



**PUBLIC PROCUREMENT AND DISPOSAL
OF PUBLIC ASSETS AUTHORITY**
"Regulating for Results"

**PROCUREMENT AND DISPOSAL AUDIT REPORT FOR FINANCIAL
YEAR 2024/2025**

LUWERO DISTRICT LOCAL GOVERNMENT

APRIL 2026

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LIST OF ACRONYMS

KM	Kilometer
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
RFQ	Request for Quotation
UGX	Uganda Shillings

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority undertook a Procurement and Disposal Audit of the Procurement and Disposal Activities of Luwero District Local Government that covered a sample of 22 procurement transactions under Financial Year 2024/2025.

The overall objective of the audit was to assess and establish the degree of compliance of Luwero District Local Government procurement system and processes with the provisions of the PPDA Act, Cap. 205 and PPDA Regulations, and assess the level of procurement performance over the period.

From the findings of the audit exercise, the performance of Luwero District Local Government for the Financial Year 2024/2025 was **moderately satisfactory** with an overall weighted average risk rating of **39%**. The risk rating was weighted to determine the overall risk level of the Entity as detailed in Chapter 3 of this report.

Despite the moderately satisfactory performance, the following key exceptions were noted:

1. Section 10 (1) (a) of the PPDA Act, Cap. 205, provides that where there is a persistent breach of the Act or Regulations, the Authority may direct the concerned Entity to take corrective action. However, the Entity did not fully implement 69.3% of the procurement audit recommendations, thereby depriving the Entity of the opportunity for continuous improvement;
2. Section 60 (7) of the PPDA Act, Cap. 205 requires Entities to review and update their procurement plans. It was observed that the Entity failed to fully implement 36.5% of its procurement plan, which hindered service delivery to the intended beneficiaries;
3. Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023, requires Entities to ascertain that the statement of requirement to define the requirement in a manner that leaves no doubt or assumption by a bidder. It was noted that in four procurements worth UGX 316,103,055, the Head of the Procurement and Disposal Unit issued inadequate bidding documents that lacked key requirements, such as valid Tax Clearance Certificates and technical personnel, among others, thereby exposing the Entity to the risk of receiving non-compliant bids;
4. Section 49 of the PPDA Act, Cap. 205, provides that all procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money. The Authority observed low bidder participation in 15 procurements worth UGX 1,335,282,876, with the Entity attracting an average of only one bidder, which reduced competition and limited the achievement of value for money;
5. Regulation 3 of the PPDA (Disposal of Public Assets) Regulations, 2023, requires Entities to conduct the disposal of obsolete assets. However, it was noted that the Entity failed to dispose of obsolete assets, thereby exposing them to further depreciation and continued occupation of space that could have been utilized for more productive purposes;

6. Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023, requires Contract Managers to prepare Contract Implementation plans. It was noted that Contract Managers did not prepare contract management plans for all the sampled procurements worth UGX 3,055,152,910. This weakened contract oversight and implementation control, with limited systematic monitoring of deliverables, timelines, risks, reporting, and acceptance procedures; and
7. Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023, requires the Contract Manager to ensure that the provider performs the contract in accordance with the specified terms and conditions. However, the Authority noted slow progress of works in the rehabilitation of 19.2 km of community access roads in Ziobwe Sub-County, worth UGX 1,311,111,039, where the project had reached 100% elapsed time against only 19% physical progress and 36% financial progress. This is likely to result in cost overruns, extension-of-time claims, compromised quality due to rushed completion, and delayed service delivery to beneficiaries.

In light of the above exceptions, the Authority recommends the following:

1. The Accounting Officer should:
 - i. Take immediate corrective action to close all outstanding recommendations by assigning each recommendation to a named responsible officer in accordance with Section 10 of the PPDA Act, Cap. 205;
 - ii. Direct the Head Procurement and Disposal Unit to prepare and issue complete, compliant bidding documents for every procurement, ensuring inclusion of all mandatory eligibility and technical requirements (including a valid Tax Clearance Certificate, required technical personnel and qualifications, and the statement of requirements/specifications), in line with Regulation 42-53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-consultancy Services) Regulations, 2023;
 - iii. Direct the Head Procurement and Disposal Unit to strengthen competition by conducting market engagement to identify capable providers and understand participation barriers;
 - iv. Direct Contract Managers to prepare and implement contract management plans (Form 49) for every contract, in accordance with Regulation 50(3) of the PPDA (Contracts) Regulations, 2023, before commencement of contract execution; and
 - v. Direct the Contract Manager to immediately implement corrective contract management actions by issuing a formal notice to the contractor to remedy the delays and submit a realistic catch-up programme with clear milestones in accordance with Regulation 52(1) of the PPDA (Contract) Regulations, 2023.
2. The Head Procurement and Disposal Unit should:
 - i. The Head PDU should also enforce compliance by reviewing the contract management plans for completeness, maintaining them on the contract file, and requiring periodic implementation reports as part of routine contract monitoring.
 - ii. Shortlist at least six bidders for every procurement under Request for Quotation and Restricted bidding methods in accordance with Regulation 53 (1) of the PPDA (Rules and Methods of procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023.

3. The Contracts Committee should critically review bidding documents submitted by the Procurement and Disposal Unit to ensure that there are no inconsistencies that could lead to misunderstandings between the Entity and the bidders.
4. The Contract Managers should:
 - i. Instruct the contractor to rectify the defects of peeling floor and properly seal the leaking roof joint at no additional costs in accordance with the defect liability provisions and Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023.
 - ii. Make certain that the provider performs the contract in accordance with the terms and conditions specified, in line with Regulation 52(1) of the PPDA (Contract) Regulations, 2023; and
 - i. Enforce contractual remedies, including termination of contract where necessary, in accordance with Regulation 56 of the PPDA (Contract) Regulations, 2023.

Luwero District Local Government should implement the recommended action plan on pages **23-24** of this report.

CHAPTER ONE: INTRODUCTION

1.1. Background

The Public Procurement and Disposal of Public Assets Authority undertook a procurement and disposal audit of the procurement and disposal activities of Luwero District Local Government that covered a sample of 22 procurement transactions under Financial Year 2024/2025. The audit involved a review of procurement structures, asset procurement and disposal processes, as well as contract performance following the provisions of the Public Procurement and Disposal of Assets Act, Cap. 205 and the attendant PPDA Regulations.

1.2. Main Audit Objectives

The overall objective of the Audit was to assess and establish the degree of compliance of Luwero District Local Government's procurement system and processes with the provisions of the PPDA Act, Cap. 205 and the attendant PPDA Regulations, and assess the level of procurement performance over the audit period.

The Specific Objectives were to:

- i. Establish the level of compliance by the Entity with the general provisions of the PPDA Act, Cap. 205 and the attendant PPDA Regulations with regard to the performance of the procurement structure and the conduct of the procurement process;
- ii. Assess the degree of compliance of the Entity's Disposal process with the provisions of the PPDA Act, Cap. 205 and the PPDA Regulations, 2023; and
- iii. Assess the level of efficiency and effectiveness in contract implementation, including the application of Environmental, Social, Health and Safety (ESHS) requirements in the procurement process.

1.3. Scope of the Audit

The audit involved a review of the procurement process, disposal process, general compliance issues and contract implementation on a sample basis. The exercise covered a sample of 22 procurement transactions worth UGX 3,055,152,910 conducted during FY 2024/2025, a review of procurement structures, and a review of procurement plan performance. The list of sampled transactions is contained in **Annex B**, and the analysis of the population and sample is detailed in Table 1 below:

Table 1: Analysis of Population versus sample

S/N	POPULATION			SAMPLE		PERCENTAGE	
	Procurement method	Value (UGX)	No	Value (UGX)	No.	No	Value
1.	ODB	1,311,111,039	1	1,311,111,039	1	100	100
2.	Framework	2,052,197,770	116	253,723,370	5	4.31	12.4
3.	RFQ	2,699,616,823	49	1,323,602,576	14	28.6	49
4.	Micro procurement	508,009,155	-	155,035,625	1	-	49.0
5.	Revenue collections	18,600,300	17	11,680,300	1	5.9	62.8
	TOTAL	6,589,535,087	183	3,055,152,910	22	12	46.4

1.4. Methodology

The Authority examined records and documents for each sampled procurement transaction 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 fitness 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.

Three officers conducted the exercise under the supervision of the Regional Manager and Director Performance Monitoring – Regional Offices. During the exercise, the team examined records and documents for each of the 22 sampled procurement transactions. The team reviewed the procurement plan for the Financial Year 2024/2025.

A debrief meeting to discuss preliminary findings was held with the Entity’s management and staff on 14th November 2025, before the audit team could embark on preparation of the Management Letter.

The Management Letter was sent to the Entity on 18th December 2025 with a request to submit Management Responses by 29th December 2025, which were submitted to the Authority on 30th December 2025 and an exit meeting was held on 31st December 2025 at the PPDA Headquarters Offices.

