



**COMPLIANCE INSPECTION REPORT FOR FINANCIAL YEAR  
2023/2024**

**OYAM DISTRICT LOCAL GOVERNMENT**

**JULY 2025**

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## ACRONYMS

BOQs	Bill of Quantities
DLG	District Local Government
FY	Financial Year
GCC	General Condition of Contract
NoBEB	Notice of Best Evaluated Bidder
PPDA	Public Procurement and Disposal of Public Assets Authority
SCC	Special Conditions of Contract
SG	Solicitor General

## **EXECUTIVE SUMMARY**

The Public Procurement and Disposal of Public Assets Authority carried out compliance inspection on the procurement and disposal activities of Oyam District Local Government that covered a sample of ten procurement transactions under Financial Year 2023/24.

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

From the findings of the compliance inspection exercise, the performance of Oyam District Local Government for Financial Year 2023/24 was **moderately satisfactory** with overall weighted average risk rating of **47.5%**. The risk rating was weighted to determine the overall risk level of the Entity as detailed in Chapter 3 of this compliance inspection report.

### **The following key exceptions were noted:**

1. Failure by the Entity to implement 80% of the recommendations contained in the compliance inspection report for Financial Year 2022/23 contrary to Section 10 (1) (a) of the PPDA Act, Cap. 205. This implied that the Entity had weak controls in the procurement function which affected procurement performance;
2. Six procurements worth UGX 913,200,817 had inappropriate bidding documents that did not provide specific and adequate information to the bidders in the statement of requirements and bid evaluation criteria contrary to Regulation 42 (a) and (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. This exposed the Entity to the risk of obtaining non-responsive bids and award of contracts to ineligible and unsuitable bidders;
3. Five procurements worth UGX 768,827,281 had bid evaluation irregularities contrary to Section 76 (3) of the PPDA Act, Cap. 205. For example, passing of non-compliant bidders, and failure to adhere to set criteria in the bidding documents. This led to award of contracts to non-compliant bidders;
4. Six procurements worth UGX 913,200,817 had anomalies at the contracting stage contrary to Regulation 9 (1) (a) of the PPDA (Contracts) Regulations, 2023. For example, failure incorporate Solicitor General's comments in the special conditions of contract, irregular change of contract duration, contradicting contract completion dates among others. This exposed the Entity to the risk of contract disputes between the Entity and the contractors;
5. In four procurements worth UGX 686,727,281, the Authority found significant delays (variances) between the planned contract signing dates in the procurement plan and the actual dates of contract signature. This led to delayed service delivery to the targeted beneficiaries.
6. Eight procurement action files worth UGX 1,151,226,017 were incomplete contrary to Section 33 (o) of the PPDA Act, Cap. 205. For example, records such as, progress reports, contract completion certificates and contract implementation plans were not on file. Missing records were a red flag for an ineffective accountability system within the Entity; and
7. Eight procurements worth UGX 1,151,226,017 had contract management anomalies contrary to Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023. For example, lack of progress reports and lack of contract completion certificates. This casted doubt on the effectiveness of the entity in supervision of contracts.

In summary, the Authority notes that inefficiencies in the procurement process, evaluation irregularities and poor contract management affected the Entity's performance.

**In light of the above findings, the Authority recommends that:**

1. The Accounting Officer should:
  - i) Implement all the Authority's recommendations in accordance with Section 10 of the PPDA Act, Cap. 205. Where management finds challenges in implementation of any recommendation, this should be brought to the attention of the Authority;
  - ii) Sign contract documents after satisfying himself on removal or correction of any ambiguity that may be contained therein and that the contracts are complete in accordance with Regulation 9 (1) (a) of the PPDA (Contracts) Regulations, 2023; and
  - iii) Task the Contracts Committee, Heads of User Departments and Head Procurement and Disposal Unit to start procurement processes as planned so as to sign and implement contracts as planned.
  
2. The Head Procurement and Disposal Unit should:
  - i) Prepare solicitation documents that define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and
  - ii) Maintain procurement action files that are complete with all documents in accordance with Section 33 (o) of the PPDA Act, Cap. 205.
  
3. The Evaluation Committees:
  - i) Should not, during evaluation of bids, make any amendment including any addition to the evaluation criteria stated in the bidding documents, and should not use any other criteria other than the criteria specified in the bidding documents in accordance with Regulation 5 of the PPDA (Evaluation) Regulations, 2023; and
  - ii) Should adhere to the evaluation criteria stated in the bidding documents while conducting evaluations in accordance with Section 76 (3) of the PPDA Act, Cap. 205.
  
4. Contract Managers should:
  - i) Submit regular progress /contract management reports to the Procurement and Disposal Unit as required under Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023; and
  - ii) Strictly supervise contracted firms to fulfil all contractual obligations specified within the terms and conditions of the contract.

Oyam District Local Government should implement the recommended action plan on pages 55-56 of this report.

## **CHAPTER 1: INTRODUCTION**

### **1.1. Structure of the Entity**

According to Section 28 of the PPDA Act, Cap. 205, the Chief Administrative Officer has overall responsibility for the successful execution of procurement, disposal and contract management in Oyam District Local Government. The Chief Administrative Officer of Oyam District Local Government during the Financial Year under review was, Mr. Fredrick Herbert Kitutu. The Contracts Committee and composition of the procurement and disposal unit are detailed under Appendix D.

### **1.2. Background**

The Public Procurement and Disposal of Public Assets Authority undertook a compliance inspection of Oyam District Local Government that covered a sample of 10 procurement transactions under Financial Year 2023/24. The inspection involved a review of procurement structures, procurement and disposal processes, as well as contract performance following the provisions of the Public Procurement and Disposal of Assets Act, Cap. 205 and PPDA Regulations.

### **1.3. Objectives**

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

The specific objectives were to:

1. Establish the level of compliance by the entity with the general provisions of the PPDA Act, Cap. 205 and PPDA Regulations with regard to the performance of the procurement structures and conduct of procurement processes;
2. Assess the degree of compliance of the entity's disposal process with the provisions of the PPDA Act, Cap. 205 and PPDA Regulations;
3. Assess the level of efficiency and effectiveness in contract implementation including the application of the Environmental, Social, Health and Safety (ESHS) Requirements in the procurement process;
4. Assess the progress and performance of Micro-scale Irrigation Program in Oyam District Local Government; and
5. Assess the progress and performance of Road Rehabilitation Program under Force Account Mechanism.

