



**REPORT ON THE PROCUREMENT AND DISPOSAL AUDIT EXERCISE
OF THE UGANDA POLICE FORCE FOR FINANCIAL YEAR 2022/2023**

AUGUST 2024

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ACRONYMS

AO	Accounting Officer
BEB	Best Evaluated Bidder
CC	Contracts Committee
EC	Evaluation Committee
FY	Financial Year
HPDU	Head, Procurement and Disposal Unit
LTD	Limited
NOBEB	Notice of the Best Evaluated Bidder
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
RFP	Request for Proposals
RFQ	Request for Quotation
SBD	Standard Bidding Document
UPF	Uganda Police Force

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) reviewed 14 sampled procurements at your Entity. The scope of the audit included a performance audit of 9 completed procurements from the Financial Year 2022/2023 as well as five on-going contracts following the provisions of the Public Procurement and Disposal of Public Assets (PPDA) Act, Cap. 205 and Central Governments (PPDA) Regulations, 2014.

From the findings of the procurement and disposal audit exercise, the performance of Uganda Police Force for the Financial Year 2022/23 was moderately satisfactory with an overall weighted average risk rating of 33.2%. The risk rating was weighted to determine the overall risk level of the Entity as detailed in Chapter 3 of the audit report.

During the course of the procurement and disposal audit, the Authority identified a number of key positives and best practices exhibited by the Entity in the conduct of procurement and disposal processes. These included:

1. Committed Contracts Committee: The Authority noted that the Entity had an active Contracts Committee that meets when called upon to consider submissions from the Procurement and Disposal Unit.
2. Existence of all procurement structures: The Entity has functional procurement structures in place, ranging from the Accounting Officer, Contracts Committee, Procurement and Disposal Unit, User Department and the Evaluation Committees whenever appointed.
3. Knowledgeable Procurement and Disposal Unit staff: The Authority noted that the staff in the Procurement and Disposal Unit were knowledgeable in public procurement and disposal.

From the procurement and disposal audit, the Authority noted the following exceptions:

1. Failure to fully implement ten audit recommendations, representing 71.5% from the previous compliance audit which affects the performance of the procurement and disposal function in the Entity;
2. Delayed commencement of the disposal process for Financial Year 2022/2023 which leads to further depreciation of the assets and less financial proceeds from the process;
3. Failure to conduct proper market research in identification of potential bidders in the procurement of advisory services to the Uganda Police Force (UPF) Doctrine Development Committee, which minimises competition and achievement of value for money;
4. Use of development of a shortlist without publication of a notice for expression of interest to invite bidders in the procurement of consultancy services for design and documentation of the proposed Police General hospital instead of using the open domestic bidding method given that the estimated value of the procurement was more than UGX 400 Million. Limited competition hinders achievement of value for money;
5. Reference to the brand name, Dell in the specifications for computers for Human Resource Management Information System (HRMIS), phase one. This limits competition as other potential bidders are denied an opportunity to participate in the procurement;
6. Delays in the procurement process in two procurements worth UGX 8,849,716,744 which affects efficiency in service delivery;

7. Signing of contracts after expiry of the bid validity period in the procurement of assorted spares, tyres, tubes, battery acid, distilled water, panel beating/body repairs materials, crew seat materials & tarpaulins for UPF motor vehicles and motorcycles worth UGX 8,809,350,744. Contracts signed based on expired bids may not be enforceable;
8. Failure by the Entity to enforce submission of performance security by the provider in the procurement for the supply of assorted furniture for Police Training School at Kabalye, leaving the Entity with no fallback position in the event that the provider does not meet their contractual obligations;
9. No evidence of contract performance in five procurements worth UGX.562,386,959 contrary to Regulations 51 (3) of the PPDA (Contracts) Regulations, 2014 and hence no accountability for funds received by the Entity;
10. Delays in implementation of three construction projects worth UGX 18,420,109,342, where the planned contract implementation period lapsed with some projects not completed as per the schedule which affects service delivery;
11. Late delivery of items after lapse by 65 days of the dates when they were required in the procurement of sports uniforms and equipment for the Eastern Africa Police Chiefs Cooperation (EAPCCO) games, 2023 worth UGX 71,900,000, hence the anticipated value of this procurement was not achieved; and
12. Failure by the Procurement and Disposal Unit to maintain all records on file in the procurement of consultancy services for design and documentation of the proposed Police General hospital worth UGX 2,210,000,000, contrary to Section 33 (o) of the PPDA, Act Cap. 205.

In light of the above, the Authority recommends that:

1. The Accounting Officer should take corrective action and also engage all stakeholders to develop strategies on implementation of all the Authority's recommendations in accordance with Section 10 (1) (a) of the PPDA, Act Cap. 205;
2. The Accounting Officer should expedite the disposal process for the assets due for disposal in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023;
3. The Head Procurement and Disposal Unit should develop a list of prequalified providers for the consultancies likely to be procured by the Entity in order to maximize competition in accordance with Section 49 of the PPDA Act, Cap. 205;
4. The basis for selection of a procurement method should be aimed at maximizing competition in accordance with Section 49 of the PPDA Act, Cap. 205;
5. Where there is no other sufficiently precise or intelligible way of characterising a requirement except by the use of a reference in sub-regulation (1), the description shall be used, followed by the words "or equivalent" in accordance with Regulation 38 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;
6. The Accounting Officer should ensure that delays in procurement at various stages are addressed in accordance with Section 51 of the PPDA Act, Cap. 205. The Evaluation Committee should ensure that evaluation is concluded within the timelines specified under Regulation 4 (1) of the PPDA (Evaluation) Regulations, 2023;
7. The Head Procurement and Disposal Unit should ensure that the bid validity periods are monitored and where bid validity is due to expire, seek extension in accordance with

Regulation 62 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;

8. The Accounting Officer should ensure that where performance security is a requirement in the bidding document, providers submit it in accordance with Regulation 12 (1) (a) of the PPDA (Contracts) Regulations, 2023;
9. The Accounting officer should institute an investigation to establish how the funds amounting to UGX.562,386,959 was spent;
10. The Accounting Officer should ensure that delays in procurement at various stages are addressed in accordance with Section 51 of the PPDA Act, Cap. 205;
11. The Accounting Officer should ensure that all procurements are conducted in a manner which promotes economy, efficiency and value for money in accordance with Section 51 of the Public Procurement and Disposal of Public Assets (PPDA) Act Cap 205; and
12. The Head Procurement and Disposal Unit should maintain and archive all documents pertaining to a particular procurement on their respective files in accordance with Section 33 (o) of the PPDA Act, Cap. 205.

