods specified in Guideline 2 of the Local Governments (PPDA) Guidelines 2008 are adhered to, in accordance with Regulation 55 (3) of the Local Government (PPDA) Regulations 2006. • The Head Procurement and Disposal Unit should handle the bidding process in a manner that promotes transparency, accountability and fairness in accordance with Section 45 of the PPDA Act 2003. 	
User Departments	<ul style="list-style-type: none"> • During the preparation of the combined work plan, obtained from the User Department, the Head Procurement and Disposal Unit should include a detailed breakdown of works, services and supplies to be procured in accordance with Regulation 62 (4) (a) of the Local Governments (PPDA) Regulations 2006. • The Head Procurement and Disposal Unit should ensure that issued Local Purchase Orders for the inputs of road works clearly state the actual roads to be worked. • The Municipal Engineer should show cause as to why the Accounting Officer should not take appropriate disciplinary action against him for failure to supervise the contract for completion of Kataraka nurses' house worth UGX 42,999,200 and recommend contract extension so as to avoid breach of the Entity's legal obligation. • The Procurement and Disposal Unit should monitor contract management by User Departments and ensure that contracts are implemented in line with the terms and conditions of the awarded contract in accordance with Regulation 25 (3) (f) of the Local Governments (PPDA) Regulations 2006. • the Accounting Officer should ensure that payment of providers is undertaken within 30 days from certification of invoices or as stated in the special conditions of the contract in accordance with Regulation 117 (6) of the LG (PPDA) Regulations, 2006. • User Departments should ensure that the Procurement and Disposal Unit is provided with all documents relating to contract management so that all procurement action files are complete in accordance with Section 31 (o) of the PPDA Act 2003. 	August 2020

Origin	Recommended Action	Target Date
Contracts Committee	The Contracts Committee should adhere to Section 30 of the PPDA Act, 2003 which clearly outlines its role including adjudication of submissions of recommendation of award of contract and cancellation of any procurement process initiated by the User Department.	August 2020
Evaluation Committees	<ul style="list-style-type: none"> • The Accounting Officer should investigate the ownership of Beglo Enterprises, Master Providers U Ltd, Goodwill Stones Workshop and Kakooza Engineering Services based on the fact that they were irregularly awarded contracts. • The Evaluation Committees should evaluate bids in line with the evaluation methodology and criteria stated in the solicitation in accordance with Section 73 (2) and (3) of the PPDA Act 2003. • The Contracts Committee should always review both the evaluation reports against the bids to ensure bidders satisfy the eligibility requirements. 	August 2020
Procurement Planning	The Accounting Officer should ensure that the procurement plan is fully implemented by the end of the Financial Year by ensuring that realistic estimates are made during the planning phase and early commencement of the procurement process to ensure full utilization of budgeted funds. In case of budget shortfalls leading to amendments to the procurement plan, the Head, Procurement and Disposal Unit should update the procurement plan in accordance with Regulation 62 of the Local Governments (PPDA) Regulations, 2006.	August 2020
Management of revenues	<ul style="list-style-type: none"> • The Accounting Officer should follow-up on the matter of failure to collect revenue from contracted revenue sources and ensure that the unpaid amounts worth UGX 73,803,300 are recovered from the providers. • The Accounting Officer should prevail over the User Departments to conduct supplier appraisals so as to weed out non-performing providers/contractors. 	April 2020