### **1.4. Scope**

The inspection involved a review of the procurement process, disposal process, general compliance issues and contract implementation on sample basis. The inspection covered a sample of ten procurement transactions under Financial Year 2023/24. The list of sampled transactions is contained in **Appendix B**.

### **1.5. Methodology**

The team examined records and documents for each sampled procurement transaction and obtained relevant and sufficient evidence to derive the inspection conclusions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and management.

During the inspection, the team met with the staff from the Procurement and Disposal Unit, Contracts Committee, Internal Audit, and User Departments where necessary, to obtain crucial qualitative information about the internal control system and processes in place.

A debrief meeting to discuss preliminary findings that arose during the inspection was held with the entity management and staff on **21<sup>st</sup> February 2025** before the team could embark on preparation of the management letter. The management letter was sent to the Entity on **10<sup>th</sup> April 2025** with a requirement to submit a management response by **24<sup>th</sup> April 2025**, which was submitted on **9<sup>th</sup> May 2025**. The entity submitted additional documents on **15<sup>th</sup> May 2025**.

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

## CHAPTER 2: FINDINGS AND RECOMMENDATIONS

### 2.1. COMPLIANCE WITH THE GENERAL PROVISIONS OF THE PPDA ACT, CAP. 205 AND PPDA REGULATIONS WITH REGARD TO THE PERFORMANCE OF THE PROCUREMENT STRUCTURES AND CONDUCT OF THE PROCUREMENT PROCESSES

#### 2.1.1. Implementation of the procurement plan

The procurement reports submitted to the Authority for the Financial Year 2023/2024 indicated that the Entity procured 97% (by value) of the planned procurements creating a variance of UGX 101,735,355 as summarized in Table 1 below:

**Table 1: Procurement plan implementation rate**

Total procurement plan value inclusive VAT (UGX)	2,950,078,310
Total procurement spend value inclusive VAT (UGX)	2,848,342,955
Procurement plan implementation rate (%)	97%
Procurement plan implementation Variance (UGX)	101,735,355

#### **Implication**

Failure to execute all planned procurements denies service delivery to the intended beneficiaries.

#### **Management response**

*The variation was from the procurement of design, supply and installation of Micro scale irrigation system, that was plan at 234,000,000 and actual procurement was only 112,728,028(see attachment of the update procurement Plan)*

#### **Recommendation**

In the event that amendments are made to the departmental work plans, User Departments should in writing inform the Procurement and Disposal Unit to update the procurement plan, in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023.

#### 2.1.2. Failure to fully implement the Authority's recommendations

The Entity was issued with the compliance inspection report for Financial Year 2022/2023 in July 2024 and out of the 15 recommendations made, 3 (20%) were implemented and 12 (80%) were not implemented as indicated in Table 2 below:

**Table 2: Previous recommendations that were not implemented**

No.	Recommendation	Target Date	Implementation Status
1.	The Accounting Officer should implement all the Authority's recommendations in accordance with Regulation 3 (1) and (2) of the Public Procurement and Disposal of Public Assets Regulations, 2014. Where management finds challenges in implementation of any recommendation, this should be brought to the attention of the Authority.	October 2024	Not Implemented

No.	Recommendation	Target Date	Implementation Status
2.	The Accounting Officer should issue the notice of best evaluated bidder at the time it is displayed, to all bidders who participated in the procurement in accordance with Regulation 3 (4) of the PPDA (Contracts) Regulations, 2023	October 2024	Not Implemented
3.	The Accounting Officer should direct the Finance Department to always share copies of payment records with the Procurement and Disposal Unit in order for procurement action files to be closed off.	October 2024	Not Implemented
4.	The Accounting Officer should prevail over Contract Managers to ensure that reports on contract implementation are prepared and forwarded to the Procurement and Disposal Unit in accordance to Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023.	October 2024	Not Implemented
5.	The Accounting Officer should emphasize on training of contract managers on contract management procedures and preparation of reports to ensure that supplies, works and services are actually delivered in accordance with the technical specifications laid down in the contract.	October 2024	Not Implemented
6.	The Accounting Officer should dispose all obsolete assets of the District in the 1st Quarter of FY 2024/2025 in accordance with Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023.	October 2024	Not Implemented
7.	The Head Procurement and Disposal Unit should prepare solicitation documents that define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.	October 2024	Not Implemented
8.	The Head, Procurement and Disposal Unit should maintain all procurement records on their respective procurement action files in accordance with Section 31(o) and 41 of the PPDA Act, 2003.	October 2024	Not Implemented
9.	The Contracts Committee should scrutinize the statement of requirements, evaluation criteria and contract terms in the bidding documents to ensure that they are complete, appropriate, fair, minimize risk for the Entity, and maximize achievement of value for money before approval.	October 2024	Not Implemented

No.	Recommendation	Target Date	Implementation Status
10.	The Heads of User Departments should nominate Contract Managers for appointment by the Accounting Officer in accordance with Regulation 51 (1) of the PPDA (Contract) Regulations, 2023.	October 2024	Not Implemented
11.	Contract Managers should prepare contract implementation plans in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023 and also closely monitor the execution of contracts.	October 2024	Not Implemented
12.	The Evaluation Committees should adhere to the evaluation criteria stated in the bidding document while conducting evaluations in accordance with Section 71 (3) of the PPDA Act, 2003.	October 2024	Not Implemented

### **Implication**

Failure to fully implement the Authority's recommendations was a red flag for weak internal controls and affected the performance of the procurement and disposal function in the Entity.

### **Management Response**

*There was no management response in respect to the implementation of previous recommendations*

### **Recommendation**

The Accounting Officer should take corrective action and 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.

