



**CONTRACT AUDIT INTO THE CONTRACT FOR UNFINISHED WORKS ON
CONSTRUCTION OF RUBOROGOTA SEED SECONDARY SCHOOL IN ISINGIRO
DISTRICT LOCAL GOVERNMENT UNDER UGIFT PROGRAM**

CONTRACTOR: DRIVE CONSULTS LIMITED

PROCUREMENT REF: MOES/UGIFT/WRKS/18-19/0119

JUNE 2026

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ACRONYMS

Cap	-	Chapter
ESHS	-	Environmental, Social, Health and Safety
PPDA Act	-	Public Procurement and Disposal of Public Assets Act.
PPDA	-	Public Procurement and Disposal of Public Assets Authority
UGX	-	Uganda Shillings
UGIFT	-	Uganda Intergovernmental Fiscal Transfer Program
VAT	-	Value Added Tax

EXECUTIVE SUMMARY

On 17th December 2025, the Public Procurement and Disposal of Public Assets Authority conducted a contract audit into the contract for the unfinished works on construction of Ruborogota Seed Secondary School worth UGX 224,436,000 for the unfinished works on construction of Ruborogota Seed Secondary School in Isingiro District Local Government under the Uganda Inter-Governmental Fiscal Transfer (UGFIT) program in accordance with Section 8(1)(j)(ii) of the PPDA Act, Cap 205.

The overall objective of the audit was to assess the status of contract implementation with emphasis on verification that all parties to the contract complied with the requirements and standards set forth in the contract and the provisions of the PPDA laws and UGIFT guidelines. The specific objectives of the contract audit were to assess:

- (a). The progress of the works / supplies;
- (b). The effectiveness of time, quality & cost control of works undertaken; and
- (c). Adherence to Environmental, Social, Health and Safety (ESHS) safeguard requirements.

Key finding of the Authority

- i. Contrary to Clause GCC 22 of the Special Conditions of Contract that set the site possession date as after signing the contract agreement and issuance of commencement order, there was delayed site possession and commencement of works by the contractor. The site was formally handed over to the contractor together with a commencement letter on 15th November 2025 having signed the contract on 6th November 2025. According to the contractor's submitted work program, mobilization and site possession were scheduled to occur within the first month of implementation of the project. However, as at 17th December 2025, the contractor, Drive Consults Limited, had not possessed the site to commence the works as scheduled despite the contract having achieved a time progress of 27% (1 month and 11 days). Consequently, the contractor possessed site at the start of February 2026 which resulted in to extension of the completion date from 15th April 2026 to 15th June 2026 due to the late start. According to the project progress report by the District Engineer dated 18th June 2026, the contractor was on site finalising the works having achieved a physical progress of 95% against a time progress of 140%. Delayed site possession and commencement of works consequently led to failure to complete the works by the initial intended completion date of 15th April 2026 hence a continued denial of the much-awaited school facilities to the intended beneficiaries of Ruborogota Seed Secondary School.

Audit conclusion

Despite the contract extension from 15th April to 15th June 2026 due to initial commencement delays and material shortages, the contract expired with the works substantially complete having achieved a physical progress of 95%. According to the progress report dated 18th June 2026, all the required materials and personnel to complete the remaining works were on site and final fittings were ongoing indicating a likelihood for the remaining works to be completed by 30th June 2026. The Entity should consider having a separate contract with the Contractor for the remaining 5% of the works with clear milestones to be accomplished by 30th June 2026 and have the project handed over.

Recommendations

In light of the above and in accordance with Section 9 of the PPDA Act, Cap. 205, the Accounting Officer should instruct the contractor to expedite the remaining works to completion before 30th June 2026 and strengthen contract monitoring and supervision i.e. by instructing the Project Manager to increase the frequency of progress reviews and conducting more detailed site inspections, so as to ensure that the remaining works are completed in line with Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023 given that all required materials and personnel are on site . Since the contract expired on 15th June 2026, The Entity should consider having a separate contract with the Contractor for the remaining 5% of the works with clear milestones to be accomplished by 30th June 2026 and have the project handed over.

CHAPTER 1: INTRODUCTION

1.1. Background

The Public Procurement and Disposal of Public Assets Authority conducted a contract audit into the contract for the unfinished works on construction of Ruborogota Seed Secondary School in Isingiro District Local Government under the Uganda Inter-Governmental Fiscal Transfer (UGFIT) program worth UGX 224,436,000 in accordance with Section 8(1)(j)(ii) of the PPDA Act, Cap. 205.