ANNEX 1: SAMPLE LIST FOR FORT PORTAL MUNICIPAL COUNCIL FOR FY 2018/2019

No.	Subject of Procurement	Method of Procurement	Provider	Contract Value (UGX)	Score (%)	Rating
1.	Revenue collection from Fuelex market	Open Domestic bidding	MuhendaBadru	16,200,000	62.3	Satisfactory
2.	Revenue collection from matooke in West and south Divisions	Open Domestic bidding	Achloe	37,440,000	62.4	Satisfactory
3.	Revenue collection from Kabundaire market	Open Domestic bidding	Kabundaire Banana Traders Association	190,200,000	67.7	Satisfactory
4.	Revenue collection from Kachwamba market	Open Domestic bidding	Muyamba Vicent Traders	19,020,000	67.7	Satisfactory
5.	Consultancy services for supervision of USMID roads Batch II	Direct procurement	Continuum Engineering	115,118,182	57	Unsatisfactory
6.	Supply and installation of additional solar street lighting	Direct procurement	Alnuaimi Group and Abubaker Technical services Ltd	448,000,000	69.4	Satisfactory
7.	Construction of 2 5 stance lined VIP latrines at Kagote seed SSS	Selective bidding	Sharp U Ltd	79,029,354	64.5	Satisfactory
8.	Construction of a 5 stance lined VIP latrine at Kabarole Primary School	Selective bidding	Namago Investments Ltd	24,228,468	76.1	Satisfactory
9.	Completion of Kachwamba Market toilet	Selective bidding	Kagoma friends enterprises Ltd	9,813,004	74.2	Satisfactory
10.	Supply of building materials	Open bidding/Frame work contract	<ul style="list-style-type: none"> • Senaga Building and Civil Engineering Ltd • Sharp (U) Ltd • K.David and Friends Ltd • Myrcella Holdings U Ltd Standard Civil Works Ltd Shell Fort Portal 	97,566,140	69.2	Satisfactory
11.	Construction of VIP latrine at St. Peter and Paul primary school	Selective bidding	Beglo Enterprises Ltd	25,721,168	84	Satisfactory

No.	Subject of Procurement	Method of Procurement	Provider	Contract Value (UGX)	Score (%)	Rating
12.	Construction of 4 stance VIP Lined latrine at Block with a urinal and shower at Kabundaire market	Selective bidding	Beglo Enterprises Ltd	24,672,384	73.4	Satisfactory
13.	Construction of water borne toilet at Lugard Road	Open National Bidding	Kakooza Engineering Services	64,917,777	69	Satisfactory
14.	Street sweeping in West Division	Selective bidding	Tuesday Emmanuel	28,200,000	63.2	Satisfactory
15.	Completion of an 8 class room block at Mpanga SS	Open Domestic bidding	Standard Civil works Ltd	67,963,858	65.6	Satisfactory
16.	Paving of MT Kisenyi road	Open Domestic bidding	Kato Investments Ltd	885,150,645	62.9	Satisfactory
17.	Paving of Kabundaire market	Selective bidding	Namago Investments Ltd	25,594,028	61.5	Satisfactory
18.	Construction of a stance lined VIP Latrine at Kataraka H.C IV	Selective bidding	Goodwill stones workshop	23,571,290	62.8	Satisfactory
19.	Supply of School and hospital furniture	Open domestic bidding	KSB Office and General Supplies Ltd	46,715,000	71	Satisfactory
20.	Completion of Kataraka Nurses' House	Selective Bidding	Beglo Enterprises Ltd	42,999,200	56	Unsatisfactory
	Total			2,272,120,498		

Table 13: Summary of case compliance rating

No	Performance Score (%)	Performance Rating	Number	Value(UGX)
1	90-100	Highly Satisfactory	-	
2	60-89	Satisfactory	18	2,114,003,116
3	30-59	Unsatisfactory	2	158,117,382
4	0-29	Highly Unsatisfactory	-	
Total			20	2,272,120,498

Annex 2. List of persons met during entry meeting

No.	Name	Title
1.	Rusoke John Bosco	Acting Deputy Town Clerk
2.	Nyakatura Fred	Planner
3.	Richard Alituha	District Education Officer
4.	Nsita William	Senior Internal Auditor
5.	Simon Karamagi	Chief Finance Officer
6.	Kobusinge Mwajuma	Procurement Officer
7.	Alinaitwe Raymond	Senior Accountant
8.	Twesige Nasur	Senior Assistant Engineering Officer (Buildings)
9.	Bamanyisa B	Town Clerk
10.	Mbeine Gilbert	PHI
11.	Kusemvera Peter	Assistant Town Clerk

Annex 3. List of staff in the Procurement and Disposal Unit

No.	Name	Job Title	Academic Qualification
1.	Kanda Christine	Senior Procurement Officer	BBA (Procurement), PGD in procurement and supply chain
2.	Kobusinge Mwajuma	Procurement Officer	Bachelor's degree in Procurement and Supplies Chain Management