#### **2.1.3. Lack of adequate filing cabinets and shelves for storing procurement records**

The Authority found that the Procurement and Disposal Unit lacks filing cabinets and shelves to safely keep the procurement and disposal documents and records as required under Section 44 (1) of the PPDA Act, Cap. 205. There were several procurement and disposal records placed on the floor as shown in Table 3 below:

**Table 3: Lack of filing cabinets and shelves for storage**



*Procurement and disposal documents placed on the floor*

**Implication**

Failure to safely keep the procurement and disposal documents and records exposed them to the risk of disappearance or damage.

**Management Response**

*A budget has been appropriated for FY 2025/2026 to facilitate PDU with adequate furniture for PDU store and offices.*

**Recommendations**

1. The Accounting Officer should facilitate the Procurement and Disposal Unit with adequate filing cabinets and shelves for proper management of records in accordance with Section 44 (1) of the PPDA Act, Cap. 205.
2. The Entity should dispose of records on procurement and disposal proceedings that have been kept for over seven years in accordance with Section 44 (1) of the PPDA Act, Cap. 205.

**2.1.4. Failure by the Internal Auditor to audit the procurement function**

The Authority reviewed the Entity's Internal audit reports and found that the Internal Auditor did not audit procurement and disposal procedures in the financial year under review contrary to Regulation 28 of the Local Governments (PPDA) Regulations, 2006 and Regulation 27 of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

**Implication**

This denied the Accounting Officer and management the opportunity of timely correction of anomalies before severe outcomes.

**Management response**

*The entity noted the anomalies and we shall ensure the procurement process are audited by the internal audit department going forward*

**Recommendation**

The Internal Auditor should audit the procurement and disposal procedures in accordance with Regulation 27 of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

**2.1.5. Confirmation of availability of funds without delegation from the Accounting Officer**

The Authority found that on 27<sup>th</sup> July 2023, Ms. Chelangat Irene Kapswani confirmed availability of funds in six procurements worth UGX 869,363,817 without evidence of delegation from the Accounting Officer as was required under Regulation 65 (7) of the Local Governments (PPDA) Regulations, 2006. The details are indicated in Table 4 below:

**Table 4: Confirmation of availability of funds without delegation from the Accounting Officer**

No.	Subject of Procurement	Amount (UGX)
1.	Completion of renovation of OPD Block at Minakulu HC II	108,359,081
2.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000
3.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000
4.	Completion of maternity block at Agulurude Health Centre III,	113,644,620

No.	Subject of Procurement	Amount (UGX)
	Loro Sub County	
5.	Completion of maternity block at Ngai Health Centre III, Ngai Sub County	112,828,916
6.	Sitting, drilling and pump testing of four production well	155,925,200
<b>Total</b>		<b>869,363,817</b>

### **Implication**

The Entity was exposed to the risk of creation of domestic arrears occasioned by undertaking procurements for which there is no funding available and without the knowledge of the Accounting Officer.

### **Management response**

*The accounting officer was off for long leave and Mrs Chelengat Irene the Deputy CAO was delegated to take charge, unfortunately the Accounting Officer then (Mr Iriama Walter) has retired and Mrs Irene Chalengat Kapsawani has been transferred to another entity, thus made it difficult to trace the delegated function in writing.*

**Authority's comment:** The Entity's response has been noted; however, failure to trace evidence of delegation by the previous Accounting Officer to Ms. Chelangat Irene Kapsawani is an indication of poor record keeping at the Entity.

### **Recommendation**

The Accounting Officer or an authorized officer by the Accounting Officer should confirm availability of funds in accordance with Regulation 4 (3) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

### **2.1.6. Issuance of bidding documents with inappropriate requirements**

The Authority found irregularities in the bidding documents in six procurements worth UGX 913,200,817 contrary to Regulation 48 of the Local Governments (PPDA) Regulations, 2006 and Regulation 42 (a) and (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023. The details of the findings are in Table 5 below:

**Table 5: Procurements with irregularities in the bidding documents**

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	<p>• <b>Use of wrong bidding document;</b> The Entity used open domestic standard bidding document for works issued by PPDA in 2009 instead of using the open domestic standard bidding for works that was issued by PPDA in 2020. The new standard bidding document incorporated cross cutting issues such as Environment, Safety, Health and Social Safeguards.</p> <p><b>Management response</b> <i>This has been noted and improvement have been made in the ongoing FY 2024/2025</i></p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p><i>by downloading the current Standard Bidding Document form PPDA website.</i></p> <ul style="list-style-type: none"> <li>• <b>Irregular requirement on trading license;</b> ITB 14.1(h) of the bidding document required a valid copy of bidder's current trading license obtained from Oyam DLG. This criterion was restrictive to potential bidders who obtained their trading licenses from other districts.</li> </ul> <p><b><u>Management response</u></b> <i>It was done on the purpose of raising revenue for Oyam DLG and encouraging local content, but later it was realized and abolished.</i></p> <ul style="list-style-type: none"> <li>• <b>Inadequate evaluation criteria on tax clearance certificate;</b> The bidding document required a copy of current bidder's income tax clearance certificate addressed to the Entity however the period of validity of the TCC was not stated.</li> </ul> <p><b><u>Management response</u></b> <i>This was noted and considered in the current bidding document where the period of validity of the TCC was stated clearly in the document.</i></p> <ul style="list-style-type: none"> <li>• <b>Inadequate evaluation criteria on audited books of accounts;</b> The bidding document required audited books of accounts for the last three years however the required years were not stated.</li> </ul> <p><b><u>Management response</u></b> <i>In the current procurements, the years were stated clearly for required audited books.</i></p> <ul style="list-style-type: none"> <li>• <b>Inadequate evaluation criteria on bank statement;</b> The bidding document required a bank statement for the last six months the required months were not stated.</li> </ul>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p><b><u>Management response</u></b> <i>There was no management response.</i></p> <p>• <b>Failure to state the exact date of bid validity;</b> ITB 17.1 of the bidding document stated that the bid validity period shall be 120 working days instead of stating the exact date of bid validity.</p> <p><b><u>Management response</u></b> <i>The exact date of bid validity is included in the bidding document for FY 2024/2025.</i></p> <p>• <b>Irregular approval of bidding documents;</b> The Contracts Committee minutes dated 28<sup>th</sup> July 2023 indicated that bidding documents for projects under Open Domestic Bidding were approved however the respective works procurements were not indicated in the Contracts Committee minutes. The team could not therefore ascertain that the bidding document for this procurement was approved by Contracts Committee.</p> <p><b><u>Management response</u></b> <i>The entity noted the anomalies and has advised the current secretary to Contracts Committee to always include full details of the projects approved and this is being done</i></p>
2.	Completion of renovation of OPD Block at Minakulu HC II	108,359,081	<p>• <b>Use of wrong bidding document;</b> The Entity used open domestic standard bidding document for works issued by PPDA in 2009 instead of using the open domestic standard bidding for works that was issued by PPDA in 2020. The new standard bidding document incorporated cross cutting issues such as Environment, Safety, Health and Social Safeguards.</p> <p><b><u>Management response</u></b> <i>This has been noted and improvement have been made in the ongoing FY 2024/2025 by downloading the current Standard Bidding Document form PPDA website.</i></p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p>• <b>Irregular requirement on trading license;</b> ITB 14.1(h) of the bidding document required a valid copy of bidder's current trading license obtained from Oyam DLG. This criterion was restrictive to potential bidders who obtained their trading licenses from other districts.</p> <p><b><u>Management response</u></b>  <i>It was done on the purpose of raising revenue for Oyam DLG and encouraging local content, but later it was realized and abolished.</i></p> <p>• <b>Inadequate evaluation criteria on tax clearance certificate;</b> The bidding document required a copy of current bidder's income tax clearance certificate addressed to the Entity however the period of validity of the TCC was not stated.</p> <p><b><u>Management response</u></b>  <i>This was noted and considered in the current bidding document where the period of validity of the TCC was stated clearly in the document.</i></p> <p>• <b>Inadequate evaluation criteria on audited books of accounts;</b> The bidding document required audited books of accounts for the last three years however the required years were not stated.</p> <p><b><u>Management response</u></b>  <i>In the current procurements, the years were stated clearly for required audited books.</i></p> <p>• <b>Inadequate evaluation criteria on bank statement;</b> The bidding document required a bank statement for the last six months the required months were not stated.</p> <p><b><u>Management response</u></b>  <i>There was no management response.</i></p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p>• <b>Failure to state the exact date of bid validity;</b> ITB 17.1 of the bidding document stated that the bid validity period shall be 120 working days instead of stating the exact date of bid validity.</p> <p><b>Management response</b>  <i>The exact date of bid validity is included in the bidding document for FY 2024/2025.</i></p> <p>• <b>Irregular approval of bidding documents;</b> The Contracts Committee minutes dated 28<sup>th</sup> July 2023 indicated that bidding documents for projects under Open Domestic Bidding were approved however the respective works procurements were not indicated in the Contracts Committee minutes. The team could not therefore ascertain that the bidding document for this procurement was approved by Contracts Committee.</p> <p><b>Management response</b>  <i>The entity noted the anomalies and has advised the current secretary to Contracts Committee to always include full details of the projects approved and this is being done</i></p>
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	<p>• <b>Use of wrong bidding document;</b> The Entity used open domestic standard bidding document for works issued by PPDA in 2009 instead of using the open domestic standard bidding for works that was issued by PPDA in 2020. The new standard bidding document incorporated cross cutting issues such as Environment, Safety, Health and Social Safeguards.</p> <p><b>Management response</b>  <i>This has been noted and improvement have been made in the ongoing FY 2024/2025 by downloading the current Standard Bidding Document form PPDA website.</i></p> <p>• <b>Inadequate evaluation criteria on trading license;</b> The bidding document required a certified copy of the bidder's current trading license however the period</p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p>of validity of the trading license was not stated.</p> <p><b><u>Management response</u></b>  <i>It was done on the purpose of raising revenue for Oyam DLG and encouraging local content, but later it was realized and abolished.</i></p> <p><b>Authority's comment:</b> The Entity's response is noted; however, it does not address the query.</p> <p>• <b>Inadequate evaluation criteria on tax clearance certificate;</b> The bidding document required a copy of current bidder's income tax clearance certificate addressed to the Entity however the period of validity of the TCC was not stated.</p> <p><b><u>Management response</u></b>  <i>This was noted and considered in the current bidding document where the period of validity of the TCC was stated clearly in the document.</i></p> <p>• <b>Inadequate evaluation criteria on audited books of accounts;</b> The bidding document required audited books of accounts for the last two years however the required years were not stated</p> <p><b><u>Management response</u></b>  <i>In the current procurements, the years were stated clearly for required audited books.</i></p> <p>• <b>Restrictive evaluation criteria;</b> The bidding document required an average annual volume of construction works over the past 3years of at least UGX 700,000,000 however the estimated cost of the procurement was UGX 240,000,000.</p> <p><b><u>Management response</u></b>  <i>There was no management response.</i></p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p>• <b>Inadequate evaluation criteria on bank statement;</b> The bidding document required a bank statement for the last six months however the required months were not stated.</p> <p><b><u>Management response</u></b> <i>There was no management response.</i></p> <p>• <b>Failure to provide for Environmental and Social performance security in the bidding document;</b> The Entity did not provide for the requirement of Environmental and Social performance security in the bidding document.</p> <p><b><u>Management response</u></b> <i>The Entity noted anomalies and this is being executed in the ongoing project.</i></p> <p>• <b>Failure to state the exact date of bid validity;</b> ITB 17.1 of the bidding document stated that the bid validity period shall be 120 working days instead of stating the exact date of bid validity.</p> <p><b><u>Management response</u></b> <i>The exact date of bid validity is included in the bidding document for FY 2024/2025.</i></p> <p>• <b>Irregular approval of bidding documents;</b> The Contracts Committee minutes dated 28<sup>th</sup> July 2023 indicated that bidding documents for projects under Open Domestic Bidding were approved however the respective works procurements were not indicated in the Contracts Committee minutes. The team could not therefore ascertain that the bidding document for this procurement was approved by Contracts Committee</p> <p><b><u>Management response</u></b> <i>The entity noted the anomalies and has advised the current secretary to Contracts Committee to always include full details</i></p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<i>of the projects approved and this is being done</i>
4.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000	<p>• <b>Use of wrong bidding document;</b> The Entity used open domestic standard bidding document for works issued by PPDA in 2009 instead of using the open domestic standard bidding for works that was issued by PPDA in 2020. The new standard bidding document incorporated cross cutting issues such as Environment, Safety, Health and Social Safeguards</p> <p><b><u>Management response</u></b> <i>This has been noted and improvement have been made in the ongoing FY 2024/2025 by downloading the current Standard Bidding Document form PPDA website.</i></p> <p>• <b>Inadequate evaluation criteria on trading license;</b> The bidding document required a certified copy of the bidder's current trading license however the period of validity of the trading license was not stated.</p> <p><b><u>Management response</u></b> <i>It was done on the purpose of raising revenue for Oyam DLG and encouraging local content, but later it was realized and abolished.</i></p> <p><b>Authority's comment:</b> The Entity's response is noted; however, it does not address the query.</p> <p>• <b>Inadequate evaluation criteria on tax clearance certificate;</b> The bidding document required a copy of current bidder's income tax clearance certificate addressed to the Entity however the period of validity of the TCC was not stated.</p> <p><b><u>Management response</u></b> <i>This was noted and considered in the current bidding document where the period of validity of the TCC was stated</i></p>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p><i>clearly in the document.</i></p> <ul style="list-style-type: none"> <li>• <b>Inadequate evaluation criteria on audited books of accounts;</b> The bidding document required audited books of accounts for the last two years however the required years were not stated</li> </ul> <p><b><u>Management response</u></b> <i>In the current procurements, the years were stated clearly for required audited books.</i></p> <ul style="list-style-type: none"> <li>• <b>Restrictive evaluation criteria;</b> The bidding document required an average annual volume of construction works over the past 3years of at least UGX 500,000,000 however the estimated cost of the procurement was UGX 142,500,000.</li> </ul> <p><b><u>Management response</u></b> <i>There was no management response.</i></p> <ul style="list-style-type: none"> <li>• <b>Inadequate evaluation criteria on bank statement;</b> The bidding document required a bank statement for the last six months however the required months were not stated</li> </ul> <p><b><u>Management response</u></b> <i>There was no management response.</i></p> <ul style="list-style-type: none"> <li>• <b>Failure to provide for Environmental and Social performance security in the bidding document;</b> The Entity did not provide for the requirement of Environmental and Social performance security in the bidding document</li> </ul> <p><b><u>Management response</u></b> <i>There was no management response.</i></p> <ul style="list-style-type: none"> <li>• <b>Irregular approval of bidding documents;</b> The Contracts Committee minutes dated 28<sup>th</sup> July 2023 indicated that bidding documents for projects under Open Domestic Bidding were approved however the respective works</li> </ul>