1.5. Procurement Structure of the Entity

The key players in the procurement structure at the Entity are the Chief Administrative Officer as the Accounting Officer, the Contracts Committee (CC), the Procurement and Disposal Unit (PDU), ad-hoc Evaluation Committees and User Departments.

i. Accounting Officer

Section 28 of the PPDA Act, Cap. 205 gives the Accounting Officer the overall responsibility for the successful execution of procurement, disposal and contract management in the Procuring and Disposing Entity. During the Financial Year 2024/2025, the Chief Administrative Officer was Mr Innocent Asaba Birekeyaho and was designated as the Accounting Officer of the Entity.

ii. The Contracts Committee

The Permanent Secretary/Secretary to the Treasury of the Ministry of Finance, Planning & Economic Development approved five members of the Contracts Committee during the period under review, as indicated in Table 2 below:

Table 2: Contracts Committee Members

S/N	Name	Job Title	Position on Committee	Date of Appointment
1.	Ms. Teopita Gateese	District Natural Resources Officer	Chairperson	9 th September 2025
2.	Ms. Safina Kasoma	Senior Commercial Officer	Member	9 th September 2025
3.	Mr. Willy Kanatta	Senior Assistant Town Clerk	Member	9 th September 2025
4.	Mr. Joseph Kisakye	Assistant District Health Officer	Member	9 th September 2025
5.	Mr. Enoch Kiyemba	Senior Education Officer	Member	9 th September 2025

iii. Staffing of the Procurement and Disposal Unit

During the period under review, the Procurement and Disposal Unit was manned by two staff as indicated in Table 3 below:

Table 3: Procurement and Disposal Unit Staff

No.	Name	Position	Qualification
1.	Mr. Edrisa Sserubiri	Senior Procurement Officer	Postgraduate Diploma in Procurement and Supply Chain Management, Bachelors in Procurement and Supply Chain Management, DSCM
2.	Mr. George Lutalo	Procurement Officer	Bachelor's Degree in Procurement and Logistics Management

This report presents the key findings and conclusions arising from the audit exercise.

CHAPTER TWO: FINDINGS AND RECOMMENDATIONS

2.1. COMPLIANCE BY THE ENTITY WITH THE GENERAL PROVISIONS OF THE PPDA ACT, CAP. 205 AND REGULATIONS ABOUT THE PERFORMANCE OF THE PROCUREMENT STRUCTURE AND CONDUCT OF THE PROCUREMENT PROCESS.

2.1.1 Failure to fully Implement 69.3% of the Previous Audit Recommendations

Section 10 (1) (a) of the PPDA Act, Cap. 205 provides that where there is a persistent breach of this Act or Regulations made or guidelines issued under the Act, the Authority may direct the concerned Procuring and Disposing Entity to take such corrective action, as may be necessary in the circumstances, to rectify the breach.

Luwero District Local Government was issued an audit report for the Financial Year 2021/2022 in September 2023. Out of 13 recommendations made, four (30.8%) were not implemented, five (38.5%) were partially implemented, and four (30.8%) were fully implemented as indicated in Table 4 below:

Table 4: Implementation of Previous Audit Recommendations

No.	Recommended Action	Implementation Status
1.	The Accounting Officer should institute mechanisms for the implementation of audit recommendations.	Partially Implemented
2.	The Accounting Officer should establish the causes of low bidder participation.	Not Implemented
3.	The Accounting Officer should expedite the disposal process of all obsolete assets in accordance with Regulation 3 of the PPDA (Disposal of Public Assets) Regulations, 2023	Not Implemented
4.	The Accounting Officer should enforce close supervision and monitoring of revenue collection from the Town Councils in order to realize the planned amounts required for the implementation of planned activities.	Not Implemented
5.	The Head Procurement and Disposal should ensure that the right Standard Bidding Document is devoid of inconsistencies in accordance with Regulations 42-53 of the PPDA (Rules and Methods of Procurement for Supplies, Works and Non-Consultancy Services) Regulations, 2023	Partially Implemented
6.	The Head Procurement and Disposal should ensure that all procurement records are maintained on their respective action files in accordance with Section 33(o) of the PPDA Act Cap. 205.	Not Implemented
7.	The Head Procurement and Disposal should ensure that evaluations are conducted in a fair and transparent manner in line with the methodology and requirements in the solicitation document.	Partially Implemented
8.	The User Departments should ensure that the solicitation documents have adequate specifications	Partially Implemented
9.	The Evaluation Committee members should strictly adhere to the set criteria and standard evaluation report template as	Partially Implemented

No.	Recommended Action	Implementation Status
	provided under Regulations 72 and 74 of the Local Governments (PPDA) Regulations 2006.	

Implication

This indicated weak accountability and follow-through on corrective actions, allowing the control weaknesses previously identified to persist and potentially worsen. It exposed the Entity to the risk of repeat non-compliance, inefficient use of public funds and service delivery delays.

Management Response

The Entity acknowledged the Authority's observation, and the Accounting Officer is going to appoint a team headed by the Chief Financial Officer that is going to make a follow-up to ensure that recommendations are fully implemented

Authority's comment: The Authority takes note of the management response and recommends that the Entity fully implements the Authority's recommendations.

Recommendations

1. The Accounting Officer should take immediate corrective action to close all outstanding recommendations by:
 - i. Assigning each recommendation to a named responsible officer,
 - ii. Setting clear completion timelines and
 - iii. Requiring submission of verifiable evidence of implementation.
2. The Accounting Officer should also institute a standing quarterly management review of recommendation implementation progress, with unresolved actions escalated for decision and accountability until all recommendations are fully implemented.

2.1.2 Failure to implement 36.5% of the procurement plan

Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023 provides that the Procurement and Disposal Unit shall, where necessary, at any time during the Financial Year, update the procurement plan of the Procuring and Disposing Entity.

The Authority found that the Entity's total procurement budget for the Financial Year 2024/2025 was UGX 7,556,451,000 as noted from the Entity's amended procurement plan submitted on 8th August 2025. The monthly reports submitted to the Authority indicated a total procurement spend of UGX 4,800,762,224 (63.5%), implying that the Entity did not implement planned procurements worth UGX 2,755,688,776 (36.5%) as indicated in Table 5 below:

Table 5: Procurement plan implementation rate

Total procurement plan value (UGX)	7,556,451,000
Actual procurement spend (UGX)	4,800,762,224
Variance (UGX)	2,755,688,776
Percentage implementation rate (%)	63.5%
Variance (%)	36.5%

Implication

This undermined effective procurement planning and service delivery, since the Entity did not adequately review and update the procurement plan to align planned activities with available funding and implementation realities.

Management Response

Management acknowledged the observation and attributed it to the failure to implement UGiFT (Uganda Intergovernmental Fiscal Transfer Program) micro-scale irrigation procurements, among others. We pledge to continuously monitor the implementation of the planned activities and make regular reminders to User Departments to update their Procurement Plans.

Recommendation

The Accounting Officer and User Departments should regularly carry out a review of the implementation of the procurement plan and update the procurement plan in accordance with Section 60 (7) of the PPDA Act, Cap. 205.

2.1.3 Issuance of Inadequate Solicitation Documents

Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-consultancy Services) Regulations, 2023, provides that the Procuring and Disposing Entity shall, when preparing each bidding document, ascertain that the statement of requirements defines the requirement precisely and in a manner that leaves no doubt or assumption by a bidder.

In four procurements worth UGX 316,103,055, the Head, Procurement and Disposal Unit issued inadequate bidding documents which lacked a requirement of a valid Tax Clearance Certificate, technical personnel, failure to attach statements of requirements, among others, as indicated in Table 6 below:

Table 6: Procurements with inadequate bidding documents

No.	Subject of Procurement	Contract value (UGX)	PPDA Findings	Management response
1.	Supply of promotional T-shirts for micro-scale irrigation for awareness to the Production Department	13,365,000	<ul style="list-style-type: none">• Failure to include a requirement of a Valid Tax Clearance certificate, thereby exposing the Entity to the award of a contract to non-tax-compliant bidders• Failure to attach specifications in the statement of requirements.	<i>The Entity acknowledges observation and attributed it to challenges faced by the User Departments in preparation of the statement of specifications; however, training has been conducted, and we pledge to improve going forward.</i>
2.	Renovation of a 2 Classroom Block at Tongo P/s & Renovation of a 2 Classroom Block at Nambeere P/s	112,458,378	Failure to attach the Bills of Quantities in the bidding document	<i>Management acknowledged the observation and PDU promises to improve in this area, as discussed with the Authority.</i>

No.	Subject of Procurement	Contract value (UGX)	PPDA Findings	Management response
3.	Renovation of a 2 Classroom Block at Namaliga P/s & Renovation of a 2 Classroom Block at Nyimbwa P/s	115,186,124	<ul style="list-style-type: none"> • Failure to attach the Bills of Quantities in the bidding document • Failure to indicate the minimum qualifications and experience for the requirements of a Project Manager and Site Engineer. • Failure to request the requirements of equipment to be used, Environmentalist and Sociologist, in the bidding document. 	<i>The observation is acknowledged, and in the current Financial Year of 2025/26, the PDU has customized the bidding documents to ensure compliance with the guidance.</i>
4.	Renovation of a 3-classroom block at Nalwana P/S	75,093,553	Contradictions in the bidding document where the invitation to bidders provided that the bidder must have paid non-refundable fees of 30,000/= whereas the evaluation criteria provided that the bidder must have paid non-refundable fees of UGX 50,000.	<i>Management acknowledged the observation, and the PDU has been instructed to avoid such inconsistencies going forward.</i>
Total		316,103,055		

Implication

This undermined the quality and compliance of the procurement process, since the omission of key requirements (such as a valid Tax Clearance Certificate, technical personnel specifications, and statements of requirements) limited bidders' ability to prepare responsive bids and reduced the Entity's ability to properly assess bidder eligibility and technical capacity.

Recommendations

1. The Accounting Officer should direct the Head Procurement and Disposal Unit to prepare and issue complete, compliant bidding documents for every procurement, ensuring inclusion of all mandatory eligibility and technical requirements (including a valid Tax Clearance Certificate, required technical personnel and qualifications, and the statement of requirements/specifications), in line with Regulation 42-53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-consultancy Services) Regulations, 2023.

2. The Contracts Committee should critically review bidding documents submitted by the Procurement and Disposal Unit to ensure that there are no inconsistencies that could lead to misunderstandings between the Entity and the bidders.

2.1.4 Low bidder participation

Section 49 of the PPDA Act Cap. 205, provides that all procurement and disposal shall be conducted in a manner to maximize competition and achieve value for money.