Annex 4. List of the Contracts Committee members

No.	Name	Job Title	Committee Position
1.	Nyakatura Fred	Economic Planner	Chairperson
2.	Twesige Nasur	Senior Assistant Engineering Officer (Buildings)	Member
3.	Komuntaro Alice	Senior Probation Officer	Member
4.	Bamuroho Julius	Clinical Officer	Member
5.	Byamukama John	Head Teacher	Member

Annex 5. List of User Departments

No.	Title of the User Department
1.	Administration
2.	Finance
3.	Engineering
4.	Community Based Services
5.	Health
6.	Education
7.	Production and Marketing
8.	Natural Resources
9.	Planning
10.	Internal Audit

Annex 6: PHYSICAL VERIFICATION AS AT 17TH OCTOBER 2019

Entity: Fort Portal Municipal Council	Provider: Standard Civil works Ltd
Contract: Completion of an 8 class room block at Mpanga Secondary School	Contract Value: UGX67,963,858 Start date: 27 th March 2019 Proposed contract end date: 27 th June 2019
Scope of Work (As per Bills of Quantities): <ul style="list-style-type: none"> - Plastering - Rainwater harvest system - Lightning conductors - Tank - Painted internally including the ceilings - Installation of ceiling boards - 8 doors and 32 windows replaced 	Status of Work: The works were complete as per BOQs and the classes were in use.

Verification Pictures



Entity: Fort Portal Municipal Council	Provider: Sharp U Ltd
Contract: Construction of two 5 stance lined VIP latrines at Kagote seed SSS	Contract Value: UGX 49,029,354 Start date: 25 th March 2019 Proposed contract end date: 25 th June 2019
	Status of Work: The works were complete as per BOQs and the 2 latrines were in use
Exceptions Noted: None	

Verification Pictures



Entity: Fort Portal Municipal Council	Provider: Namago Investments Ltd
Contract: Construction of a 5 stance lined VIP latrine with shower at Kabarole Primary School	Contract Value: UGX 24,228,468
	Start date: 19 th March 2019
	Proposed contract end date: 19 th June 2019
	Status of Work: The works were complete as per BOQs and the latrine was in use.