CHAPTER 1: INTRODUCTION

1.1 About the Entity

The Uganda Police Force as provided in the constitution of the Republic of Uganda, and Uganda police force Act; is mandated to protect life and property, prevent and detect crime, keep law and order, and maintain the overall security and public safety in Uganda.

According to Section 28 of the Public Procurement and Disposal of Public Assets (PPDA) Act, Cap. 205, the Accounting Officer has the overall responsibility for the successful execution of procurement, disposal and contract management in a Procuring and Disposing Entity. The Accounting Officer of Uganda Police Force during the Financial Year 2022/23 was Mr. Aggrey Wunyi.

The Permanent Secretary / Secretary to the Treasury of Ministry of Finance, Planning and Economic Development approved members of the Contracts Committee listed in Table 1 below who also acted during the period under review:

Table 1: List of the Contracts Committee members

No	Name	Committee Position	Position in the Entity
1.	Ms. Christine Nanding	Chairperson	Senior Commissioner of Police
2.	Mr. Elias Kassirabo	Member	Senior Commissioner of Police
3.	Mr. Fred Mironde	Member	Assistant Commissioner of Police
4.	Mr. Raymond Kyasanku	Member	Senior Superintendent of Police
5.	Mr. Isaac Gale	Secretary	Superintendent of Police

According to Section 33 (a) of the PPDA Act, Cap. 205, all procurement or disposal activities of the Procuring and Disposing Entity except adjudication and award of contract are to be managed by the Procurement and Disposal Unit. The Procurement and Disposal Unit during the financial year under review was headed by Ms. Margaret Basemera.

1.2 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) reviewed 14 sampled procurements at your Entity. The scope of the audit included a performance audit of 9 completed procurements from the Financial Year 2022/2023 as well as five on-going contracts following the provisions of the PPDA Act, Cap. 205 and Central Governments (PPDA) Regulations, 2014

1.3 Main Objectives

The overall objective of the audit was to assess and establish the degree of compliance of the Entity's system and processes with the provisions of the PPDA Act, Cap. 205 and PPDA Regulations 2014 and assess the level of procurement and disposal performance over the period. The specific objectives of the procurement and disposal audit of the Uganda Police Force were to:

1. Establish the level of compliance with the PPDA Act, Cap. 205 and PPDA Regulations 2014 in the conduct of procurement activities;
2. Establish the level of compliance with the PPDA Act, Cap. 205 and PPDA Regulations 2014 in the conduct of disposal activities; and
3. Assess the level of efficiency and effectiveness in contract implementation of the procurement and disposal activities.

1.4 Audit Scope

The audit involved a review of the procurement process, general compliance issues and contract implementation on sample basis. The audit covered a representative sample of 14 procurement transactions. This included performance audit of 9 completed procurements from FY 2022/2023, and five ongoing contracts. The list of sampled transactions is contained in **Annex 2**

1.5 Performance Audit Methodology

Uganda Police Force was notified about the audit exercise on 7th March 2024. A sample of 14 procurement transactions was selected based on stratified random sampling using monthly procurement and disposal reports. The 14 sampled procurements included a performance audit of 9 completed procurements from FY 2022/2023 as well as 5 on-going contracts.

Two officers conducted the exercise under the supervision of the Manager Performance Monitoring. During the exercise, the team examined records and documents for each of the sampled procurement transactions. The team also reviewed the procurement plan for the Financial Year 2022/23.

Records and documents for each sampled procurement and disposal transaction were examined and relevant evidence obtained to derive audit conclusions. This involved a review of the Entity's procurement planning, initiation, bidding, evaluation, contract placement and implementation.

On completion of data collection, members of the team met with various stakeholders such as the Accounting Officer, the Contracts Committee members, Procurement and Disposal Unit staff and User Departments' representatives to discuss and obtain clarification on some of the preliminary findings. The Accounting Officer's debrief meeting took place on 14th June 2024, the Management letter was issued by the Authority on 25th July 2024 and responses received from the Entity on 23rd July 2024, the date of the exit meeting.

CHAPTER 2: KEY FINDINGS AND RECOMMENDATIONS

2.1 Level of Compliance by the Entity with the General Provisions of the Public Procurement and Disposal of Public Assets (PPDA) Act, Cap. 205 and Regulations, 2014

2.1.1 Procurement Plan Implementation

The Entity had an approved procurement plan worth UGX 270,710,184,000 as shown in Table 2 below:

Table 2: Breakdown of the Procurement Plan

S/no	Category	Planned value (UGX)
1.	Supplies (<i>Fuels, Lubricants and oils taking up the lion's share at UGX 46,5 Bn</i>)	136,048,923,000
2.	Services (<i>Vehicle maintenance services taking up the lion's share at UGX 38.7 Bn and transport Equipment at UGX 19.5 Bn</i>)	85,400,058,000
3.	Works	49,261,208,000
	TOTAL	270,710,184,000

Note: According to the procurement plan, all procurement of works were to be handled using the force account mechanism.