The Authority found low bidder participation in 15 procurements worth UGX 1,335,282,876, with the Entity attracting an average of one bidder, as indicated in Table 7 below:

Table 7: Procurements with Low Bidder Participation.

No.	Subject of Procurement	Method of Procurement	Contract value (UGX)	No. of Bidding Documents issued	No. of Bids received
1.	Renovation of a 3 Classroom Block at Bukasa R/C & Construction of a 5-stance lined latrine at Lunyolya R/C P/s	RFQ	92,767,116	1	1
2.	Renovation of a 3 Classroom Block at Nalwana P/s	RFQ	75,093,553	1	1
3.	Renovation of a 3 Classroom Block at Kyampologoma P/s	RFQ	76,000,528	1	1
4.	Construction of a 2-classroom block at Kyetume	RFQ	84,266,868	2	2
5.	Renovation of a 2 Classroom Block at Namaliga P/s & Renovation of a 2 Classroom Block at Nyimbwa P/s	RFQ	115,186,124	1	1
6.	Renovation of a 2 Classroom Block at Tongo P/s & Renovation of a 2 Classroom Block at Nambeere P/s	RFQ	112,458,378	1	1
7.	Renovation of a 3 Classroom Block at Kikunyu P/s	RFQ	72,991,242	1	1
8.	Completion of the Kikoma playground in Wobulenzi TC	RFQ	79,886,000	1	1
9.	Drilling, test pumping and hand pump installation of	RFQ	156,786,600	2	2

No.	Subject of Procurement	Method of Procurement	Contract value (UGX)	No. of Bidding Documents issued	No. of Bids received
	5 No Boreholes Lot II				
10.	Supply of Steel pipes and other pipes for the repair of boreholes	RFQ	169,307,167	1	1
11.	Supply of Agricultural inputs to the Production Dept	RFQ	91,500,000	1	1
12.	Construction of a 2-classroom block at Kkalwe P/s	RFQ	84,760,000	2	1
13.	Supply of promotional T-shirts for micro-scale irrigation for the awareness of the production department	RFQ	13,365,000	1	1
14.	Supply of 3-seater desks to the Education Department	RFQ	99,234,000	1	1
15.	Management of revenue sources at Bombo Check point, Toninyira Market-Wobulenzi TC, Abattoir fees, Hotels, Lodges-Luwero TC, Balikkyewunya Market and Abattoir fees-Luwero TC	ODB	11,680,300	1	1
Total			1,335,282,876	1 on average	

Implication

This reduced competition and limited the Entity's ability to obtain value for money, since fewer invited bidders lowers the likelihood of receiving competitive prices and quality offers. It also undermined fairness and transparency in the procurement process, increased the risk of repeated awards to a narrow pool of providers.

Management Response

The Entity acknowledges the Authority's observations and, in an attempt to improve, the Entity has resorted to contacting all invited providers by phone and email across all the different categories of procurement in the current Financial Year.

Recommendations

1. The Accounting Officer should direct the Head Procurement and Disposal Unit to strengthen competition by:
 - a) Conducting market engagement to identify capable providers and understand participation barriers;
 - b) Reviewing and improving solicitation requirements (specifications, eligibility criteria, response timelines and packaging) to avoid unnecessary restrictions; and
 - c) Widely publicising invitations using appropriate channels to reach the market.
2. Where the bidder response remains low, the Entity should document the reasons, re-invite or change the procurement method where justified and permitted, in line with Section 49 of the PPDA Act, Cap. 205, to enhance bidder participation and value for money.

2.2. COMPLIANCE OF THE ENTITY DISPOSAL PROCESS WITH THE PROVISIONS OF THE PPDA ACT, CAP. 205 AND PPDA REGULATIONS, 2023

2.2.1 Failure to Dispose of Obsolete Items.

Regulation 3 (1) of the PPDA (Disposal of Public Assets) Regulations, 2023 provides that a User Department or the appropriate department of a Procuring and Disposing Entity that is responsible for the management of public assets shall initiate a process for the disposal of a public asset by making a request for the disposal of the public asset to the Accounting Officer.

The Authority reviewed the Entity's Board of Survey reports for Financial Years 2023/2024 and 2024/2025, dated 26th August 2025 and noted several assets earmarked for disposal had not been disposed of, as indicated in Table 8 below:

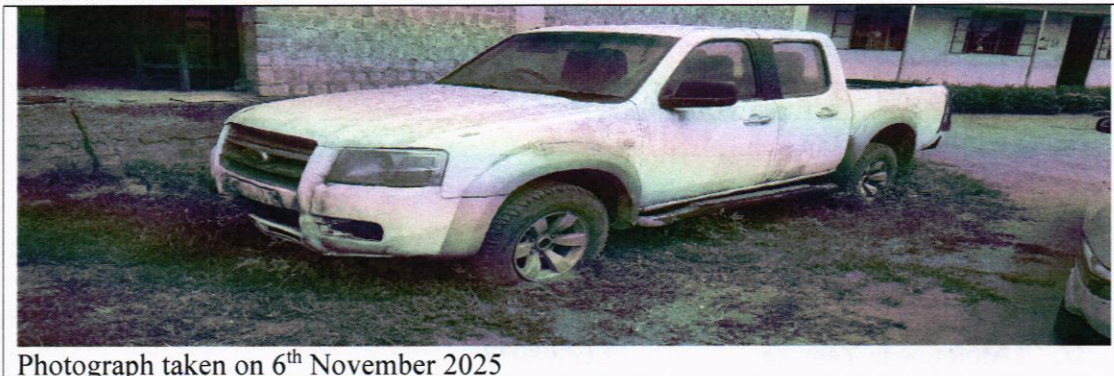
Table 8: Items recommended for disposal

S/N	Item	Unique identifier (Tag/Registration Number)	Book value (UGX)
1.	Massey Ferguson 375	LG0036-27	15,500,000
2.	Ford ranger	UG2688R	8,500,000
3.	Motorcycle Honda 125	UG 1984E	500,000
4.	Motorcycle Yamaha A.g 100	UG 0792M	750,000
5.	Motorcycle Honda XL125	LG 0013-27	750,000
6.	Motorcycle Honda XL125	LG 0018-27	450,000
7.	Motorcycle Suzuki TF125	UG 0834A	250,000
8.	Tiefang Tipper	LG 0024-27	11,900,000
9.	Motorcycle Suzuki TF125	UAC 398U	350,000
10.	Motorcycle Suzuki TF125	UAC 399U	350,000
11.	Motorcycle Suzuki TF125	UAC 401U	125,000
12.	Ford Ranger	UAA 615E	4,700,000
13.	BMK 80 motorcycle	UG 2732M	150,000
14.	Motorcycle Honda NXR125	LG 0050-27	250,000
15.	Motorcycle Yamaha DT 125	UDA 352U	500,000
16.	Motorcycle Honda XL. 125	UG 1627S	150,000
17.	Motorcycle Honda XL. 125	UG 2531R	150,000
18.	Tailing JL 125	UG2764B	250,000
19.	Motorcycle Honda XL. 125	UG2628R	450,000

S/N	Item	Unique identifier (Tag/Registration Number)	Book value (UGX)
20.	Yamaha Marine	LG0078-27	250,000
21.	Yamaha Marine	LG0071-27	150,000
22.	Yamaha Marine	LG0079-27	250,000
23.	Yamaha Marine	LG0082-27	150,000
24.	Yamaha Marine	LG0076-27	150,000
25.	Yamaha DT 125	UBA103Z	350,000
26.	Ticheng Motorcycle	LG0004.068	450,000
27.	Tractor YTO	LG0017068	15,000,000
28.	Trailor	LG0018068	2,500,000
29.	Tata Xenon	LG0019068	4,500,000
NYIMBWA HC IV			
30.	Spot Light	MSH STRIDES/13/238	3,500,000
31.	Suction Machine	NYMBW SM2	2,500,000
32.	Scan Machine	NYMBW SM3	2,500,000
33.	Scan Machine	NYMBW SM4	2,500,000
34.	Refrigerator	NYMBW RF5	3,000,000
35.	Blood Pressure Machine	NYMBW BP07	40,000
36.	Blood Pressure Machine	NYMBWBP08	40,000
37.	Blood Pressure Machine	NYMBW BP09	40,000
38.	Blood Pressure Machine	NYMBW BP15	40,000
39.	Bed	NYMBW BP20	600,000
40.	Bed	NYMBW BD21	600,000
41.	Bed	NYMBW BD22	600,000
42.	Drip Stand	NYMBW DS36	70,000
43.	Drip Stand	NYMBW DS37	70,000
44.	Drip Stand	NYMBW DS38	70,000
45.	Drip Stand	NYMBW BD45	70,000
46.	Drip Stand	NYMBW DS46	70,000
47.	Mattress	NYMBW MT01	100,000
48.	Light	NYMBW CL01	500,000
49.	Hot Air oven	MSH STRIDES/13/312	3,000,000
50.	Weighing Scale	NYMBW WSC1	300,000
BAMUNANIKA HEALTH CENTRE III			
51.	Weighing Scale	ART/026	10,000
52.	Weighing Scale	ART/028	10,000
53.	BP Machine	OPD/058	10,000
54.	BP Machine	OPD/059	10,000
55.	Sterilizer	OPD/056	10,000
56.	Weighing Scale	MAT/54	10,000
57.	Hand Washing Facility	ART/038	10,000
WABULENZI TOWN COUNCIL			
58.	Faw Tipper Lorry	LG0016068	41,830,000
59.	Tractor	1	118,228,000
60.	Trailer	1	51,053,000
61.	Printer	3	
62.	Printer	4	