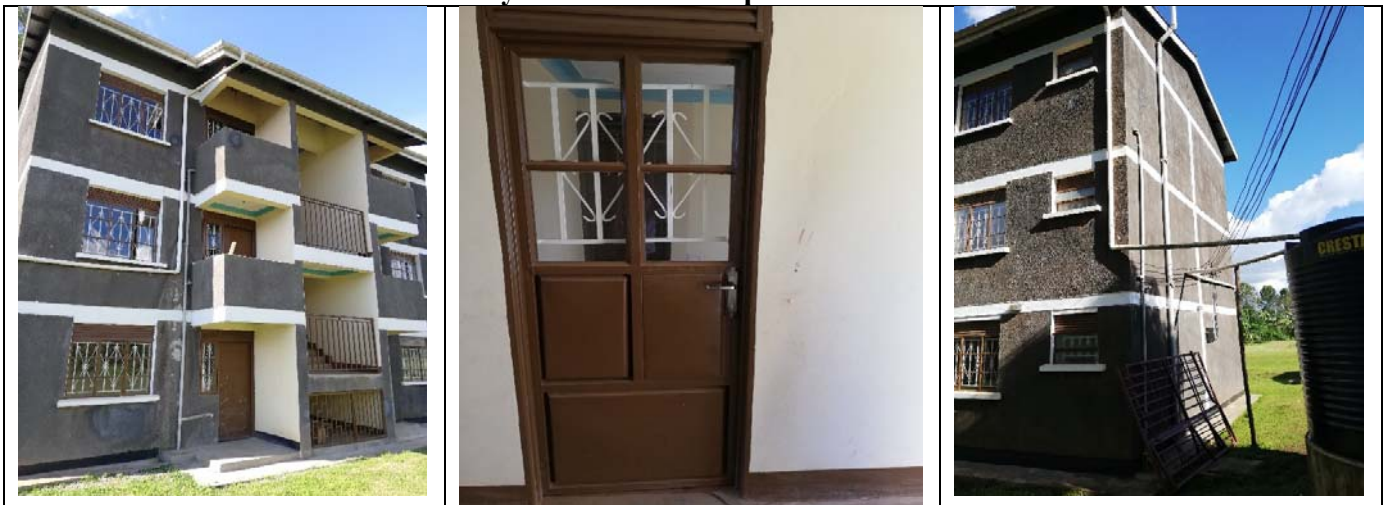
Physical verification pictures

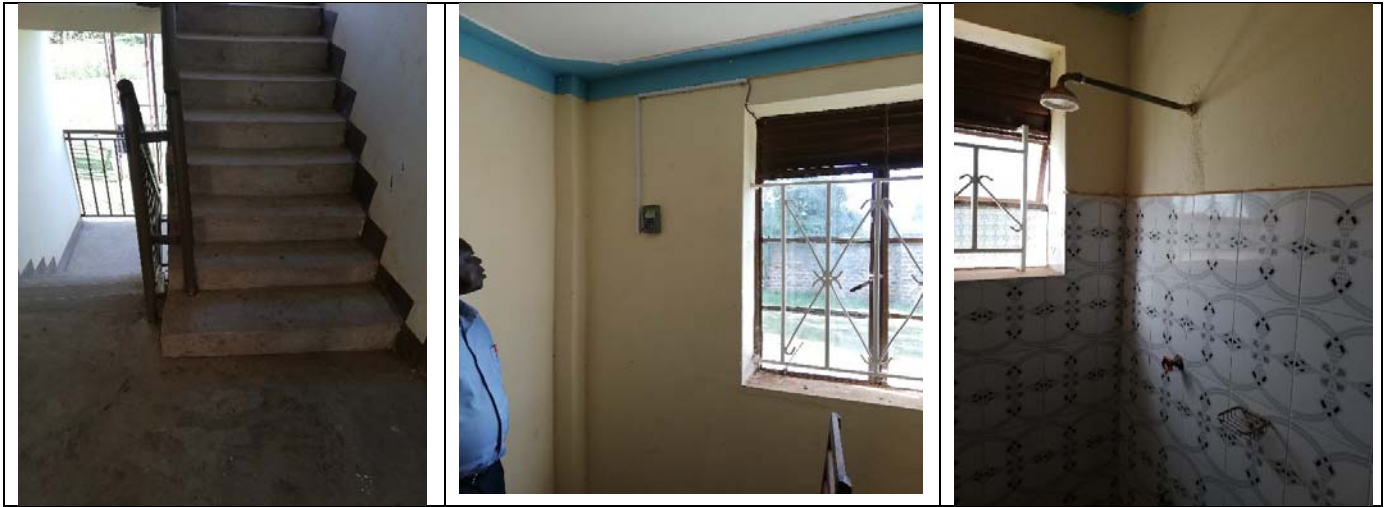


Entity: Fort Portal Municipal Council	Provider: Beglo Enterprises Ltd
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<p>Contract: Completion of Kataraka Nurses' House</p>	<p>Contract Value: UGX 42,999,200 Start date: 22nd June 2018 Proposed contract end date: 10th October 2018</p>
<p>Scope of Work (As per Bills of Quantities):</p> <ul style="list-style-type: none"> - Windows from ground floor to second floor Levels - Doors from ground floor to second floor levels - Internal wall finishes and fittings (ground to 2nd floor) - Ceiling finishes (ground to 2nd floor) - Floor and staircase finishes (ground to 2nd floor) - Electrical installation (ground to 2nd floor) - Mechanical and drainage installation (ground to 2nd floor) 	<p>Status of Work: The works were complete as per BOQs.</p>
<p>Exceptions Noted: There was delayed handover of the completed structure and at the time of the verification exercise on 15/10/2019, the houses were not yet in use.</p>	