Assessment of the procurement plan and utilization of funds revealed that the procurement plan implementation rate of the Entity for FY 2022/2023 was 40.3%. The procurement plan implementation was derived from the monthly reports submitted by the Entity. The implementation is summarised in Table 3 below:

Table 3: Analysis of Procurement spend for FY 2022/2023

Total procurement plan value inclusive of VAT (UGX)	270,710,184,000
Total procurement spend value inclusive of VAT (UGX)	109,280,154,791
Procurement plan implementation rate (%)	40.3
Variance (UGX)	161,430,029,209

The Authority noted that the monthly reports of August 2022, September 2022, and October 2022, January 2023, April 2023 and June 2023 indicated a nil return, implying no procurements were undertaken by the Entity for these six months.

Implication

Procurements worth UGX 161,430,029,209 were not implemented which deprived service delivery to the intended beneficiaries.

Management Response

Management acknowledged that whereas the planned procurement budget totaled UGX. 290,000,000,000, the actual spend of UGX 109,280,154,791 is what the Entity was availed with.

Recommendations

The Authority noted the Entity's response and maintains the finding as a result of the Entity's failure to update the procurement plan and recommends that where budgeted funds have not been fully released, the Entity should update the procurement plan in accordance with Section 60 (7) of the PPDA Act, Cap. 205.

2.1.2 Implementation of previous Compliance Audit recommendations for FY 2022/2023

The Authority undertook a Compliance Audit of the Entity for financial year 2022/2023 and issued the report in August 2023. Out of the 14 recommendations made, four (28.5%) were fully implemented, ten (71.5%) were not fully implemented as indicated in Table 4 below:

Table 4: Status of implementation of Compliance Audit recommendations for FY 2022/23

No.	Recommended Action	Status of Implementation
1.	The Accounting Officer should ensure that procurements are undertaken in a manner that enhances efficiency as required by Section 51 of the PPDA Act, Cap. 205..	Not fully implemented
2.	The Accounting Officer should task the Procurement and Disposal Unit, Contracts Committee and User Departments to follow the timelines in the procurement plan when executing their activities so as to improve the procurement plan implementation rate and enhance service delivery.	Not fully implemented
3.	The Entity should always prepare two separate procurement plans for classified and open procurements and submit both to the Authority in accordance with Sections 45(2) and 60 (1) of the PPDA Act, Cap. 205.	Implemented
4.	The Accounting Officer should ensure that the budget and procurement plans are periodically reviewed to suit the needs and cash flow of the Entity. Where need arises, a review of the plan and budget should be done in accordance with Section 60 (7) of the PPDA Act, Cap. 205.	Not fully implemented
5.	The Accounting Officer should ensure that a disposal plan is prepared every Financial Year and submitted to the Authority in accordance with Section 60 (1) of the PPDA Act, Cap. 205.	Implemented
6.	The Accounting Officer should task the Procurement and Disposal Unit to prepare a consolidated report on all procurement and disposal activities undertaken by the Entity for each month for onward submission to the Authority in accordance with Regulation 20 (1) of PPDA (Procuring and Disposing Entities) Regulations, 2014.	Not implemented

No.	Recommended Action	Status of Implementation
7.	The Accounting Officer should direct all Heads of User Departments to prepare and submit to the Procurement and Disposal Unit, monthly reports on micro procurements and call-off orders issued under their respective departments.	Not fully implemented
8.	The Accounting Officer should task the Procurement and Disposal Unit to always conduct the pre-qualification process in a manner that promotes efficiency.	Implemented
9.	The Accounting Officer should enhance efficiency in procurement processes in accordance with Section 51 of the PPDA, Act, Cap. 205.	Not fully implemented
10.	The Accounting Officer should always seek Solicitor General's clearance for contracts above UGX 200 million in accordance with Regulation 7 (1) (f) of the PPDA (Contract) Regulations, 2014.	Implemented
11.	The Head Procurement and Disposal Unit should ensure that terms and conditions in the signed contract are the same as those specified in the bidding document in accordance with Regulation 10 (2) of the PPDA (Contracts), 2014.	Not fully implemented
12.	The Accounting Officer should task Heads of User Departments to nominate skilled and experienced staff for appointment as Contract Managers in accordance with Regulation 52(1) of the PPDA (Contracts) Regulation, 2014	Not fully implemented
13.	The Contract Managers should ensure that the contract performance is well managed and progress reports prepared in accordance with Regulation 52(2) of the PPDA (contracts) Regulation, 2014.	Not fully implemented
14.	The Head Procurement and Disposal Unit should ensure that a complete procurement action file is maintained for all procurements including all records in accordance with Section 33 (o) of the PPDA Act, Cap. 205.	Not fully implemented

Implication

Failure to fully implement the Authority's recommendations affects the performance of the procurement and disposal function in the Entity.

Management Response

Management continues to engage all the different stakeholders in a bid to improve on performance through trainings and continuous engagements with Procurement and Disposal Unit.

Recommendation

The Authority noted the Entity's response but maintains the finding given that the Entity did not provide evidence of these engagements with the different stakeholders and therefore recommends that the Entity develops strategies on implementation of all the Authority's recommendations in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205.

2.1.3 Delayed commencement of the Disposal Process

The Authority noted that the Entity submitted to the Authority a disposal plan for the financial year 2022/2023. The Authority observed a number of assets that were identified for disposal. These included motor vehicles and motor cycles. The total reserve amount for the adhoc Board of Survey exercise for disposal was UGX 721,310,000. However as at May 2024, the disposal process had not yet been initiated by the Entity.

Implication

Delayed disposal of obsolete assets leads to further depreciation of the assets.

Management Response

Management was in the final stages of consolidating all obsolete assets for disposal prior to commencing the actual disposal process for items in the disposal plan of 2022/2023.

Recommendation

The Authority noted the Entity's response and maintains the finding due to the delayed process and recommends that the Accounting Officer should expedite the disposal process for the assets due for disposal in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.