S/N	Item	Unique identifier (Tag/Registration Number)	Book value (UGX)
63.	Printer	5	
64.	Key Board	2	
65.	Key Board	3	
66.	CPU	2	
67.	Chair	WOB-TC	
BUTUNTUMULA SUB COUNTY			
68.	Motorcycle Honda	LG005327	7,500,000
69.	Motorcycle Honda	UG1441R	
70.	Motorcycle Honda	0060-27	6,000,000
71.	Motorcycle Yamaha	LG008027	500,000
KALANGALA HEALTH CENTRE IV			
72.	Solar Batteries	8	
73.	BP Machines	6	
74.	Deep Freezer	1	
75.	Money Safa Box	1	
76.	Solar Panels	2	
77.	Invertors	2	
78.	Printer		
79.	Hand Washing		
80.	Height Board		
81.	Metallic Water Tanks	5	
NYIMBWA SUB COUNTY			
82.	Motorcycle Yamaha YBR	LG0074-27	
83.	Motorcycle Bajaj	UDL553S	3,300,000
84.	Motorcycle Yamaha	UDL146H	3,200,000
85.	Motorcycle TVS	UDL526T	3,000,000
86.	JMC	LG0007068	
MAZZI HC II			
87.	Motorcycle Yamaha	UG4785M	
88.	S Motorcycle Suzuki	UG1699A	
89.	Motorcycle Yamaha DT	UDX595Y	
90.	Motorcycle Honda XL	UG2559R	
91.	Motorcycle UG BOSS PRO	LG0031068	
92.	Motorcycle Yamaha DT	UDX467Y	
93.	Motorcycle Suzuki	UG1323A	
94.	Motorcycle Suzuki	UG1700A	
95.	Motorcycle Yamaha DT	UBA 446Z	

Figure 1: One of the vehicles earmarked for disposal outside the District Headquarters Administration Block.



Implication

Failure to dispose of assets exposed them to further depreciation and occupation of space that could have been used for more productive purposes.

Management Response,

Management acknowledged the observation, and the Accounting Officer has submitted two Board of Survey reports for the 2023-24 and 2024-25 Financial Years to the next Council sitting for approval.

Recommendations

1. The Authority takes note of the response and recommends that the Council promptly approve the Board of Survey reports to facilitate the disposal process.
2. The Accounting Officer should fast-track the disposal process to its logical conclusion in accordance with Regulation 3 of the PPDA (Disposal of Public Assets) Regulations, 2023.

2.3. EFFICIENCY AND EFFECTIVENESS IN CONTRACT IMPLEMENTATION INCLUDING THE APPLICATION OF ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY (ESHS) REQUIREMENTS IN THE PROCUREMENT PROCESS.

2.3.1 Failure to prepare Contract Management Plans

Regulation 50(3) of the PPDA (Contracts) Regulations, 2023, provides that upon receipt of the contract, the contract manager shall prepare a contract management plan using Form 49 in Schedule 2 to these Regulations, and forward a copy of the contract management plan to the Procurement and Disposal Unit for purposes of monitoring.

In all the sampled procurements worth UGX 3,055,152,910, the Authority found that the Contract Managers did not prepare contract management plans (Form 49).

Implication

This weakened contract oversight and implementation control, since the absence of contract management plans limited systematic monitoring of deliverables, timelines, risks, reporting, and acceptance procedures.

Management Response

Management acknowledged the observation, and going forward, the Procurement and Disposal Unit has been directed to support Contract Managers in preparation of implementation plans immediately after contract signing.

Recommendations

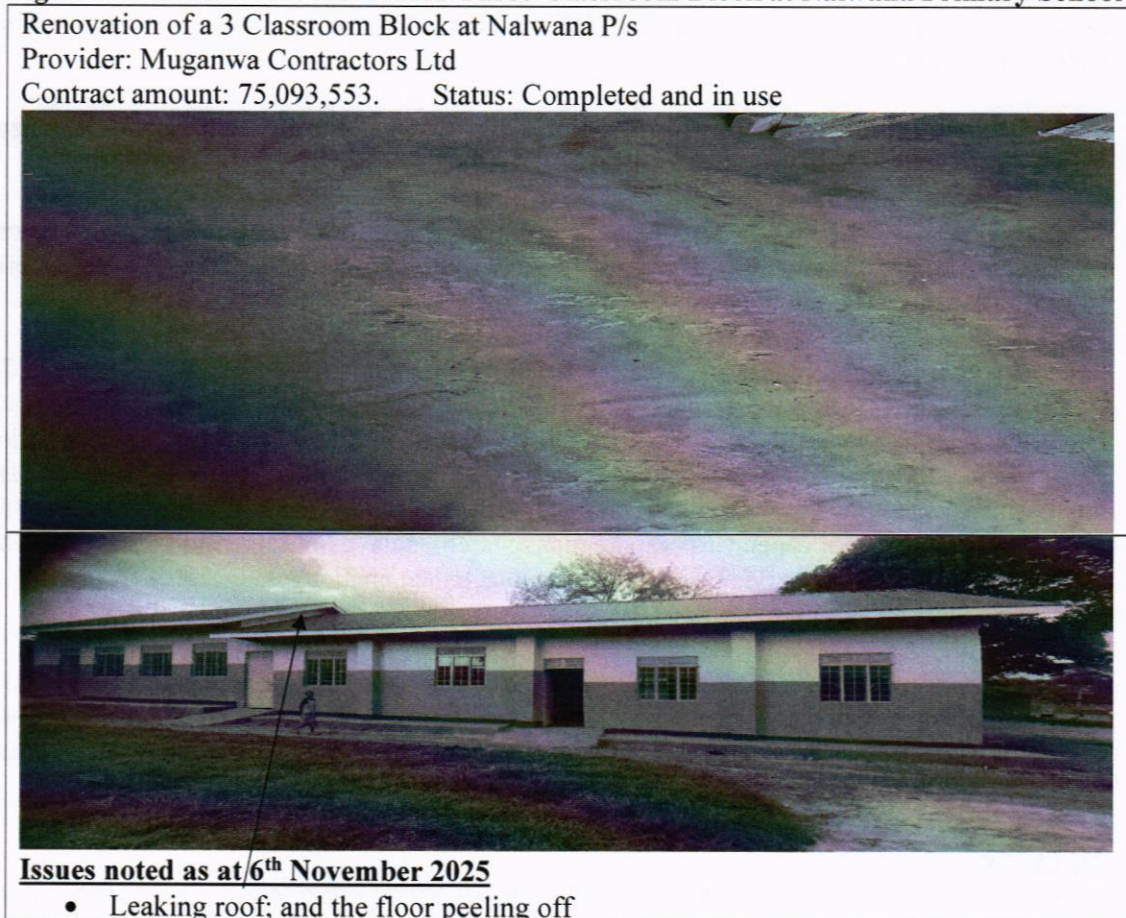
1. The Accounting Officer should direct Contract Managers to prepare and implement contract management plans (Form 49) for every contract, in accordance with Regulation 50(3) of the PPDA (Contracts) Regulations, 2023, before commencement of contract execution.
2. The Head PDU should also enforce compliance by reviewing the contract management plans for completeness, maintaining them on the contract file, and requiring periodic implementation reports as part of routine contract monitoring.

2.3.2 Issued notes during contract management (physical verification).

i. Defects identified in the Renovated Three-Classroom Block at Nalwana Primary School

In the procurement for renovation of a three- Classroom Block at Nalwana Primary School, worth UGX 75,093,553, the Authority observed that portions of the floor were peeling. Further, the school administration also informed the audit team that the junction between the main roof and the stepped-down roof leaked during periods of heavy rainfall, as indicated in Figure 2 below:

Figure 2: Defects in the Renovated Three-Classroom Block at Nalwana Primary School



Implication

Failure to rectify the defects may result in deterioration of the building. Water intrusion would, over time, damage the interior, disrupt learning activities, and lead to additional maintenance costs if not addressed.

Management Response

Management acknowledged the observation, and the contractor was instructed to rectify the defect. Accordingly, the contractor's retention payment will be withheld until all defects have been cleared.

Authority's comment: The Authority takes note of the response and recommends that the contractor make good of their contractual obligations.

Recommendation

The Contract Manager should instruct the contractor to rectify the defects of peeling floor and properly seal the leaking roof joint at no additional costs in accordance with the defect liability provisions and Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023.

ii. Defects identified noted in the Rehabilitation of 19.2km of community access roads in Zirowwe Subcounty, Janda- Tomi Ngalunkalu 14 km

On 6th January 2025, Luwero District Local Government entered into a contract with Deha Invesitees Limited for the rehabilitation of 19.2km of Community Access Roads in Zirowwe Sub-County, under Batch A, worth UGX 1,311,111,039 with a completion period of 8 calendar months from the date of commencement (28th October 2025) with a contract extension which ended on 5th February 2026.

The Authority noted the following issues during physical verification that need urgent attention:

a) Slow progress of works

Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023, provides that the Contract Manager shall make certain that the provider performs the contract in accordance with the terms and conditions specified in the contract.

According to a progress report prepared by the contract manager (District Engineer) dated 20th October 2025, the project had reached 100% of the elapsed time, while physical progress was only 19%, and financial progress was 36%. This substantial discrepancy highlights a serious delay in the execution of the works and suggests that resources expended have not translated into corresponding physical outputs. Such underperformance may be attributed to factors such as inadequate contractor capacity, poor site management, delayed mobilization of materials and equipment, ineffective supervision, or unresolved technical challenges.

Implication

This indicated a high risk of project non-completion or late completion, which may lead to service delivery delays and increased costs arising from time extensions, price escalation, and potential rework. Delays result in cost overruns, extension-of-time claims, compromised quality due to rushed completion, and delayed service delivery to project beneficiaries.

Management Response

Management acknowledged the slow progress of work, which was attributed to the contractor's inadequate financial capacity. A formal reminder has been issued to the contractor to expedite completion of the project.

Authority's comment: The Authority takes note of the response and recommends that the Entity urgently establish a corrective action plan that includes strengthened supervision, revised work schedules, and measurable weekly milestones to accelerate progress.