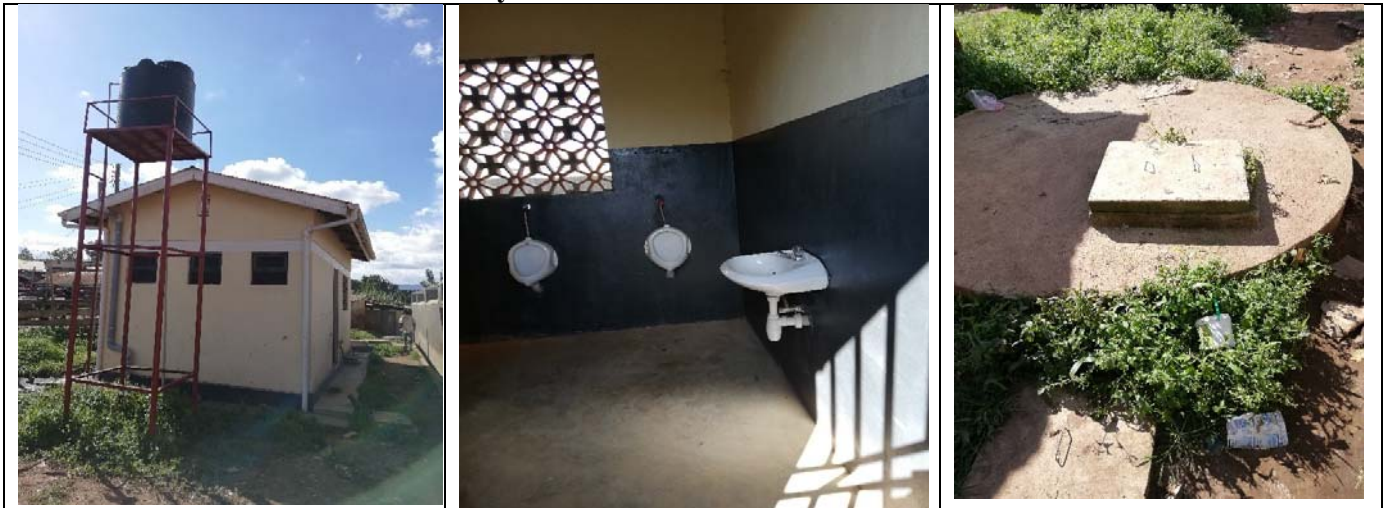
Physical verification pictures





Entity: Fort Portal Municipal Council	Provider: Kagoma Friends enterprises Ltd
Contract: Completion of Kacwamba Market toilet	Contract Value: UGX 9,813,004 Start date: 25 th March 2019 Proposed contract end date: 25 th June 2019
Scope of Work (As per Bills of Quantities): - Painting - Plumbing - Water connection	Status of Work: Incomplete, as at 15/10/2019, water connection to the facility had not yet been done.

Physical Verification Pictures



Entity: Fort Portal Municipal Council	Provider: Beglo Enterprises Ltd
Contract: Construction of 4 stance VIP Lined latrine at Block with a urinal and shower at Kabundaire market	Contract Value: UGX 24,672,384 Start date: 19 th March 2019 Proposed contract end date: 19 th June 2019
	Status of Work: The works were complete and the facility was in use.

Physical verification pictures



Entity: Fort Portal Municipal Council	Provider: Namago Investments Ltd
Contract: Paving of Kabundaire market	Contract Value: UGX 25,594,028 Start date: 30 th April 2019 Proposed contract end date: 30 th July 2019
Scope of Work (As per Bills of Quantities): <ul style="list-style-type: none"> - 150mm bed of approved imported hardcore well spread rammed and consolidated under floor slab and blinded with and including 50mm layer of sand well-watered and rolled to receive concrete. - Steel reinforcement in floor slab 	Status of Work: Works were complete and the paved area was in use.
Exceptions Noted: Some paved areas had the top surface peeling off at the time of physical verification (15/10/2019)	

Physical verification pictures









Routine mechanized maintenance of roads under Force Account

Maguru-Itaara- Kamwenge road 3kms

The road was graded and 7 pieces of culverts were installed at some section.



<p>Routine mechanized maintenance of roads under Force Account</p> <p>Kasusu-Rubingo road 1.5kms</p> <p>The road was graded and the works were complete</p>		
<p>Routine mechanized maintenance of roads under Force Account</p> <p>St. Paul-Kyabukonkoni-Kahungabunyonyi road 2.4kms</p> <p>The road was graded and the works were complete</p>		
<p>Routine mechanized maintenance of roads under Force Account</p> <p>Kasenyi bridge</p> <p>The works were complete as per BOQs and the bridge was in use.</p>		

Paving of MT Kisenyi road worth UGX 885,150,645

Provider: Kato Investments Ltd

The works were 0.8kms and included surface dressing, drainage and installation of culverts.

The drainage works were at 80% as at 17th October 2019.