2.2 Level of Compliance with the PPDA Act Cap. 205 and PPDA Regulations, 2014 in the conduct of Procurement and Disposal activities**2.2.1 Failure to conduct proper market research**

In the procurement for Advisory services to the Uganda Police Force (UPF) Doctrine Development Committee, the Entity shortlisted the Consultants based on market knowledge. The Authority however observed that the evaluation criteria set required a Doctorate degree yet they invited two Consultants who did not possess PhDs. These were Mr. Aggrey Nirinjeji and Mr. Abbas Muluubya.

Implication

This affects maximization of competition and achievement of value for money.

Management Response

Management stated that when carrying out market research, the Entity considered specialization of persons or Companies in the field of interest in general. The evaluation parameter of specific education qualifications was then used to qualify the best among those who were identified during the market research.

Recommendation

The Authority noted the Entity's response and found it unsatisfactory and maintains the finding and recommends that the Head Procurement and Disposal Unit should develop a list of prequalified providers for the consultancies likely to be procured by the Entity in order to maximize competition in accordance with Section 49 of the PPDA Act, Cap. 205.

2.2.2 Low Bidder Participation

In the procurement of consultancy services for design and documentation of the proposed Police General Hospital worth UGX 2,210,000,000, the procurement method used was development of a shortlist without publication of a notice inviting expression of interest and the Entity only received two bidders hence failing to maximize competition.

Implication

This affects achievement of value for money as it inhibits competition and may also be indicative of low confidence of bidders in the Entity's procurement system.

Management Response

Management stated that prior to this procurement, the Entity issued out an Expression of Interest for an earlier procurement from which it received a substantial number of responses qualified to be shortlisted for the actual procurement. Due to financial constraints, a condition was set that the same shortlist would be used in any downstream procurement in the same category other than issuing out another Expression of Interest.

Recommendation

The Authority noted the Entity's response, however maintains the finding as competition was limited in the process. The Authority recommends that the basis for selection of a procurement method should be aimed at maximizing competition in accordance with Section 49 of the PPDA Act, Cap. 205.

2.2.3 Specification by Brand name

The Authority observed that in the procurement of computers for Human Resource Management Information System (HRMIS) phase one, the bidding document issued to bidders specified the brand Dell contrary to Regulation 38 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), 2023.

Implication

Use of brand names contravenes the principle of competition and fairness as other potential bidders are denied an opportunity to participate in public procurement.

Management Response

Management stated that the Entity was committed to implementing the recommendation going forward.

Recommendation

The Authority noted the Entity's response and recommends that, going forward; Where there is no other sufficiently precise or intelligible way of characterising a requirement except by the use of a reference in sub-regulation (1), the description shall be used, followed by the words "or equivalent" in accordance with Regulation 38 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

2.3 Level of Efficiency and Effectiveness in Contract Implementation

2.3.1 Delays of procurements at different stages

The Authority noted that there were delays at different procurement stages such as at initiation, obtaining Contracts Committee approval, bid opening and bid evaluation. This was noted in two procurements worth UGX 8, 849,716,744 as shown in Table 5 below:

Table 5: Procurements where delays were observed

No.	Subject of Procurement	Amount (UGX)	Exceptions noted	Management Response
1.	Procurement of drone camera Nikon lens and Canon white lens	40,366,000	<p>The Requisition was made on 19th July 2022 and confirmation of availability of funding by the Accounting Officer was done on 19th September 2022, two months later.</p> <p>The cameras had been required by November 2022, yet the NoBEB was displayed up to 21st November 2022 and the contract was signed on signing was 23rd January 2023.</p>	<p>The funds for the procurement were only made available at the time the Accounting Officer confirmed funding.</p> <p><u>Authority's Comment</u> The Authority noted the Entity's response but maintains the finding due to the delay in the process.</p>
2.	Procurement of assorted spares, tyres, tubes, batteries acids, distilled water, panel beating/body repairs materials, crew seat	8,809,350,744	Bid closing was on 31 st August 2022, evaluation of bids was done on 5 th January 2023 which was after 4 months. The Contract was signed on 10 th	The evaluation exercise took longer than usual because the team had

No.	Subject of Procurement	Amount (UGX)	Exceptions noted	Management Response
	materials& tarpaulins for UPF Motor vehicles and Motorcycles under a two year framework contract.		August 2023 seven months after concluding bid evaluation.	<p>an average of 150 items for the 60 Lots submitted by 33 companies and resulting into 4,950 items to evaluate for each of the 60 lots.</p> <p><u>Authority's Comment</u> The Authority noted the Entity's response but maintains the finding due to the delay in the process.</p>

Implication

Delayed procurement process and contract implementation affects the principle of efficiency in service delivery.

Recommendations

- The Accounting Officer should ensure that delays in procurement at various stages are addressed in accordance with Section 51 of the PPDA Act, Cap. 205; and
- The Evaluation Committee should ensure that evaluation is concluded within the timelines specified in accordance with Regulation 4 (1) of the PPDA (Evaluation) Regulations, 2023.

2.3.1 Signing of contracts after expiry of bid validity period

Regulation 52 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2014 states that where an extension to the bid validity period becomes necessary, a bidder shall be requested in writing, before the expiry of validity of their bid, to extend the validity for a specified period to complete the process. In the procurement of assorted spares, tyres, tubes, battery acid, distilled water, panel beating/body repairs materials, crew seat materials & tarpaulins for UPF motor vehicles and motorcycles worth UGX 8,809,350,744, the bid for the Best Evaluated Bidder, expired on 1st May 2023 but the contract was signed on 10th

August 2023 without bid validity extension contrary to Regulation 52 of the PPDA (Rules and Methods Procurement of Supplies, Works and Non-Consultancy Services) Regulations 2014.