No.	Subject of Procurement	Contract Value (UGX)	Irregularities found
			<p>procurements were not indicated in the Contracts Committee minutes. The team could not therefore ascertain that the bidding document for this procurement was approved by Contracts Committee</p> <p><b><u>Management response</u></b>  <i>The entity noted the anomalies and has advised the current secretary to Contracts Committee to always include full details of the projects approved and this is being done</i></p>
5.	Completion of maternity block at AGulurude Health Centre III, Loro Sub County	113,644,620	<p><b>Use of wrong bidding document;</b> The Entity used open domestic standard bidding document for works issued by PPDA in 2009 instead of using the open domestic standard bidding for works that was issued by PPDA in 2020. The new standard bidding document incorporated cross cutting issues such as Environment, Safety, Health and Social Safeguards</p> <p><b><u>Management response</u></b>  <i>This has been noted and improvement have been made in the ongoing FY 2024/2025 by downloading the current Standard Bidding Document form PPDA website.</i></p>
6.	Completion of maternity block at Ngai Health Centre III, Ngai Sub County	112,828,916	<p><b><u>Management response</u></b>  <i>This has been noted and improvement have been made in the ongoing FY 2024/2025 by downloading the current Standard Bidding Document form PPDA website.</i></p>
<b>Total</b>		<b>913,200,817</b>	

### Implications

- Failure to clearly state key requirements in the bidding documents increased the risk of bidders submitting unresponsive bids.
- Setting inappropriate criteria exposed the Entity to the risk of inappropriate evaluation of bids, hence awarding contracts to ineligible and non-responsive bidders.

### Recommendations

1. The Head Procurement and Disposal Unit should:
  - a) Prepare solicitation documents that define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023;
  - b) State in the bidding the document the date up to which a bid should be valid in accordance with Regulation 62 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and
  - c) Set evaluation criteria that is appropriate and suits the objectives of the procurement in accordance with Regulation 42 (b) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

- The Contracts Committee should quality assure all bidding documents to assess completeness and accuracy of the bidding requirements with emphasis on the section for statement of requirements.

### 2.1.7. Low bidder participation

Out of the 10 sampled procurement transactions, the Authority found low bidder participation in four procurement transactions worth UGX 534,594,817. The Entity either had a sole bidder or two (2) bidders participating in the procurement process. The details of the procurements are in Table 6 below:

**Table 6: Procurements with low bidder participation**

No.	Subject of procurement	Procurement Method	Contract Value (UGX)	Number of bids received
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	Open Domestic Bidding	199,762,200	2
2.	Completion of renovation of OPD Block at Minakulu HC II	Open Domestic Bidding	108,359,081	1
3.	Completion of maternity block at AGulurude Health Centre III, Loro Sub County	Open Domestic Bidding	113,644,620	1
4.	Completion of maternity block at Ngai Health Centre III, Ngai Sub County	Open Domestic Bidding	112,828,916	1
<b>Average/Total</b>			<b>534,594,817</b>	

#### **Implication**

This deprived the Entity of the opportunity of receiving competitive prices and quality competitive bids and was a red flag for potential mistrust in the procurement function of the district.

#### **Management Response**

*The entity advertised on the national newspapers open to all the bidders where the entity does not have control over attracting more bidders.*

**Authority's comment:** The Entity's response is noted; however, the Entity is advised to investigate and address causes of low bidder participation i.e., issuance of bidding documents with inappropriate requirements to bidders, unfair evaluation processes etc.

