



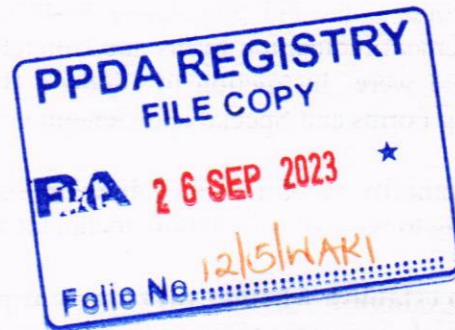
**PUBLIC PROCUREMENT AND DISPOSAL  
OF PUBLIC ASSETS AUTHORITY**

"Procurement That Delivers"

PPDA/WAK/I933

07<sup>th</sup> September 2023

The Chief Administrative Officer  
Wakiso District Local Government  
P. O. Box 7218  
**WAKISO**



**BID PREPARATORY AUDIT EXERCISE FOR SELECTED PROCUREMENTS  
AT WAKISO DISTRICT LOCAL GOVERNMENT FINANCIAL YEAR 2023/2024.**

Reference is made to the above subject.

The Public Procurement and Disposal of Public Assets Authority (PPDA) conducted a Bid Preparatory Audit at Wakiso District Local Government.

The audit exercise involved a review of the procurement planning, requisition/initiation and solicitation documents issued to bidders following the Public Procurement and Disposal of Assets Act, 2003, the Local Government (PPDA) Regulations 2006 and relevant PPDA guidelines.

**Selected Procurements for the Bid Preparatory Audit**

No	Subject of procurement	Reference Number
1	Supply and Delivery of 3 seater school desks and furniture under Lot1-3	Waki933/SUPLS/2023-24/00060
2	Construction of a Drainage System at Wakiso Seed Secondary School	Waki933/WRKS/2023-24/00088
3	Architectural Design of Office Block in Kajjans Town Council	Waki933/SRVCS/2023-24/00058

The objectives of the audit were to:

- Ensure that public procurement planning and requisition was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, 2003 the Local Governments (PPDA) Regulations, 2006 and attendant guidelines

**Head Office :**

PPDA - URF Towers,  
Plot 39, Nakasero Road  
P.O. Box 3925, Kampala, Uganda  
Tel: +256-414-311100  
Email : info@ppda.go.ug

**Western Regional Office :**

RDC's Building, Bishop Stretcher Road,  
Opposite BOU Currency Centre,  
Mbarara-Kabale Road,  
P.O. Box 1353, Mbarara, Uganda  
Tel: +256-417-733800  
Email : mbararaoffice@ppda.go.ug

**Northern Regional Office :**

Plot 1, Lower Churchill Drive,  
P.O. Box 999, Gulu, Uganda  
Tel: +256-417-432010  
Email : guluoffice@ppda.go.ug

**Eastern Regional Office :**

Oval Plaza, Plot 1, Court Road,  
P.O. Box 2173, Mbale, Uganda  
Tel: +256-417-890100  
Email : mbaleoffice@ppda.go.ug



PPDA Uganda



@PPDAUganda



PPDA Uganda



info@ppda.go.ug

www.ppda.go.ug

- ii. Establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the PPDA Act 2003, the Local Governments (PPDA) Regulations, 2006 and attendant guidelines.

The scope of the bid preparatory audit entailed review of the procurement and disposal plan, procurement requisition forms and solicitation documents. The areas of the solicitation document analyzed were; Instruction to Bidders, Bid Data Sheet, Evaluation Methodology and Criteria, Bidding Forms and Special and General Conditions of the Contract.

The Authority identified the following exceptions with regard to the procurement process from planning to issue of solicitation document for the attention of Management:

- 1. To establish whether procurement planning and requisition was conducted in a manner which promotes transparency, accountability and fairness in accordance with the PPDA Act, 2003, the Local Governments (PPDA) Regulations, 2006 and attendant guidelines**

- 1. Issues across the three sampled procurements.**

A review of the procurement processes up to advertisement/bid notice level for all the three sampled procurements noted the following.

- i. Inadequate information about the bid opportunity**

The Entity published an abridged bid notice in the New Vision of 29<sup>th</sup> August 2023 referring bidders to obtain full information from the Entity's and PPDA website. However, by the time of the audit, there was no information regarding the bid opportunity on the Entities and PPDA websites.

This denies potential bidders' access to information regarding the bidding opportunity which eventually limits competition.

The Accounting Officer should ensure upload of the detailed bid notice on the Entity's and PPDA website so soon as possible to ensure transparency in the procurement process.

- ii. Inadequate bidding period**

A review of the bid notice noted that the bid is running for 14 working days from 29<sup>th</sup> August 2023 with a bid submission date of 15<sup>th</sup> September, 2023. This is less than the minimum bidding period of 15 working days. This inhibits potential bidders sufficient time to prepare competitive bids.

The Authority recommends that the Accounting Officer should always adhere to the minimum bidding period as stipulated under section 64 of the PPDA Act, 2003.

- 2. Specific Issues to each Procurement file.**

- a) Supply and Delivery of 3-seater school desks and furniture under Lot 1-3**

**I. No proof of monitoring of the User Department budget**

The User Department did not complete the funds availability section of the procurement requisition LG Form 1 implying that the Education Department does not monitor its budget.

This exposes the Council to the risk of returning funds to the central pool at the end of the financial year.

The Authority recommends that the Chief Administrative Office should task the Head of the Education Department at the District Council to institute mechanisms for budget monitoring and include budget details on all requisitions.