Implication

The signed contract may not be enforceable, leading costly legal disputes which may affect service delivery.

Management Response

The Entity regrets the anomaly; however, management is committed to adhering to the PPDA Laws.

Recommendations

- The Head Procurement and Disposal Unit should ensure that the bid validity periods are monitored and where bid validity is due to expire, seek extension in accordance with Regulation 62 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023); and
- The Accounting Officer should ensure all procurements are conducted in a manner that promotes transparency, accountability and fairness in accordance with Section 48 of the Public Procurement and Disposal of Public Assets (PPDA) Act Cap 205.

2.3.2 Failure to furnish the Entity with performance security

Regulation 12 (1) of the PPDA (Contracts) Regulations 2014 states that a performance security shall be required to protect against non-performance of a contract and the bidding documents shall state the requirement for its submission. In the procurement for the of assorted furniture for Police training school at Kabalye, GCC 61.1 and 19.1 of the Special Conditions of the Contract required the provider/contractor to submit a performance security of 5% of the contract value. The audit revealed that the best evaluated bidder in that procurement did not submit a performance security to the entity as was required in the contract.

Implication

Failure to enforce submission of performance securities leaves the Entity with no fallback position in the event that the provider does not meet their contractual obligations.

Management Response

The inclusion of the requirement for a performance security in the bid document was done in error.

Recommendation

The Authority noted the Entity's response but maintains the finding due to the failure to enforce legal requirement and recommends that the Accounting Officer should ensure that where performance security is a requirement in the contract, providers submit it in accordance with Regulation 12 (1) (a) of the PPDA (Contracts) Regulations, 2023.

2.3.3 No evidence of Contract Performance

The Authority noted in five procurements worth UGX 562,386,959, that there was no evidence of contract performance in terms of consultant's reports, goods received notes and delivery notes

contrary to Regulations 51 (3) of the PPDA (Contracts) Regulations, 2014. The procurements are listed below in Table 6:

Table 6: Procurements with no evidence of Contract performance

No.	Subject of Procurement	Amount (UGX)
1.	Procurement of Technical Advisory services to the Uganda Police Forces (UPF) Doctrine Development Committee	52,800,000
2.	Procurement of drone camera Nikon lens and Canon white lens	40,356,000
3.	Procurement of motorcycles	190,000,000
4.	Procurement of two head industrial embroidery and fusing machines	112,690,000
5.	Procurement of assorted furniture for Police Training School at Kabalye	166,540,959
	TOTAL	562,386,959

Implication

There is no accountability for funds received by the Entity.

Management Response

The records are now available for review.

Recommendation

The Authority noted the Entity's response, however; the records pertaining to the above five procurements were not availed and the finding thus maintained. The Accounting officer should institute an investigation to establish how the funds amounting to UGX 562,386,959 were spent.

2.3.4 Delays in implementation of Construction Projects

In three construction projects worth UGX 18,420,109,342, the planned contract implementation period had lapsed with some projects not completed as indicated in Table 7 below:

Table 7: Delays in Contract Implementation

No.	Project Description	Contract Value (UGX)	Status	Observation
1.	Construction of Police apartment blocks at Entebbe	Estimate per the BOQs was 8,585,566,155	On-going	Expected completion date was 25 th April 2024 but the works were not yet complete as at the time of the audit. The status report Indicated that the progress was at 30% as at May 2024.
2.	Construction of Police apartment blocks at Jinja	Estimate per the BOQs was 8,585,566,155	On-going	Expected completion date was 25 th April 2024 but the works were not yet complete as at the time of the audit. The status

No.	Project Description	Contract Value (UGX)	Status	Observation
				report Indicated that the progress was at 25% as at May 2024.
3.	Construction of Sheema Police Station	Project cost was 1,248,977,032	Complete	The project was estimated to be completed by 2 nd August 2023 but contract management reports indicated that completion was on 28 th February 2024.

Implication

Delayed procurement process and contract implementation affects the principle of efficiency in service delivery.

Management Response

Effective progress of projects is majorly based on the availability of funds (quarterly release of funds).

Recommendation

The Authority has noted the Entity's response, however; the Accounting Officer should ensure that delays in procurement at various stages are addressed in accordance with Section 51 of the Public Procurement and Disposal of Public Assets (PPDA) Act Cap 205.

2.3.5 Procurement of items whose need no longer served the purpose

In the procurement of sports uniforms and equipment for EAPCCO Games, 2023 worth UGX 71,900,000, the requisition was raised on 30th January 2023 and the games were scheduled for 20th-28th March 2023. However, the contract was retrospectively signed on 17th April 2023 and the uniforms were delivered on 20th June 2023, 65 days after the scheduled dates of the games hence failing to meet the purpose of the procurement.

Implication

The procurement made did not serve its purpose.

Management Response

Sports uniforms and equipment are required for the annual EAPCCO Games. These therefore would be used for the same in the subsequent year.

Recommendation

The Authority has noted the Entity's response, however; The Accounting Officer should ensure that all procurements are conducted in a manner which promotes economy, efficiency and value for money in accordance with Section 51 of the PPDA Act Cap. 205.

2.3.6 Failure to maintain all records on file

The Authority noted that in the Procurement of consultancy services for design and documentation of the proposed Police General Hospital worth UGX 2,210,000,000, the technical proposal for the second best evaluated bidder was not seen on file which is contrary to Section 33 (o) of the Public Procurement and Disposal of Public Assets (PPDA) Act Cap 205.

Implication

Missing records impede the Entities ability to fully account for all the funds it was advanced and also affects the audit trail.

Management Response

Management stated that the documents were now available for review.

Recommendation

The Authority noted the Entity's response, however; the records provided did not include the technical bid for the second best evaluated bidder. The Head Procurement and Disposal Unit should maintain and archive all documents pertaining to a particular procurement on their respective files in accordance with Section 33 (o) of the PPDA Act, Cap. 205.