The audit exercise was conducted from 17th to 19th December 2025. A management letter was issued to the Entity on 23rd January 2026 and the management response was submitted on 11th February 2026. This report communicates the audit conclusion and final recommendation of the Authority. The contract summary is provided in Chapter 2 of the report.

1.2. Laws applicable

The applicable laws and legal framework were:

- i. The Public Procurement and Disposal of Public Assets Act, Cap. 205;
- ii. PPDA (Contracts) Regulations, 2023;
- iii. The signed contract between Isingiro District Local Government and Mupa Technical Services Limited; and
- iv. The circular on contract management and safeguard requirements under Uganda Intergovernmental Fiscal Transfer (UGIFT) program dated 16th March 2021 issued by the Permanent Secretary/Secretary to the Treasury.

1.3. Objectives

The overall objective of the contract audit was to assess the status of contract implementation in regard to the obligations of Isingiro District Local Government (the Entity) and Drive Consults Limited (the Contractor).

The specific objectives of the contract audit were:

- i To assess the timelines of contract implementation;
- ii To assess the effectiveness of the time, cost and quality controls; and
- iii To assess adherence to Environmental, Social, Health, and Safety (ESHS) requirements.

1.4. Scope of the Audit

The audit covered the contract execution and management of the contract for the unfinished works on construction of Ruborogota Seed Secondary School in Isingiro District Local Government.

1.5. Audit Methodology

The Authority adopted the following methodology:

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

1.6. Limitation of Scope

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

CHAPTER 2: FINDINGS AND RECOMMENDATIONS

This chapter details the findings and recommendations from the contract audit.

2.1. Contract summary

On 6th November 2025, following the re-tender for the pending works, the Entity entered into a contract with Drive Consults Limited for the unfinished works on construction of Ruborogota Seed Secondary School at a contract sum of UGX 224,436,000 under Reference no. ISIN837/WRKS/25-26/00009 with an intended completion period of 5 months from the date of signing the contract. The key information about the contract is summarized in Table 1 below:

Table 1: Contract summary for the contract for unfinished works on construction of Ruborogota Seed Secondary School

Contract Title	Unfinished works on construction of Ruborogota Seed Secondary School	
Reference Number	ISIN837/WRKS/25-26/00009	
Contract Sum	UGX 224,436,000 VAT Inclusive	
Name of Contractor	Drive Consults Limited	
Contract Scope	Works Description	Amount (UGX)
	3 no. 2 classroom block • Supplying and fixing of open shelves made from Mahogany hardwood and supported by metals in each classroom • Supplying 40 no. 3 seater twin desks in each classroom • Supplying 2 teacher's table and chair in each classroom	31,500,000
	2-unit science laboratory block • Supplying of 96 no. laboratory stools • Supplying and fixing of preparatory room shelves • Supplying of 24 no. Laboratory tables • Supplying of 24 no. Laboratory chairs • 4 portable fire extinguishers • Supplying and fixing of copper pipping • Supplying and fixing of 2- 45kg cylinders • Supplying and fixing a regulator • Supplying and fixing of matching manifold with 4 no. outlet	37,690,000

	• Supplying of 2 no. of teacher's chairs • Installation of 10,000 Litres HDPE water Tank • Protective walling • All cold water supply pipe work	
	Administration block • Supply of 3 no. Office desks with 3 no. of lockable drawers • Supply of 6 no. staff room tables • Supply of 24 no. of office chairs • Supply of 12no. of cushioned office chairs	13,350,000
	ICT /Library • 42 no. of reading tables of size 1700mm x850mm • 10 no. of wooden bookshelves of size 2820mm x450mm x2100mm high • 24 no. of tables of size 1200mm x 600mm • 90 no. of chairs with hard seat • 2 No. of office desks with 3 side drawers • 8 office chairs with cushions for offices • 10 wooden book shelves	33,700,000
	Multipurpose hall • 6 Open shelves • 96 stools • 24 tables • 180 teacher's chairs	49,260,000
	Playground	24,700,000
	Subtotal	190,200,000
	Add 18% VAT	34,236,000
	Grand Total	224,436,000
Contract Signature date	6 th November 2025	
Site hand over date	15 th November 2025	
Intended completion period	5 months from contract signature	
Original contract completion date	15 th April 2026	
Extended completion date	15 th June 2026	
Defects Liability period	180 Days	
Project supervisor	District Engineer and Project Implementation team	