#### **Recommendations**

- The Accounting Officer should investigate and address the causes of low bidder participation in the Entity.
- The head, procurement and disposal unit should develop shortlists that have sufficient providers that are expected to participate and meet the eligibility requirements of the Entity and have them approved by the Contracts Committee in accordance with Regulation 20 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

### 2.1.8. Irregularities during evaluation

The Authority found irregularities during evaluation of bids of five procurements worth UGX 768,827,281. This was attributed to poorly drafted bidding documents and low competences and capacities within the evaluation committees as detailed in Table 7 below:

**Table 7: Procurements with irregularities during evaluation of bids**

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	<ul style="list-style-type: none"> <li>• <b>Irregular change of evaluation criteria by the Evaluation Committee.</b> Bygon Enterprises Limited stated in their bid submission sheet that their bid shall be valid for 180 days however the bidding document stated a bid validity of 180 working days.</li> </ul> <p><b>Management Response</b> <i>The discrepancy between 180 days and 180 workings day were considered immaterial by the evaluation committee looking at competencies of the both bidders to take the works at hand and further considering the technical continuity and uniformity of the works being taken in phases.</i></p> <p><b>Authority's comment:</b> The Authority found the Entity's response unsatisfactory and the Entity is advised to evaluate all bids based on the evaluation criteria stated in the bidding document.</p> <ul style="list-style-type: none"> <li>• A bid security worth UGX 2,000,000 was required however the BEB's copy was not in the file to show that it was submitted</li> </ul> <p><b>Management Response</b> <i>There was no management response.</i></p> <ul style="list-style-type: none"> <li>• The Evaluation Committee members did not sign the ethical code of conduct.</li> </ul> <p><b>Management Response</b> <i>There was no management response.</i></p>
2.	Completion of renovation of	108,359,081	<ul style="list-style-type: none"> <li>• <b>Change of evaluation criteria.</b></li> </ul>

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
	OPD Block at Minakulu HC II		<p>➤ The bidding document required a copy of bidders' income tax clearance certificate addressed to the Entity however at the evaluation the criteria was changed by the Evaluation Committee to current original or certified income tax clearance certificate</p> <p>➤ The bidding document required a copy of bidders trading license obtained from Oyam DLG however at the evaluation the criteria was changed by the Evaluation Committee to valid trading license (2023/2024)</p> <p><b><u>Management Response</u></b>  <i>The discrepancy was immaterial and further to avoid failing bidders unfairly yet fundamentally the company cleared the tax and trading licence</i></p> <p><b>Authority's comment:</b> The Authority found the Entity's response unsatisfactory and the Entity is advised to evaluate all bids based on the evaluation criteria stated in the bidding document.</p> <ul style="list-style-type: none"> <li>• <b>Failure to evaluate all criteria under equipment.</b> The bidding document required a Power Float Machine however the Evaluation Committee did not evaluate the criteria</li> </ul> <p><b><u>Management Response</u></b>  <i>The bidding Document indicated power Float which basically would be used for screeding the floor but the scope was meant for terrazzo finishes making power float ineligible criteria</i></p> <p><b>Authority's comment:</b> The Evaluation Committee should state and provide reasons for waiving evaluation criteria in the evaluation report.</p> <ul style="list-style-type: none"> <li>• <b>Failure to evaluate all criteria under personnel.</b> The bidding document required Equipment Operators however the Evaluation Committee did not</li> </ul>

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
			<p>evaluate the criteria</p> <p><b><u>Management Response</u></b>  <i>The bidding Document indicated Equipment operator in error making it ineligible under this particular project, equipment operators apply in road works majorly.</i></p> <p><b>Authority's comment:</b> The Evaluation Committee should state and provide reasons for waiving evaluation criteria in the evaluation report.</p> <ul style="list-style-type: none"> <li>• GCC 52.1 of the Special Conditions of the bidding document provided that a Performance Security of 10% of the contract sum shall be required however the best evaluated bidder ILEE Traders Company Ltd in their Bid Submission Sheet stated that a Performance Security shall not be applicable</li> </ul> <p><b><u>Management Response</u></b>  <i>The evaluate committee collectively waved off since M/s Ilee Traders Company Limited was a sole bidder, and given the time frame which would not favour advertisement and also for the purpose of technical continuity and uniformity since she had performed well in the first Phase.</i></p> <ul style="list-style-type: none"> <li>• The Evaluation Committee members did not sign the ethical code of conduct.</li> </ul> <p><b><u>Management Response</u></b>  <i>There was no management response.</i></p>
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	<ul style="list-style-type: none"> <li>• <b>Change of evaluation criteria.</b> <ul style="list-style-type: none"> <li>➤ The bidding document required a certified copy of bidders trading license however at the evaluation the criteria was changed by the Evaluation Committee to valid trading license (2022/2023).</li> <li>➤ The bidding document required a copy of bidders' valid income tax clearance certificate however at the evaluation the criteria was changed by</li> </ul> </li> </ul>

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
			<p>the Evaluation Committee to current original or certified income tax clearance certificate.</p> <p><b><u>Management Response</u></b>  <i>The Evaluation Committee noted this anomaly and realized it was an error that's why it was corrected to valid trading license (2022/2023)</i></p> <ul style="list-style-type: none"> <li>• <b>Failure to evaluate the criteria of site visit certificate.</b> The bidding document required a copy of the site visit certificate issued by District Engineer however the Evaluation Committee did not evaluate the criteria.</li> </ul> <p><b><u>Management Response</u></b>  <i>Borehole drillings relies on sitting meaning the specific site will be determine at the time site visit making ineligible criteria in this particular case.</i></p> <p><b>Authority's comment:</b> The Evaluation Committee should state and provide reasons for waiving evaluation criteria in the evaluation report.</p> <ul style="list-style-type: none"> <li>• <b>Failure to evaluate all criteria under financial.</b> The bidding document required an average annual volume of construction/water works over the past 3years of at least UGX 700,000.000 however the Evaluation Committee did not evaluate the criteria.</li> </ul> <p><b><u>Management Response</u></b>  <i>There was no management response</i></p> <ul style="list-style-type: none"> <li>• GCC 52.1 of the Special Conditions of the bidding document provided that a Performance Security of 10% of the contract sum shall be required however the best evaluated bidder Sunrise Water Drilling Company Ltd in their Bid Submission Sheet stated that the Performance Security shall not be applicable.</li> </ul>