Recommendations

1. The Accounting Officer should direct the Contract Manager to immediately implement corrective contract management actions by:
 - i. Issuing a formal notice to the contractor to remedy the delays and submit a realistic catch-up programme with clear milestones;
 - ii. Conducting an urgent site review to verify works done against payments and withholding further payments unless supported by measured and certified progress; and
 - iii. Enforcing contractual remedies—such as application of liquidated damages, or termination where persistent default is confirmed—while strengthening supervision and reporting until the works are brought back on schedule.
2. The Contract Manager should:
 - i. Make certain that the provider performs the contract in accordance with the terms and conditions specified, in line with Regulation 52(1) of the PPDA (Contract) Regulations, 2023; and
 - ii. Enforce contractual remedies, including termination of contract where necessary, in accordance with Regulation 56 of the PPDA (Contract) Regulations, 2023.

b) Expiry of Advance Payment Before Recovery

Regulation 43 (5) (a) of the PPDA (Contracts) Regulations, 2023, provides that an advance payment shall be recovered from subsequent interim payments made to a provider by making a percentage deduction from the interim payments equal to the percentage paid as an advance payment.

The advance payment security issued by Deha Invesitees Ltd on 16th January 2025, worth UGX 222,222,210 from Guaranty Trust Bank Uganda Ltd, was valid until 30th August 2025. However, no recovery had been made as of 11th November 2025.

Implication

This exposed the Entity to a likely financial loss and weak contract control, since the advance payment remained unrecovered after expiry of the advance payment security. It also increased the risk that the Entity may be unable to enforce recovery through the guarantee, undermining value for money and accountability.

Management Response

The Entity acknowledged the anomaly and indicated that the concerns were raised with the Ministry of Local Government. The contractor was also requested to extend the advance payment security.

Authority's comment: The Authority takes note of the response; however, no documentary evidence was provided to confirm whether the advance payment security was extended.

Recommendations

The Accounting Officer should direct the Contract Manager and CFO to immediately account for and recover the outstanding advance by:

- i. Reconciling the advance against certified works and determining the recoverable balance;
- ii. Initiating recovery through deductions from interim payments and/or demanding refund from the contractor.
- iii. Instruct the contractor to submit an advance payment security that covers the entire contract duration to mitigate the risk of non-performance.

c) Expiry of Performance Security Before Completion of the Project

Regulation 11 (3) (c) of the PPDA (Contracts) Regulations 2023, provides that a performance security shall be valid for the period specified in the bidding documents.

The performance security from Guaranty Trust Bank Uganda Ltd for Deha Invesitees Ltd, valued at UGX 131,111,104 and dated 16th January 2025, expired on 10th October 2025. The project's expected completion date was 5th February 2026, but as of the audit on 11th November 2025, physical progress stood at only 19%

Implication

This exposed the Entity to a high risk of loss and weak contractual protection, since the performance security expired while the works were still substantially incomplete (19% progress) and before the expected completion date. In the event of contractor default, delayed completion or substandard performance, the Entity may be unable to enforce the guarantee to secure remedies or recover costs, increasing the likelihood of cost overruns, delays in service delivery, and disputes.

Management Response

Management acknowledged the observation and requested the contractor to extend the performance security to cover the remaining contract period.

Authority's comment, the Authority takes note of the response; however, no documentary evidence was provided to confirm whether the contractor had extended the performance security or submitted a performance securing declaration.

Recommendation

The Accounting Officer should instruct the contractor to submit a Performance Securing Declaration covering the entire contract duration to mitigate the risk of non-performance, in accordance with Clause 3.1(ii) of Guideline 4 of 2025 on bid, performance, and advance payment securities.

d) Inadequate staff (Only one worker was found on the site)

The contract agreement signed on 6th February 2025 required the contractor to maintain the following key personnel and resources on site: one Project Manager, one Site Engineer, two Foremen (for drainage, concrete, and masonry works/equipment and plant), one Surveyor, one Environmentalist, one Sociologist, and two Security Personnel. However, during the physical verification exercise, only one machine operator was present on site, contrary to the staffing requirements stipulated in the contract.

Implication

This indicated weak contractor mobilisation and non-compliance with contract requirements, which would contribute to serious delays, poor workmanship and inability to meet the planned work programme.

Management Response

Management attributed the issue to the contractor's financial constraints; however, the matter was raised during one of the contract management site meetings, and the contractor was advised to mobilize additional workers.

Authority's comment: The Authority takes note of the response; however, at the time of the exit meeting on 31st December 2025, the contract had not shown significant improvement, and the observation remains.

Recommendations

1. The Accounting Officer should direct the Contract Manager to immediately enforce the contract staffing and mobilisation requirements by issuing a formal notice to the contractor to deploy the full complement of key personnel and equipment as stipulated in the contract within a specified timeframe.
2. The Contract Manager should:
 - i. Instruct the contractor to mobilize additional skilled and unskilled personnel in accordance with the contract agreement and conduct weekly performance meetings to monitor compliance; and
 - ii. Issue a formal notice to the contractor requesting justification for inadequate staffing, and enforce contractual provisions such as performance bonds or penalties, if non-compliance continues.

e) Poor workmanship

The Authority noted poor workmanship on the road works. Several sections of the completed works exhibited defects and substandard finishing, indicating that the contractor did not adhere to the required technical specifications, quality standards, and construction guidelines outlined in the contract. Observed deficiencies included poor drainage works, earth works, marram along the swamp that was not compacted, exposed culverts, and some culverts filled with eroded soil, all of which undermine the expected performance of the project.

Implication

Poor workmanship in road works exposes the project to significant risks, including premature pavement failure, increased maintenance and repair costs, reduced structural integrity, and a shortened road lifespan.

Management Response

Management acknowledged the observation, and the Contract Manager has instructed the contractor to rectify the defects and ensure strict adherence to the contract terms and conditions.

Authority's comment: The Authority takes note of the response; however, at the time of the exit meeting of 31st December, 2025, no evidence was provided to confirm whether the contractor had made any significant improvement, and the observation remains.

Recommendations

The Contract Manager should:

- i. Strengthen quality control and assurance procedures and instruct the contractor to rectify all identified defects in accordance with the contract; and
- ii. Instruct the contractor to meet all the performance and delivery obligations in accordance with the terms and conditions of the contract in line with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023.

f) Non-Observance of Environmental and Safety Requirements

During the physical verification exercise, the Authority noted that Environmental, Social, Health, and Safety (ESHS) safeguards were not being observed on site. Specifically, there were no warning tapes, no safety signboards, and several exposed culverts, which posed significant safety risks to the community and road users.

Implication

This exposed the project and the surrounding community to significant risks, including environmental degradation, increased occupational and community health and safety hazards.

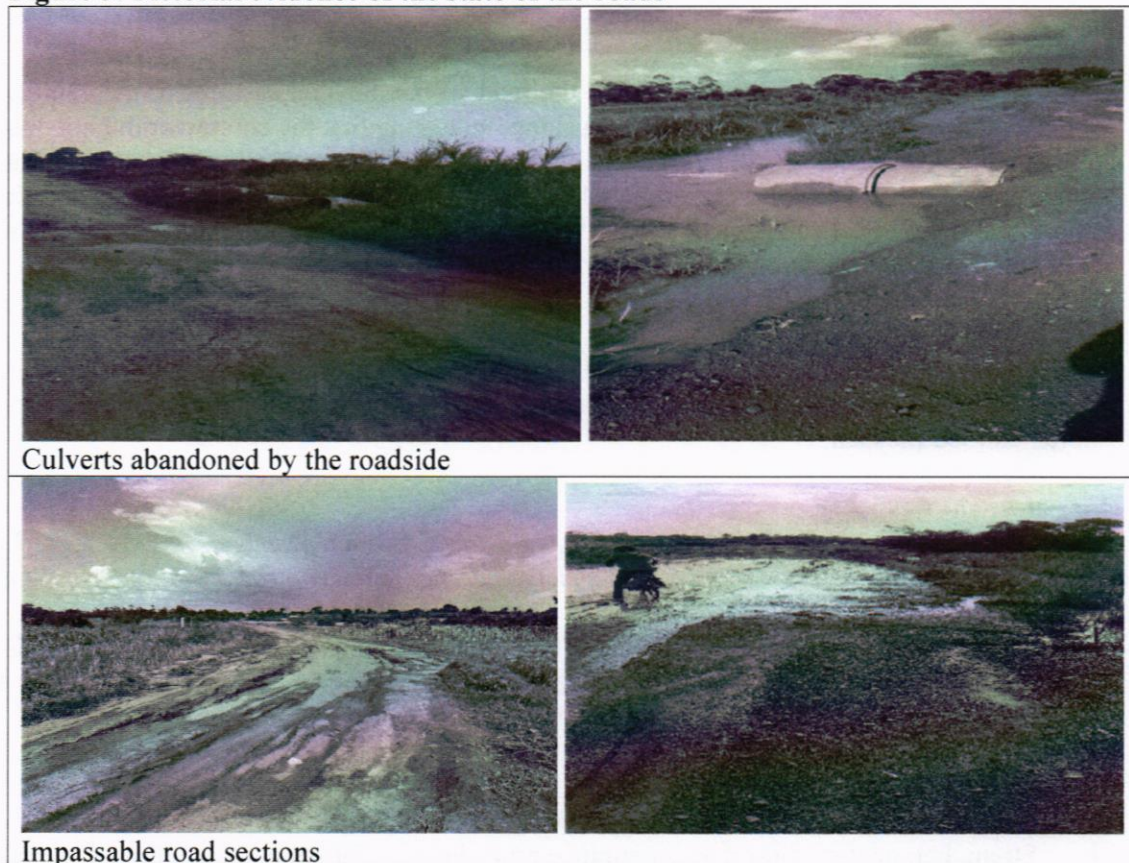
Management Responses.