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CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This Section presents graphically the scores per area assessed under different compliance audit questions.

3.1 Overall Compliance Audit Conclusion

The performance of Uganda Police Force for the performance audit of Financial Year 2022/23 was moderately satisfactory with overall weighted average risk rating of 33.2%.

The risk rating is as follows:

Risk Rating

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 below:

3.3 Risk Computation

Risk category	No.	No. %	Value (UGX)	Value %	Wghts	Total weighted Average	
						By No.	By Value
High	6	42.9	2,772,386,959	2.5	0.6	25.7	1.5
Medium	4	28.6	14,392,840,744	13.2	0.3	8.6	4
Low	0	0	0	0	0.1	0	0
Satisfactory	4	28.6	92,114,927,088	84.3	0	0	0
Total	14	100	109,280,154,791	100	1	34.3	5.5

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{34.3 \times 100}{60} = 57.2\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{5.5 \times 100}{60} = 9.2\%$$

$$\text{Combined Weighted Average} = \frac{57.2 + 9.2}{2} = 33.2\%$$

3.4 Chart Representation of Risk Rating

Figure 1: Chart Representation of Risk Rating by Value

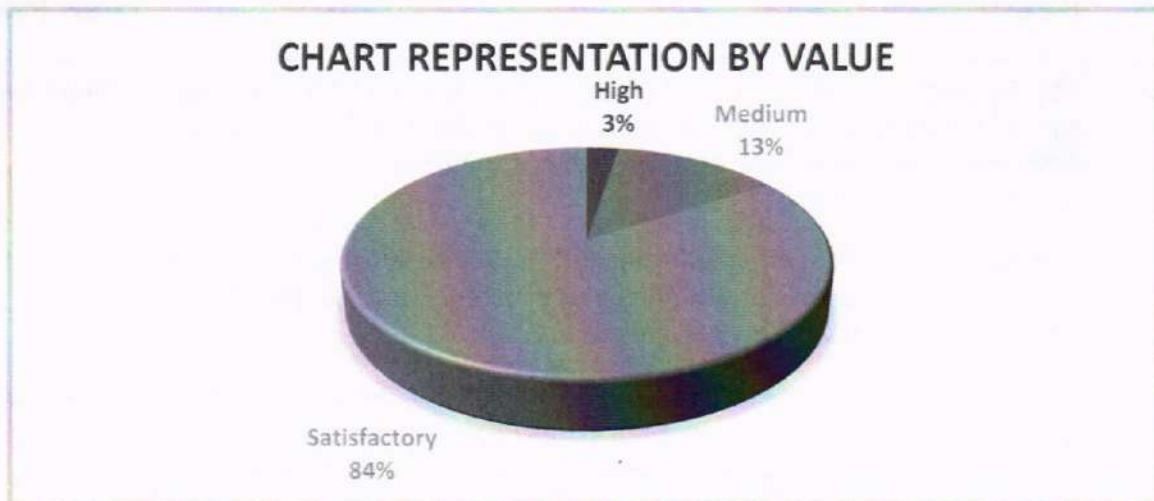
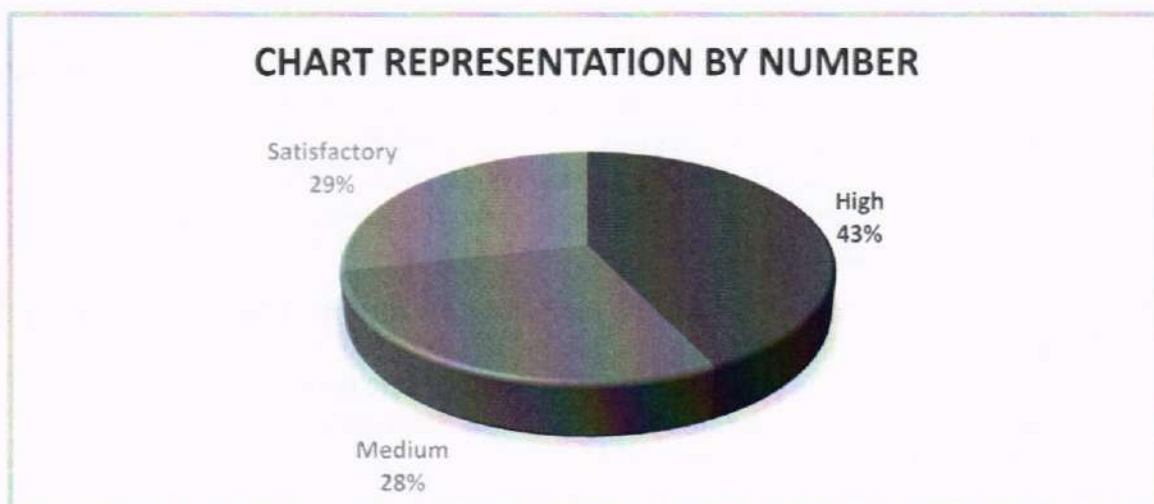


Figure 2: Chart Representation of Risk Rating by Number



3.5 Recommended Action Plan

Uganda Police Force should implement the following recommendations within the timeframe given in order to improve its procurement and disposal performance.