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
			<p><b><u>Management Response</u></b>  <i>There was no management response</i></p>
4.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000	<ul style="list-style-type: none"> <li>• <b>Change of evaluation criteria.</b> <ul style="list-style-type: none"> <li>➤ The bidding document required a certified copy of bidders trading license however at the evaluation the criteria was changed by the Evaluation Committee to valid trading license (2022/2023).</li> <li>➤ The bidding document required a copy of bidders' valid income tax clearance certificate however at the evaluation the criteria was changed by the Evaluation Committee to current original or certified income tax clearance certificate.</li> </ul> </li> </ul> <p><b><u>Management Response</u></b>  <i>This could have been typing error in the evaluation report but they meant valid trading licenses</i></p> <ul style="list-style-type: none"> <li>• <b>Inappropriate evaluation report.</b> The evaluation report stated that the best evaluated bidder for the procurement of construction of classroom block at Ariba Primary School was Megum Technical Services Ltd however the procurement was for construction of classroom block with an office and store with Terrazo finishes at Loro Primary School.</li> </ul> <p><b><u>Management Response</u></b>  <i>This was copy and paste typing error from the evaluation committee.</i></p> <ul style="list-style-type: none"> <li>• The Evaluation Committee members signed the evaluation report however they did not indicate the date of signing.</li> </ul> <p><b><u>Management Response</u></b></p>

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
			<p><i>This could have been an oversight though other reports were signed including the date, that was 4<sup>th</sup> October 2023</i></p> <ul style="list-style-type: none"> <li>• The Evaluation Committee members did not sign the ethical code of conduct.</li> </ul> <p><b><u>Management Response</u></b> <i>The committee admits an oversight in this area.</i></p> <ul style="list-style-type: none"> <li>• <b>Irregular evaluation.</b> The bidding document required an average annual volume of construction over the past 3 years of at least UGX 500,000,000 however Megum Technical Services Ltd was scored compliant to the criteria yet their average annual volume of construction over the past 3 years was UGX 183,993,983.</li> </ul> <p><b><u>Management Response</u></b> The committee admits that it was an error because the turnover was added but not divided by three, however the project did not require that much annual turnover of 500,000,000 for project of 140,000,000 only.</p> <ul style="list-style-type: none"> <li>• <b>Unfair evaluation.</b> The bidding document required an average annual volume of construction over the past 3 years of at least UGX 500,000,000. The Authority found that Dream Savers Uganda SMC Ltd was eliminated for having an average annual volume of construction over the past 3 years of UGX 233,665,907 and Tebex Superior Services was eliminated for having an average annual volume of construction over the past 3 years of UGX 409,892,425. However, Megum Technical Services Ltd which had an average annual volume of construction over the past 3 years of UGX 183,993,983 was scored compliant</li> </ul> <p><b><u>Management Response</u></b></p>

No.	Subject of procurement	Contract value (UGX)	Irregularities during evaluation
			<p>The elimination was based on the error above</p> <p><b>Authority's comment:</b> The Authority found the Entity's response unsatisfactory given that Megum Technical Services Ltd should have been eliminated as well, or the criteria should have been uniformly waived for all the bidders.</p> <p><b>Details of the Evaluation Committee members that conducted the evaluation of bids:</b></p> <ul style="list-style-type: none"> <li>➤ Eng. Okite George the District Engineer</li> <li>➤ Olila Denis Bonny the Senior Assistant Accountant</li> <li>➤ Agaro Caroline the ADHO-EH</li> </ul>
5.	Supply of 280 school desks to Amati, Loro, Ototong and Ogara Primary School	82,100,000	<p>• <b>Failure to participate in the evaluation of bids.</b> Whereas the Contracts Committee approved Mr. Okullu Bosco as a member of the Evaluation Committee, he did not sign on the evaluation report without any justification.</p> <p><b>Management Response</b> Mr Okullu Bosco was a co-opted member from the consultant company.</p> <p><b>Authority's comment:</b> The Authority found the Entity's response unsatisfactory given that the Contracts Committee did not approve Mr. Okullu Bosco to evaluate the bids. The Entity did not provide details of which consultancy company they used for the supply of 280 school desks.</p>
<b>Total</b>		<b>768,827,281</b>	

### Implications

- Unfair evaluation discourages bidders from participating in the entity's future procurement processes and ultimately leads to low bidder participation which undermines competition.
- Unfair evaluation further raises a red flag for collusion and intentional malpractice during evaluation of bids.

### **Recommendations**

1. The Accounting Officer should task the following members of the Evaluation Committee to show cause as to why disciplinary action should not be taken against them for evaluating the bid of Megum Technical Services Ltd as compliant to the requirement of an average annual volume of construction over the past 3 years of at least UGX 500,000,000 yet the company provided an average annual volume of construction over the past 3 years of UGX 183,993,983:
  - i) Eng. Okite George the District Engineer;
  - ii) Olila Denis Bonny the Senior Assistant Accountant; and
  - iii) Agaro Caroline the ADHO-EH.
  
2. The Evaluation Committees should:
  - i) Not, during evaluation of bids, make any amendment including any addition to the evaluation criteria stated in the bidding documents, and should not use any other criteria other than the criteria specified in the bidding documents in accordance with Regulation 5 of the PPDA (Evaluation) Regulations, 2023.
  - ii) Adhere to the evaluation criteria stated in the bidding documents while conducting evaluations in accordance with Section 76 (3) of the PPDA Act, Cap. 205.