Type of Contract	Lumpsum contract
Status as at 17 th June 2026 (based on District Engineer's progress report)	Time Progress – 140% Physical progress – 95% Financial Progress – 0%

2.2. ASSESSMENT OF THE PROGRESS OF WORKS

2.2.1. Physical Progress of works

According to a progress report from the District Engineer dated 18th June 2026, the the works were substantially complete having achieved a physical progress of 95% against a time progress of 140%.

2.2.2. Time Progress

As at 18th June 2026, the time progress for the works stood at 140% indicating a time over run of 40% having extended the completion date to 15th June 2026 as shown in the Table 2 below:

Table 2: Time progress as at 18th June 2026

Contract signature date	6 th November 2025
Initial expected completion date	15 th April 2026
Extended completion date	15 th June 2026
Measurement date for this analysis	28 th May 2026
Original contract period	5 months from contract signature
Time Elapsed as at 18 th June 2026	7 months and 2 days
Time progress (%)	140%

2.2.3. Financial Progress

As at 18th June 2026, no payment had been made to the contractor in line with the Lumpsum contract which required payment for completed works.

2.3. Effectiveness of Time, Quality and Cost Controls

The following exception was found:

2.3.1. Delayed site possession by the Contractor

GCC Clause 22 of the Special Conditions of Contract set the site possession date as after signing the contract agreement and issuance of commencement order and GCC Clause 28.1 required the contractor to submit a program for the works within a period of seven days of delivery of contract. According to the contractor's work program, mobilization and site possession were scheduled to occur within the first month of implementation of the project. However, at the time of the audit on 17th December 2025, there was no evidence to show that the contractor had taken possession of the site and commenced work as scheduled despite the contract having achieved a time progress of 27% (1 month and 11 days). Consequently, the contractor possessed site at the start of February 2026 which resulted in to extension of the completion date from 15th April 2026 to 15th June 2026 due to the late start. According to the project progress report by the District Engineer dated 18th June 2026, the contractor was on site finalising the works having achieved a physical progress of 95% against a time progress of 140%.

Imp-lication

Delayed commencement may lead to failure to complete the works within the intended completion period hence a delayed service delivery to the intended beneficiaries.

Management response

The works have commenced and are ongoing. The progress report has been attached as evidence.

Authority's comment

The Authority reviewed the management response and corresponding documentation availed and noted that the Project Manager issued a commencement order on 15th November 2025 instructing the contractor to commence the works and according to a project progress report by the District Engineer dated 18th June 2026, the works had achieved a physical progress of 95% against a time progress of 140%.

Recommendations

The Accounting Officer should task the Project Manager to instruct the contractor to expedite and complete the remaining works by 30th June 2026 and strengthen contract monitoring and supervision i.e. by increasing the frequency of progress reviews and conducting more detailed site inspections, so as to ensure that the remaining works are completed in line with Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023. Since the contract expired on 15th June 2026, The Entity should consider having a separate contract with the Contractor for the remaining 5% of the works with clear milestones to be accomplished by 30th June 2026 and have the project handed over.

2.4. Adherence to the Environmental, Social, Health and Safety Safeguard (ESHS) requirements

No exceptions were noted under this objective.

CHAPTER 3: AUDIT CONCLUSION

Despite the contract extension from 15th April to 15th June 2026 due to initial commencement delays and material shortages, the contract expired with the works substantially complete having achieved a physical progress of 95%. According to the progress report dated 18th June 2026, all the required materials and personnel to complete the remaining works were on site and final fittings were ongoing indicating a likelihood for the remaining works to be completed by 30th June 2026. The Entity should consider having a separate contract with the Contractor for the remaining 5% of the works with clear milestones to be accomplished by 30th June 2026 and have the project handed over.

ANNEX

Annex 1: Furniture and fittings pictures as at 18th June 2026



Ongoing works showing the complete frames for ICT hard seat chairs, Laboratory stools and ongoing works on shelves



Completed tables as well as some material awaiting assembling

Material awaiting assembling