Table 8: Action Plan

No.	Recommended Action	Target Date
1.	The Accounting Officer should take corrective action and also engage all stakeholders to develop strategies on implementation of all the Authority's recommendations in accordance with Section 10 (1) (a) of the PPDA, Act Cap. 205.	Continuous
2.	The Accounting Officer should expedite the disposal process for the assets due for disposal in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.	Continuous
3.	The Head Procurement and Disposal Unit should develop a list of prequalified providers for the consultancies likely to be procured by the Entity in order to maximize competition in accordance with Section 49 of the PPDA Act, Cap. 205.	Continuous
4.	The basis for selection of a procurement method should be aimed at maximizing competition in accordance with Section 49 of the PPDA Act, Cap. 205.	Continuous
5.	Where there is no other sufficiently precise or intelligible way of characterising a requirement except by the use of a reference in sub-regulation (1), the description shall be used, followed by the words "or equivalent" in accordance with Regulation 38 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	Continuous
6.	The Accounting Officer should ensure that delays in procurement at various stages are addressed in accordance with Section 51 of the PPDA Act, Cap. 205. The Evaluation Committee should ensure that evaluation is concluded within the timelines specified under Regulation 4 (1) of the PPDA (Evaluation) Regulations, 2023.	Continuous
7.	The Head Procurement and Disposal Unit should ensure that the bid validity periods are monitored and where bid validity is due to expire, seek extension in accordance with Regulation 62 (5) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	Continuous
8.	The Accounting Officer should ensure that where performance security is a requirement in the bidding document, providers submit it in	Continuous

No.	Recommended Action	Target Date
	accordance with Regulation 12 (1) (a) of the PPDA (Contracts) Regulations, 2023.	
9.	The Accounting officer should institute an investigation to establish how the funds amounting to UGX.562, 386,959 was spent.	immediately
10.	The Accounting Officer should ensure that delays in procurement at various stages are addressed in accordance with Section 51 of the PPDA Act, Cap. 205.	Continuous
11.	The Accounting Officer should ensure that all procurements are conducted in a manner which promotes economy, efficiency and value for money in accordance with Section 51 of the PPDA Act, Cap. 205.	Continuous
12.	The Head Procurement and Disposal Unit should maintain and archive all documents pertaining to a particular procurement on their respective files in accordance with Section 33 (o) of the PPDA Act, Cap. 205.	Continuous

ANNEX 1: SUMMARY OF CASE BY CASE HIGH RISK CASES

No.	Subject of Procurement	Reasons for High Risk
1.	Procurement of Technical Advisory services to the Uganda Police Forces (UPF) Doctrine Development Committee UGX. 52,800,000	<ul style="list-style-type: none"> Failure to provide evidence of contract performance in terms of a report
2.	Procurement of drone camera Nikon lens and Canon white lens UGX. 40,356,000	<ul style="list-style-type: none"> Failure to provide evidence of contract performance in terms of reports, goods received notes and delivery notes
3.	Procurement of motorcycles UGX. 190,000,000	<ul style="list-style-type: none"> Failure to provide evidence of contract performance in terms of reports, goods received notes and delivery notes
4.	Procurement of two head industrial embroidery and fusing machines UGX. 112,690,000	<ul style="list-style-type: none"> Failure to provide evidence of contract performance in terms of reports, goods received notes and delivery notes
5.	Procurement of assorted furniture for Police Training School at Kabalye UGX.166,540,959	<ul style="list-style-type: none"> Failure to provide evidence of contract performance in terms of reports, goods received notes and delivery notes Failure to furnish the Entity with performance security
6.	Procurement of consultancy services for design documentation of the proposed Police General Hospital at plot 31-51 Kibuli road Nsambya	<ul style="list-style-type: none"> Low Bidder Participation Failure to maintain all records on file

MEDIUM RISK CASES

No.	Subject of Procurement	Reasons for Medium Risk
1.	Procurement of Computers for HRIMS Phase one	<ul style="list-style-type: none"> Specification by Brand name Delays of procurements
2.	Procurement of sports uniform and Equipment's for EAPPCO Games 2023	Items no longer served the purpose of procurement
3.	Procurement of assorted spares, tyres, tubes, batteries, acids, distilled water, Panel Beating/Body repairs materials, Crew seat materials& Tarpaulins for UPF Motor vehicles and Motorcycles under a two year framework contract	<ul style="list-style-type: none"> Delays of procurements Signing of contracts after expiry of bid validity period
4.	Construction of Police apartment blocks in Jinja and Entebbe	Delays in the process

SATISFACTORY CASES

No.	Procurement Details
1.	Procurement of land comprised at Block 383,plots 4486 and 4488 Bwebajja, Busiro County
2.	Procurement of fuel, oils and lubricants (Frame work)
3.	Procurement of food (Frame work contract)
4.	Procurement of plot 9170 block 273 Kyadondo for Mirimu Police Post Wakiso

ANNEX 2: SAMPLE LIST FOR PROCUREMENT AND DISPOSAL AUDIT OF FINANCIAL YEAR 2022/23

No	Proc. Ref. Number	Subject of Procurement	Method of Procurement	Provider	Contract value (UGX)	Status
1.	UPF/SUPLS/2022-2023/00026	Procurement of land comprised at Block 383, plots 4486 and 4488 Bwebajja, Busiro County	Direct Procurement	Mr. Kulayige Martin & Duan Yangchun 7 th March 2023	2,509,000,000	Completed
2.	UPF/SUPLS/2022-2023/00003	Procurement of fuel, oils and lubricants (Frame work)	Open Domestic Bidding	Various	45,341,747,108	On-going
3.	UPF/SULPS/2019-2020/0004 UPF/SUPLS/2021-2022/32	Procurement of food (Frame work contract)	Open Domestic Bidding	Various	45,998,564,143	On-going
4.	UPF/SUPLS/2022-2023/00011	Procurement of Drone Camera, Nikon Lens & Canon White Lens	Request Quotation For	Caliber Supplies Ltd	40,356,000	Completed
5.	UPF/SUPLS/2022-2023/00015	Procurement of technical Advisory Services to Assist the UPF Doctrine development.	Request proposals for	Dr. Sentono Ashad	52,800,000	Completed
6.	UPF/SUPLS/2022-2023/00028	Procurement of plot 9170 block 273 Kyadondo for Mirimu Police Post Wakiso	Direct Procurement	Mr. Were Micheal and Mrs Mutesi Beatrice	577,260,700	Completed
7.	UPF/SUPLS/22-23/00022	Procurement of two head industrial	Restricted Bidding	M/S Kangaroo U Ltd	112,690,000	Completed