**II. Confusing procurement activity schedule.**

The Authority noted that the bidding document had two procurement schedules on Pages 5 and 6 with varying dates which are likely to confuse the bidders particularly on the bid submission date where by one indicates **15<sup>th</sup> September, 2023** and the second one indicating **10<sup>th</sup> March 2021**

The Authority recommends that the Head Procurement and Disposal Unit should review and correct the errors and communicate to all bidders who have picked the bidding document in a timely manner.

**b) Construction of a Drainage System at Wakiso Seed Secondary School.**

**I. Failure to provide for site visits in the bidding document.**

The Authority noted that the bidding document was silent on the requirement for site visit which would enable bidders to understand the scope of work. This affects proper costing of the project.

The Head PDU should ensure that site visits are part of the bidding document to enable bidders appreciate the scope of work for proper costing of the works.

**1 To establish whether the solicitation document issued to bidders was prepared in accordance with the provisions of the PPDA Act 2003, the Local Governments (PPDA) Regulations, 2006 and attendant guidelines**

**a) Supply and Delivery of 3-seater school desks and furniture under Lot 1-3**

**I. Errors in the bid document**

- ✓ ITB 6 of the Bid Data Sheet stated that the pre-bid meeting shall be held on 8<sup>th</sup> September 2023, whereas the Standard Invitation to Bidders stated that pre-bid meeting shall be held on 7<sup>th</sup> September 2022. This contradiction may mislead bidders intending to attend the pre-bid meeting.
- ✓ The bid notice in the bidding document page 5 item number 7 states that the bid closing date shall be 17<sup>th</sup> August 2023 while the planned procurement activity schedule indicates bid closing date of 15<sup>th</sup> September 2023. Which confuses bidders on the bid closing date.

- ✓ The advert for the procurement stated the reference number as Waki 933/SUPLS/23-224/00060 which was inconsistent with the reference number Waki 555/SUPLS/23-224/00060 stated in other sections of the bidding document which affects preparation of the bid.
- ✓ Under the Delivery and completion schedule and the table for Inspections and Tests, the point of delivery is Wakiso District Local Government where as in the special conditions of contract the delivery point is Kaggansi and Kyengeru Town Councils.  
This may lead to disagreements at the time delivery between the entity and the supplier.
- ✓ ITB 35.1 indicates that margin of preference shall not apply contrary to section 59A (1) (a) which requires that whenever open domestic or open international bidding methods are used, margin of preference shall apply.

The Authority therefore recommends that the Entity should review the bidding document, make the necessary adjustments to corrects the errors and communicate those adjustments to all bidders participating in the process.

## **b) Construction of a Drainage System at Wakiso Seed Secondary School**

### **I. Inconsistencies in Reference Number**

The Authority observed inconsistencies in the reference number on the cover page of the bidding document and the bid data sheet which stated WAKI555/WRKS/2023-24/00088 and WAKI933/WRKS/2023-24/00088 respectively affecting the preparation of the bid.

The Authority recommends that the errors are immediately rectified and bidders notified of the changes.

### **II. Failure to include Key Personnel**

The bidding document did not include key personnel such as Environmental Officer and Sociologist who are key in the successful implementation of the project.

Absence of the Environmental and Sociologist on the project would lead to non-adherence to the environmental issues and stakeholder engagements.

The Authority recommends that the Head Procurement and Disposal Unit should address the gaps of key personnel in regards environment and stakeholder engagements.

### **III. Failure to list/specify appropriate equipment for the works**

Under Section 3 of the bidding document (Evaluation Methodology), the Technical Criteria 6.1.2 requires the bidders to demonstrate that they will have access to the key equipment (either by ownership, lease, hire) and further provide details of proposed items of equipment using the relevant Form in Section IV. However, the bidding document was silent on the necessary equipment required to effectively execution of the contract.

The Authority recommends that the Entity clearly states that the relevant equipment required for successful implementation of the project.

#### **IV. Stringent Specific Experience**

Under Section 3 of the bidding document (Evaluation Methodology), Post Qualification 6.2.7 requires participation as contractor, management contractor in at least three (3) contracts within the last three (3) years, each with a value of at least UGX 250 M that have been successfully and substantially completed (at least 70 per cent complete) and that are similar to the proposed Works. The similarity shall be based on the physical size, complexity, methods/technology or other characteristics as described in Section VI, Employer's Requirements.

The entity noted that past experience of works worth UGX 250M against the estimated market price of UGX 50M is stringent and might hinder competition in the process.

The Authority recommends that the required experience should be revised down wards in an effort to promote fairness and competition.

#### **V. Failure to attach Bills of Quantities (BOQs) to the bidding document**

The bidding document reviewed lacked the scope of works, technical specifications, drawings and Bills of Quantities.

Lack of statement of requirements increases the risk of failure to understand the scope of work which makes preparation of a competitive bid difficult.

The Authority recommends that bills of quantities should be attached to the bidding document for completeness.

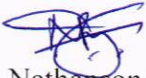
#### **c) Architectural Design of Office Block in Kajjansi Town Council**

**Ref: WAKI933/SRVCS/2023-24/00058**

The team was unable to review the bidding document for the said procurement since the terms of reference were still being reviewed by the User Department despite two firms having been issued with the bidding document.

The Authority recommends that entity addresses any errors in the bidding documents before issuance.

The purpose of this letter is to forward the findings of the bid preparatory audit exercise. In order to administer and enforce compliance with the provisions of the PPDA Act 2003, Regulations and Guidelines, the Entity should review the solicitation documents, include all the relevant information and issue an addendum to the bidders.



Nathanson Birungi

**For: EXECUTIVE DIRECTOR**

cc: Chairperson Contracts Committee

cc: Head Procurement and Disposal Unit