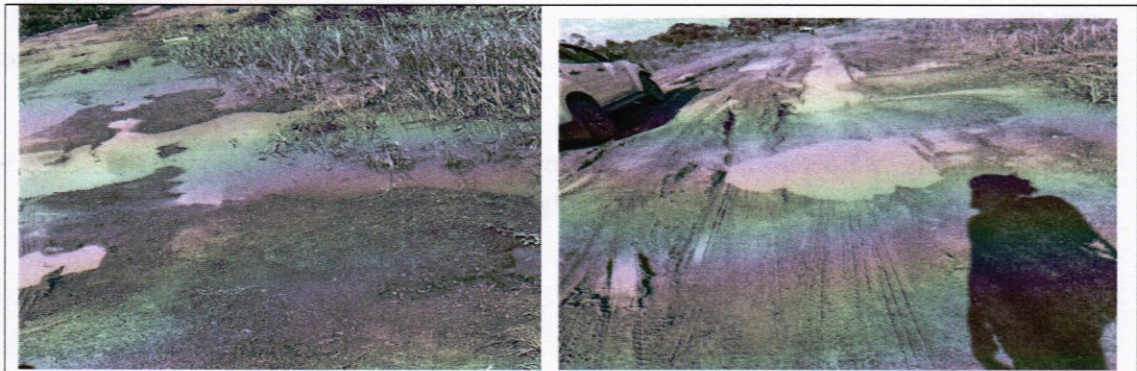
The Entity acknowledges the observation. These issues were discussed during one of the site meetings, and recommendations were subsequently made to the Accounting Officer for the contractor to address the identified concerns.

Recommendation

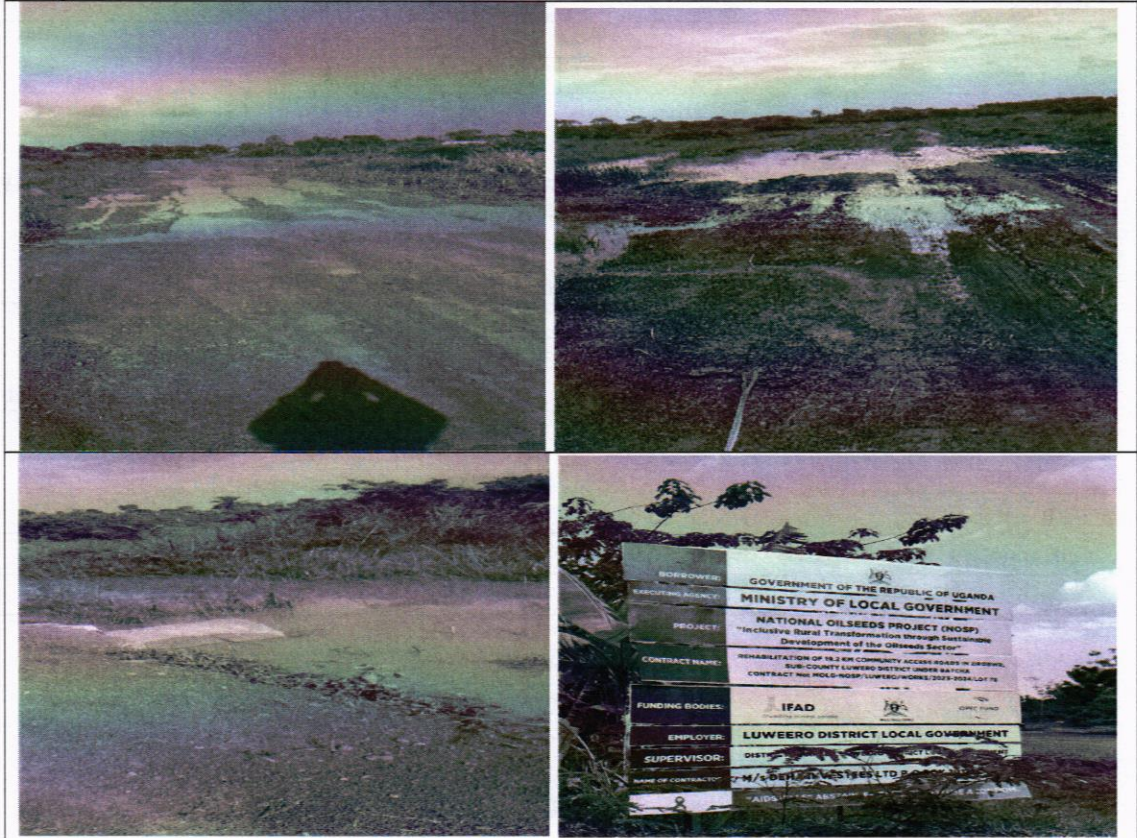
The contractor should immediately install appropriate barricades, warning tapes, and safety signboards around the hazardous areas. Additionally, the ESHS management plan should be implemented and enforced in accordance with the contract terms.

Figure 3: Pictorial evidence of the state of the roads





Stagnant water on the road section



Photographs taken on 6th November 2025

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 Luwero District Local Government for the Financial Year 2024/2025 was **Moderately Satisfactory**, with an overall weighted average risk rating of **39%**.

The risk rating is as follows:

Table 9: Risk Rating Table

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

3.2. Entity's Performance

The risk rating was weighted to determine the overall risk level of the Entity. The weighting was derived using the average weighted index as shown in Table 11 below:

Table 10: Weighted Score of Luwero District Local Government

Risk Category	No.	No. %	Value (UGX)	Value. %	Weights	Total Weighted Average	
						By No.	By Value
High	1	5	1,311,111,039	43	0.6	3	26
Medium	2	9	167,860,669	5	0.3	3	2
Low	19	86	1,576,181,202	52	0.1	9	5
Satisfactory	-	-	-	-	0	-	-
Total	22	100	3,055,152,910	100	1	14	33

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{14 \times 100}{60} = 23\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{33 \times 100}{60} = 54\%$$

$$\text{Combined Weighted Average} = \frac{23\% + 54\%}{2} = 39\%$$

Figure 4: Risk Rating by Number

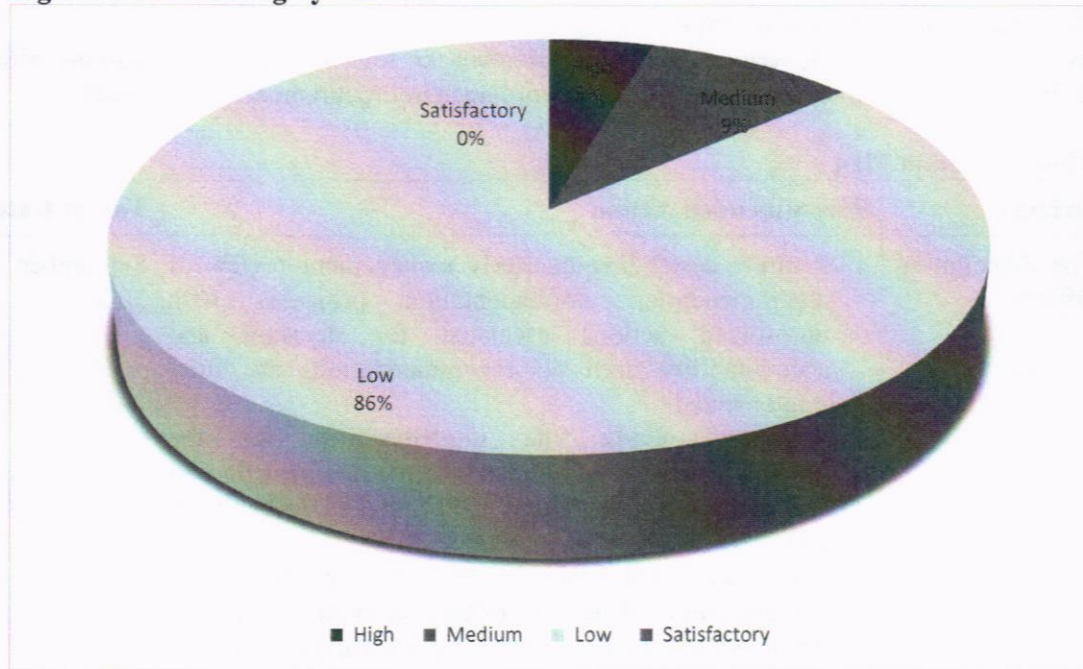
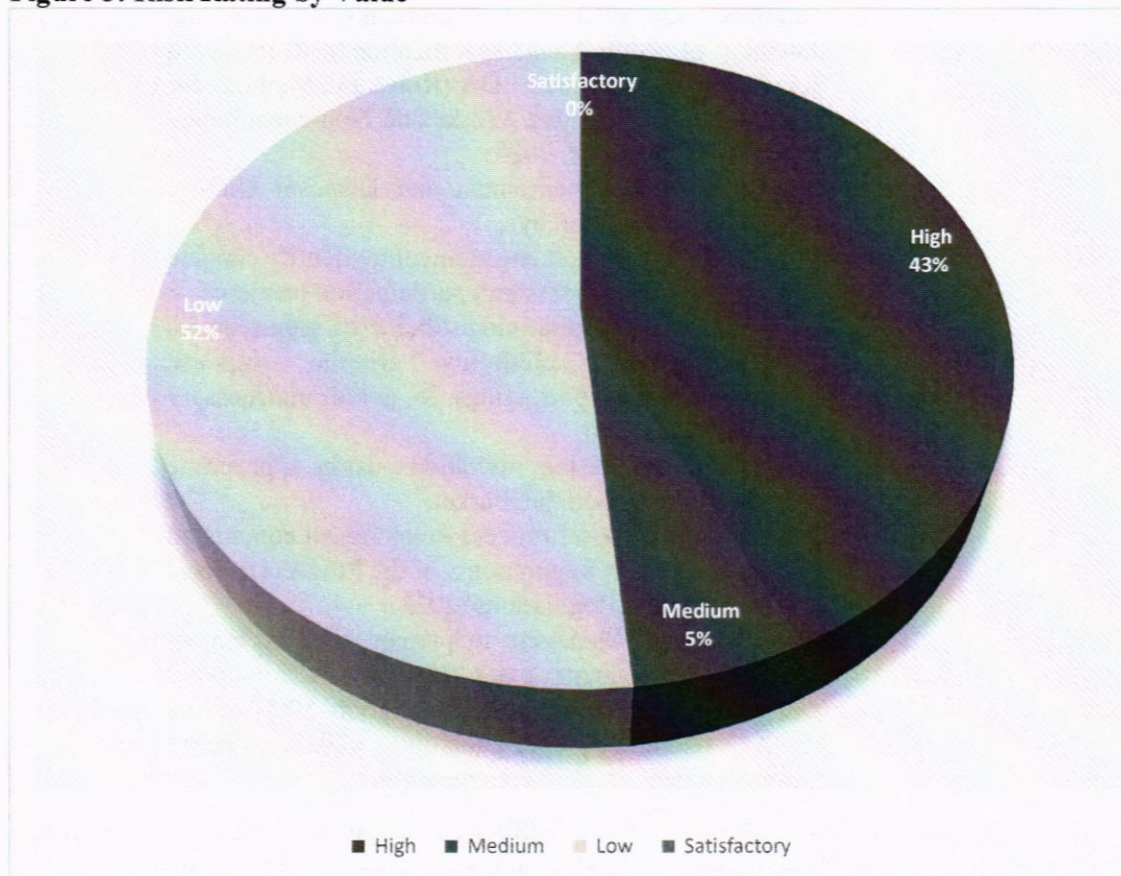