No	Proc. Ref. Number	Subject of Procurement	Method of Procurement	Provider	Contract value (UGX)	Status
		embroidery and fusing machines				
8.	UPF/SUPLS/2022-2023/00022	Procurement of Computers for HRIMS Phase one	Request Quotation For	PC Bay Ltd	31,590,000	Completed
9.	UPF/SUPLS/2022-2023/00026	Procurement of sports uniform and Equipment's for EAPPCO Games 2023	Request Quotation For	Real Sports Center	71,900,000	Completed
10.	UPF/SUPLS/2022-2023/00024	Procurement of 20 units of motorcycles for CFPU and PSU	Restricted Domestic Bidding	Simba Automotives Ltd	190,000,000	Completed
11.	UPF/SUPLS/2021-2022/00056	Procurement of consultancy services for design documentation of the proposed Police General Hospital at plot 31-51 Kibuli road Nsambya	Development of a shortlist without publication of a notice inviting expression of interest	Imparqt Associates Ltd	2,210,000,000	Completed
12.	UPF/SUPLS/2022-2023/00018	Procurement of assorted furniture for Police Training School at Kabalye UGX.166,540,959	Open Domestic Bidding	Inspiring interiors ltd	166,540,959	

No	Proc. Ref. Number	Subject of Procurement	Method of Procurement	Provider	Contract value (UGX)	Status
13.		Construction of Police apartment blocks in Jinja and Entebbe	Open Domestic Bidding/Force on Account	Various	16,997,000,000	On-going
14.	UPF/SUPLS/2022-23/00002	Procurement of assorted spares, Tyres, tubes, batteries, Acids, Distilled water, Panel Beating/Body repairs materials, Crew seat materials & Tarpaulins for UPF Motor vehicles and Motorcycles under a two year framework contract	Open Domestic Bidding/Force on Account	various	8,809,350,744	
15.	Disposal process for the financial year 2022-2023					

ANNEX 3: PROCUREMENT AND DISPOSAL UNIT AND USER DEPARTMENTS

List of staff in the Procurement and Disposal Unit

No.	Name	Title
1.	Basemera Margaret	Head Procurement and Disposal Unit
2.	Kanakulya Julius	Senior Procurement Officer
3.	Mohamed Amina	Procurement Officer
4.	Twinamasiko Denis	Procurement Officer
5.	Gingiera Walter	Procurement Officer
6.	Kinyama John	Procurement Officer
7.	Mukasa Robeart	Legal Officer
8.	Kakuta Gordon	Senior Procurement Officer

List of User Departments

No:	Departments
1.	ICT
2.	Fire & Rescue Services
3.	Logistics & Engineering
4.	Operations
5.	Forensics
6.	Health Services
7.	Vippu & Vis
8.	Traffic & Road Safety
9.	Counter Terrorism
10.	Parliamentary Police
11.	Crime Intelligence
12.	Professional Standards Unit
13.	Criminal Investigation Directorate
14.	Field Force Unit
15.	Welfare & Production
16.	Human Resource Management
17.	Airwing
18.	Marine
19.	Environmental Protection Police
20.	Kampala Metropolitan Police
21.	Finance & Office Support

ANNEX 4: RISK RATING CRITERIA

RISK	DESCRIPTION	AREA	IMPLICATION
HIGH	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. Significant deviations from established policies and principles and/or generally accepted industry standards will normally be rated "high".	Planning: Lack of or failure to procure within the approved plan	This implies emergencies and use of the direct procurement method which affects competition and value for money.
		Bidding Process: Use of wrong/inappropriate procurement methods, failure to seek Contracts Committee approvals and usurping the powers of the PDU.	This implies use of less competitive methods which affects transparency, accountability and value for money.
		Evaluation: Use of inappropriate evaluation methodologies or failure to conduct evaluation.	This implies financial loss caused by awarding contracts at higher prices or shoddy work caused by failure to recommend award to a responsive bidder.
		Record Keeping: Missing procurement files and missing key records on the files namely; solicitation document, submitted bids, evaluation report and contract.	This implies that one cannot ascertain the audit trail namely; whether there was competition and fairness in the procurement process.
		Fraud/forgery: Falsification of Documents	This implies lack of transparency and value for money.
		Contract Management: Payment for shoddy work or work not delivered.	This implies financial loss since there has been no value for money for the funds spent and the services have not been received

RISK	DESCRIPTION	AREA	IMPLICATION
			by the intended beneficiaries.
MEDIUM	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 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.	Planning: Lack of initiation of procurements and confirmation of funds.	This implies committing the Entity without funds thereby causing domestic arrears.
		Bidding Process: Deviations from standard procedures namely bidding periods, standard formats, use of PP Forms and records of issue and receipts of bids, usage of non-pre-qualified firms and splitting procurement requirements.	This implies lack of efficiency, standardisation and avoiding competition.
		Procurement Structures: Lack of procurement structures	This implies 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	This leads to unjustified contract amendment and variations which lead to unjustified delayed contract completion and lack of value for

RISK	DESCRIPTION	AREA	IMPLICATION
		above UGX. 200 million and lack of notices of Best Evaluated Bidders.	money. Bidders are not given the right of appeal.
		<p>Failure by the Entity to incorporate in the solicitation document aspects of gender, social inclusion, environment, health and safety.</p> <p>Aspects of gender, social inclusion, environment, health and safety not covered by the contractor during contract implementation.</p>	
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business 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>Planning: Lack of procurement reference numbers.</p> <p>Bidding Process: Not signing the Ethical Code of Conduct.</p>	<p>This leads to failure to track the procurements which leads to poor record keeping.</p> <p>This leads to failure to declare conflict of interest and lack of transparency.</p>