Figure 5: Risk Rating by Value



3.3. Recommended Action Plan

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

Table 11: Action Plan

Origin	Recommended Action	Target Date
The Accounting Officer	<ul style="list-style-type: none"> i. Institute a standing quarterly management review of recommendation implementation progress, with unresolved actions escalated for decision and accountability until all recommendations are fully implemented. ii. Regularly review the implementation of the procurement plan and update the procurement plan in accordance with Section 60 (7) of the PPDA Act, Cap. 205. iii. Direct the Head Procurement and Disposal Unit to prepare and issue complete, compliant bidding documents for every procurement, ensuring inclusion of all mandatory eligibility and technical requirements (including a valid Tax Clearance Certificate, required technical personnel and qualifications, and the statement of requirements/specifications), in line with Regulation 42-53 of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-consultancy Services) Regulations, 2023. iv. Direct the Head Procurement and Disposal Unit to strengthen competition by: <ul style="list-style-type: none"> a) Conducting market engagement to identify capable providers and understand participation barriers; b) Reviewing and improving solicitation requirements (specifications, eligibility criteria, response timelines and packaging) to avoid unnecessary restrictions; and c) Widely publicising invitations using appropriate channels to reach the market. v. Fast-track the disposal process to its logical conclusion in accordance with Regulation 3 of the PPDA (Disposal of Public Assets) Regulations, 2023. vi. Direct Contract Managers to prepare and implement contract management plans (Form 49) for every contract, in accordance with Regulation 50(3) of the PPDA (Contracts) Regulations, 2023, before commencement of contract execution. 	September 2026
The Contracts Committee	Should critically review bidding documents submitted by the Procurement and Disposal Unit to ensure that there are no inconsistencies that could lead to misunderstandings between the Entity and the bidders.	September 2026

Origin	Recommended Action	Target Date
Procurement and Disposal Unit	<ul style="list-style-type: none"> i. Enforce compliance by reviewing the contract management plans for completeness, maintaining them in the contract file, and requiring periodic implementation reports as part of routine contract monitoring. ii. Shortlist at least six bidders for every procurement under Request for Quotation and Restricted bidding methods in accordance with Regulation 53 (1) of the PPDA (Rules and Methods of procurement of Supplies, Works and Non- Consultancy Services) Regulations, 2023. 	September 2026
Contract Manager	The Contract Managers should instruct the contractor to rectify the defects of peeling floor and properly seal the leaking roof joint at no additional costs in accordance with the defect liability provisions and Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023.	September 2026

Annex A: Summary Case by Case

NO	HIGH RISK CONTRACTS	REASONS FOR HIGH RISK
1.	<p>Ref No: MoLG-NOSP/LUWERO/WRKS/2023-2024/00032/LOT 78 Rehabilitation of 19.2km of community access roads in Ziobwe Subcounty Method of Procurement: Open National Bidding Service provider: Deha Investees Limited Contract amount: UGX: 1,311,111,039</p>	<ul style="list-style-type: none"> • Failure to prepare contract implementation plans • Slow progress of works • Expiry of Advance Payment Before Recovery • Expiry of Performance Security Before Completion of the Project • Non-Compliance With Program of Works Requirements • Absence of a Contract Implementation Plan • Failure to Appoint a Contract Management Team • One Worker Found on Site only • Poor workmanship • Non-Observance of Environmental and Safety Requirements
NO	MEDIUM RISK CONTRACTS	REASONS FOR MEDIUM RISK
2.	<p>Ref No: LUWE882/WRKS/24-25/00130 Renovation of a 3 Classroom Block at Bukasa R/C & Construction of a 5-stance lined latrine at Lunyolya R/C P/s Method of Procurement: Selective Bidding Service provider: Kast Engineering Works Ltd Contract amount; UGX: 92,767,116</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Passing of a non-compliant bidder • Low bidder participation • Failure to prepare contract implementation plans
3.	<p>Ref No: LUWE882/WRKS/24-25/00126 Renovation of a 3 Classroom Block at Nalwana P/s Method of Procurement: Selective bidding Service provider: Muganwa Contractors Ltd Contract amount: UGX: 75,093,553</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans • Defects in the Renovated
NO	LOW RISK	REASON FOR LOW RISK
4.	<p>Ref No: LUWE882/SUPLS/24-25/00004(a) Supply of Tyres to works Department Method of Procurement: Framework Service provider: Arrow Centre (U) Ltd Contract amount: UGX: 27,960,000</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Failure to prepare contract implementation plans
5.	<p>Ref No: LUWE882/SUPLS/24-25/00009(d)</p>	<ul style="list-style-type: none"> • Inadequate bidding documents

	Supply of gravel for road improvement on Kiryambidde- Service provider: Kungu Road Katikamu S/C Method of Procurement: Framework Kast Engineering Works Ltd Contract amount: UGX: 31,193,370	<ul style="list-style-type: none"> • Failure to prepare contract implementation plans
6.	LUWE882/SRVCS/SUPLS/24-25/ Assorted 19 micro procurements Micro procurements 155,035,625	
7.	Ref No: LUWE882/SUPLS/24-25/00002(b) Supply of fuel to the Works Dept Method of Procurement: Framework Service provider: Lakato Fuel and Gas Ltd Contract amount: UGX: 49,600,000	<ul style="list-style-type: none"> • Inadequate bidding documents • Failure to prepare contract implementation plans
8.	Ref No: LUWE882/SUPLS/24-25/00009(c) Supply of Construction Materials to the Works Dept Method of Procurement: Framework Service provider: Danrite Investments Ltd Contract amount: UGX: 72,485,000	<ul style="list-style-type: none"> • Inadequate bidding documents • Failure to prepare contract implementation plans
9.	Ref No: LUWE882/WRKS/24-25/00124 Renovation of a 3 Classroom Block at Kyampologoma P/s Method of Procurement: Selective bidding Service provider: SRZ Estates (U) Ltd Contract amount: UGX: 76,000,528	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
10.	Ref No: LUWE882/SUPLS/24-25/00147 Supply of promotional T-shirts for micro-scale irrigation for awareness to the Production Department Method of Procurement: Selective bidding Service provider: Kenworks Investments (SMC) Ltd Contract amount: UGX: 13,365,000	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
11.	Ref No: LUWE882/SRVCS/24-25/00074/50/52/66/73 Management of revenue sources at Bombo Check point, Toninyira Market-Wobulenzi TC, Abattoir fees, Hotels, Lodges-Luwero TC, Balikyewunya Market and Abattoir fees-Luwero TC Revenue collection centres	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans

	<p>Service provider: Mutyaba Hamis, Wobulenzi Toninnyira Dev't Association Wobulenzi Lufula Dev't Association, Ssenfuka Steven Kabuye, Abaliamwe Kyabarango Dev't group, Kasana Cattle Traders & Butcher Association Contract amount: UGX: 11,680,300</p>	
12.	<p>Ref No: LUWE882/SUPLS/24-25/00009(c) Supply of construction materials Framework Service provider: Danrite Investments Ltd Contract amount: UGX: 72,485,000</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
13.	<p>Ref No: LUWE882/SUPLS/24-25/00100 Supply of 3-seater desks to the Education Department Method of Procurement: Selective bidding Service provider: Elton Construction Co. Ltd Contract amount: UGX: 99,234,000</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
14.	<p>Ref No: LUWE882/SUPLS/24-25/00118 Supply of Agricultural Inputs to the Production Department Method of Procurement: Selective bidding Service provider: Rymat Services (U) Smc Ltd Contract amount: UGX: 91,500,000</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
15.	<p>Ref No: LUWE882/WRKS/24-25/24-25/00112 Construction of a 2-classroom block at Kkalwe P/s Method of Procurement: Selective bidding Service provider: Green Kid Company Ltd Contract amount: UGX: 84,760,000</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
16.	<p>Ref No: LUWE882/WRKS/24-25/00095 Completion of the Kikoma playground in Wobulenzi TC Method of Procurement: Selective bidding Danrite Investments Ltd Contract amount: UGX: 79,886,000</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans

17.	<p>Ref No: LUWE882/WRKS/24-25/00177 Construction of a 2-classroom block at Kyetume Selective bidding Service provider: Urban pool Contractor Contract amount: UGX: 84,266,868</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
18.	<p>Ref No: LUWE882/WR KS/24-25/00131 Drilling, test pumping and hand pump installation of 5 No Boreholes Lot II Method of Procurement: Selective bidding Service provider: Aadhira Solutions Ltd Contract amount: UGX: 156,786,600</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
19.	<p>Ref No: LUWE882/SUPLS/24-25/00103 Supply of Steel pipes and other pipes for the repair of boreholes Method of Procurement: Selective bidding Service provider: Danrite Investments Ltd Contract amount: UGX: 169,307,167</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
20.	<p>Ref No: LUWE882/WRKS/24-25/00128 Renovation of a 2 Classroom Block at Namaliga P/s & Renovation of a 2 Classroom Block at Nyimbwa P/s Method of Procurement: Selective bidding Service provider: Sekram International Ltd Contract amount: UGX: 115,186,124</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
21.	<p>Ref No: LUWE882/WRKS/24-25/00121 Renovation of a 2 Classroom Block at Tongo P/s & Renovation of a 2 Classroom Block at Nambeere P/s Method of Procurement: Selective bidding Service provider: Kakalubo Ltd Contract amount: UGX: 112,458,378</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans
22.	<p>Ref No: LUWE882/WRKS/24-25/00125 Renovation of a 3 Classroom Block at Kikunyu P/s Method of Procurement: Selective bidding Service provider: Dala Ware (U) Ltd Contract amount: UGX: 72,991,242</p>	<ul style="list-style-type: none"> • Inadequate bidding documents • Low bidder participation • Failure to prepare contract implementation plans

Annex B: Sample List for Luwero District Local Government for Financial Year 2024/2025

No	Proc Reference No	Subject of procurement	Method of Procurement	Service provider	Contract Amount (UGX)
1.	MoLG-NOSP/ LUWERO/WRKS/2 023- 2024/00032/LOT 78	Rehabilitation of 19.2km of community access roads in Ziobwe Subcounty	ODB	Deha Investees Limited	1,311,111,039
2.	LUWE882/WRKS/2 4-25/00130	Renovation of a 3 Classroom Block at Bukasa R/C & Construction of a 5-stance lined latrine at Lunyolya R/C P/s	RFQ	Kast Engineering Works Ltd	92,767,116
3.	LUWE882/WRKS/2 4-25/00126	Renovation of a 3 Classroom Block at Nalwana P/s	RFQ	Muganwa Contractors Ltd	75,093,553
4.	LUWE882/WRKS/2 4-25/00124	Renovation of a 3 Classroom Block at Kyampologoma P/s	RFQ	SRZ Estates (U) Ltd	76,000,528
5.	LUWE882/WRKS/2 4-25/00177	Construction of a 2-classroom block at Kyetume	RFQ	Urban pool Contractor	84,266,868
6.	LUWE882/WRKS/2 4-25/00128	Renovation of a 2 Classroom Block at Namaliga P/s & Renovation of a 2 Classroom Block at Nyimbwa P/s	RFQ	Sekram International Ltd	115,186,124
7.	LUWE882/WRKS/2 4-25/00121	Renovation of a 2 Classroom Block at Tongo P/s & Renovation of a 2 Classroom Block at Nambeere P/s	RFQ	Kakalubo Ltd	112,458,378
8.	LUWE882/WRKS/2 4-25/00125	Renovation of a 3 Classroom Block at Kikunyu P/s	RFQ	Dala Ware (U) Ltd	72,991,242
9.	LUWE882/WRKS/2 4-25/00095	Completion of the Kikoma playground in Wobulenzi TC	RFQ	Danrite Investments Ltd	79,886,000
10.	LUWE882/WRKS/24-25/00131	Drilling, test pumping and hand pump installation of 5 No Boreholes Lot II	RFQ	Aadhira Solutions Ltd	156,786,600
11.	LUWE882/SUPLS/2 4-25/00009(c)	Supply of Construction Materials to the Works Dept	Framework	Danrite Investments Ltd	72,485,000
12.	LUWE882/SUPLS/2 4-25/00002(b)	Supply of fuel to Works Dept	Framework	Lakato Fuel and Gas Ltd	49,600,000

No	Proc Reference No	Subject of procurement	Method of Procurement	Service provider	Contract Amount (UGX)
13.	LUWE882/SUPLS/2 4-25/00103	Supply of Steel pipes and other pipes for the repair of boreholes	RFQ	Danrite Investments Ltd	169,307,167
14.	LUWE882/SUPLS/2 4-25/00118	Supply of Agricultural inputs to the Production Dept	RFQ	Rymat Services (U) Smc Ltd	91,500,000
15.	LUWE882/WRKS/2 4-25/24-25/00112	Construction of a 2-classroom block at Kkalwe P/s	RFQ	Green Kid Company Ltd	84,760,000
16.	LUWE882/SUPLS/2 4-25/00004(a)	Supply of Tyres to works Department	Framework	Arrow Centre (U) Ltd	27,960,000
17.	LUWE882/SUPLS/2 4-25/00009(c)	Supply of construction materials	Framework	Danrite Investments Ltd	72,485,000
18.	LUWE882/SUPLS/2 4-25/00009(d)	Supply of gravel for road improvement on Kiryambidde-Kungu Road, Katikamu S/C	Framework	Kast Engineering Works Ltd	31,193,370
19.	LUWE882/SUPLS/2 4-25/00147	Supply of promotional T-shirts for micro-scale irrigation for the awareness to production department	RFQ	Kenworks Investments (SMC) Ltd	13,365,000
20.	LUWE882/SUPLS/2 4-25/00100	Supply of 3-seater desks to the Education Department	RFQ	Elton Construction Co. Ltd	99,234,000
21.	LUWE882/SRVCS/ SUPLS/24-25/	Assorted 15 micro procurements	Micro procurements	Assorted	155,035,625
22.	LUWE882/SRVCS/ 24- 25/00074/50/52/66/7 3	Management of revenue sources at Bombo Check point, Toninyira Market- Wobulenzi TC, Abattoir fees, Hotels, Lodges-Luwero TC, Balikkyewunya Market and Abattoir fees-Luwero TC	Revenue collection centres	Mutyaba Hamis Wobulenzi Toninnyira Dev't Association Wobulenzi Lufula Dev't Association, Ssenfuka Steven Kabuye, Abaliamwe Kyabarango Dev't group, Kasana Cattle Traders & Butcher Association	11,680,300
Total					3,055,152,910

Annex C: Risk Rating Criteria

RISK	DESCRIPTION	AREA	IMPLICATION
<p>HIGH</p> <p>Such procurements were considered to have serious weaknesses, which could cause material financial loss or carry risk for the regulatory system or the entity's reputation. Such cases warrant immediate attention by senior management.</p> <p>Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".</p>		<p>Planning: Lack of or failure to procure within the approved plan</p>	<p>This implies emergencies and the use of the direct procurement method, which affects competition and value for money.</p>
		<p>Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals and usurping the powers of the PDU.</p>	<p>This implies the use of less competitive methods, which affects transparency, accountability and value for money.</p>
		<p>Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.</p>	<p>This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend an award to a responsive bidder.</p>
		<p>Record Keeping: Missing procurement files and missing key records on the files, namely, solicitation document, submitted bids, evaluation report and contract.</p>	<p>This implies that one cannot ascertain the audit trail, namely, whether there was competition and fairness in the procurement process.</p>
		<p>Fraud/forgery: Falsification of Documents</p>	<p>This implies a lack of transparency and value for money.</p>
		<p>Contract Management: Payment for shoddy work or work not delivered.</p>	<p>This implies financial loss since there has been no value for money for the funds spent, and the services have not been received by the intended beneficiaries</p>
<p>MEDIUM</p>	<p>Procurements that were considered to have weaknesses, which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant</p>	<p>Planning: Lack of initiation of procurements and confirmation of funds.</p>	<p>This implies committing the Entity without funds, thereby causing domestic arrears.</p>
		<p>Bidding Process: Deviations from standard procedures, namely bidding periods, standard</p>	<p>This implies a lack of efficiency, standardization and avoiding competition.</p>

RISK	DESCRIPTION	AREA	IMPLICATION
	timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded “medium” provided that there is sufficient evidence of “hands-on management control and oversight” at an appropriate level of seniority.	formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	
		Procurement Structures: Lack of procurement structures	This implies a lack of independence of functions and powers and interference in the procurement process.
		Record Keeping: Missing Contracts Committee records and incomplete contract management records.	This implies that one cannot ascertain the audit trail, namely, whether the necessary approvals were obtained in a procurement process.
		Contract and Contract Management: Failure to appoint Contract Supervisors, failure to seek the Solicitor General’s approval for contracts above UGX. 200 million and a lack of notices of Best Evaluated Bidders.	This leads to unjustified contract amendments and variations, which lead to unjustified delayed contract completion and a lack of value for money. Bidders are not given the right of appeal.
		Failure by the Entity to incorporate in the solicitation document aspects of gender, social inclusion, environment, health and safety. Aspects of gender, social inclusion, environment, health and safety are not covered by the contractor during contract implementation.	
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business	Planning: Lack of procurement reference numbers.	This leads to failure to track the procurements, which leads to poor record-keeping.
		Bidding Process: Not signing the Ethical Code of Conduct	This leads to failure to declare conflict of interest and a lack of transparency.

RISK	DESCRIPTION	AREA	IMPLICATION
	<p>matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low", provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.</p>		

SATISFACTORY

Relates to the following laid down procurement procedures and guidelines, and no significant deviation is identified during the conduct of the procurement process based on the records available at the time.