### 2.1.9. Anomalies at the contracting stage

The Authority found anomalies at the contracting stage in six procurements worth UGX 913,200,817. The details of the findings are in Table 8 below:

**Table 8: Anomalies at contracting**

No	Subject of procurement	Contract Value (UGX)	Finding
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	<ul style="list-style-type: none"> <li>• <b>Contradicting contract completion date in the signed contract.</b> Page 2 of the contract stated that the contract duration shall be for four months from 30<sup>th</sup> October 2023 to 1<sup>st</sup> March 2024 however GCC 22.1 of the Special Conditions stated that the intended completion period for the whole of the works shall be 6 calendar months from the date of site possession. The contract was signed on 24<sup>th</sup> October 2023.</li> </ul> <p><b><u>Management Response</u></b> <i>The entity noted this going forward.</i></p> <ul style="list-style-type: none"> <li>• The Notice of Best Evaluated Bidder was not sent to the bidders that participated</li> </ul> <p><b><u>Management Response</u></b> <i>The entity has been displaying only on the public notice board but going forward will ensure notifications are sent to the participating bidders.</i></p> <ul style="list-style-type: none"> <li>• Failure to provide for the requirement of an ES Performance Security in the contract</li> </ul> <p><b><u>Management Response</u></b> <i>This oversight has been noted for improvement</i></p>
2.	Completion of renovation of OPD Block at Minakulu HC II	108,359,081	<ul style="list-style-type: none"> <li>• The Notice of Best Evaluated Bidder was not sent to the bidders that participated</li> </ul> <p><b><u>Management Response</u></b> <i>The entity has been displaying only on the public notice board but going forward will ensure notifications are sent to the participating bidders.</i></p> <ul style="list-style-type: none"> <li>• Display of the Notice of Best Evaluated Bidder without indicating a contract price.</li> </ul>

No	Subject of procurement	Contract Value (UGX)	Finding
			<p>The Notice of Best Evaluated Bidder that was signed by the Accounting Officer did not have the contract price.</p> <p><b><u>Management Response</u></b>  <i>This particular procurement was recommended for negotiation because they have quoted higher and also a sole bidder.</i></p> <p><b>Authority's comment:</b> The Authority found the Entity's response unsatisfactory and advises the Accounting Officer to display the Notice of Best Evaluated Bidder only after negotiations have been completed and contract price agreed.</p> <ul style="list-style-type: none"> <li>• <b>Failure to participate as a member of the Negotiation Committee.</b> On 17<sup>th</sup> October 2023, the Accounting Officer appointed Mr. Aremo Fred as a member of the Negotiation Committee however he did not sign the negotiation report neither did he sign the record of attendance.</li> </ul> <p><b><u>Management Response</u></b>  <i>The negotiation was conducted and many copies of report were made so other members skip to sign all the copies</i></p> <ul style="list-style-type: none"> <li>• <b>Delay by the Contracts Committee to approve the negotiation report.</b> The Negotiation Committee completed the negotiation on 20<sup>th</sup> October 2023 however the Contracts Committee approved the negotiation report on 20<sup>th</sup> November 2023.</li> </ul> <p><b><u>Management Response</u></b>  <i>This oversight has been noted for improvement</i></p> <ul style="list-style-type: none"> <li>• Failure to provide for the requirement of an ES Performance Security in the contract.</li> </ul> <p><b><u>Management Response</u></b>  <i>This oversight has been noted for improvement</i></p>

No	Subject of procurement	Contract Value (UGX)	Finding
			<p>• <b>Contradicting contract completion date in the signed contract.</b> Page 2 of the contract stated that the contract duration shall be for four months from 30<sup>th</sup> October 2023 to 1<sup>st</sup> March 2024 however GCC 22.1 of the Special Conditions stated that the intended completion period for the whole of the works shall be 6 calendar months from the date of site possession. The contract was signed on 24<sup>th</sup> October 2023.</p> <p><b><u>Management Response</u></b> <i>This oversight has been noted for improvement</i></p>
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	<p>• <b>Delay by the Solicitor General to clear the contract.</b> The Contracts Committee awarded the contract on 5<sup>th</sup> October 2023 and the Entity submitted the contract for clearance on 23<sup>rd</sup> October 2023 however, the Solicitor General cleared the contract on 5<sup>th</sup> December 2023.</p> <p><b><u>Management Response</u></b> <i>This is beyond the entity.</i></p> <p>• <b>Failure to incorporate the Solicitor General's (SG) comments in the Special Conditions of Contract as indicated below:</b></p> <p>(i) The SG stated that SCC (GCC 1.1 bb) should clearly state the location of the sites however SCC (GCC 1.1 bb) of the contract was not amended as instructed. It only stated the site is located as defined in drawings Nos: .....</p> <p>(ii) The SG stated that SCC (GCC 1.1 ee) should reflect the start date as the date indicated on the commencement letter however SCC (GCC 1.1 ee) of the contract was not amended as instructed. It only stated that the start date shall be three days after signing the contract,</p> <p>(iii) The SG stated that SCC (GCC 21.1) should indicate that the site possession date shall be communicated in the</p>

No	Subject of procurement	Contract Value (UGX)	Finding
			<p>commencement letter however SCC (GCC 21.1) of the contract was not amended as instructed. It only stated that the site possession date shall be on signing the contract</p> <p><b><u>Management Response</u></b>  <i>The solicitor general's clearance attached form part of the contract.</i></p> <p><b>Authority's comment:</b> The Entity is referred to the Solicitor General's letter dated 5<sup>th</sup> December 2023 that highlighted comments for the Entity to incorporate in the Special Conditions of Contract.</p> <ul style="list-style-type: none"> <li>• The Notice of Best Evaluated Bidder was not sent to the bidders that participated.</li> </ul> <p><b><u>Management Response</u></b>  There was no management response</p> <ul style="list-style-type: none"> <li>• <b>Failure to state the amount to be withheld for late submission of program updates in the contract.</b> GCC 27.3 of the Special Conditions of Contract provided that the period between program updates was 14 days and the amount to be withheld for late submission of an updated program was Not Applicable</li> </ul> <p><b><u>Management Response</u></b>  <i>The entity noted the anomalies and will always include in the Bidding Document.</i></p> <ul style="list-style-type: none"> <li>• Failure to provide for the requirement an ES Performance Security in the contract</li> </ul> <p><b><u>Management Response</u></b>  There was no management response</p>
4.	Construction of two classroom block with an office and store	139,600,000	<ul style="list-style-type: none"> <li>• The Notice of Best Evaluated Bidder was not sent to the bidders that participated</li> </ul> <p><b><u>Management Response</u></b></p>

No	Subject of procurement	Contract Value (UGX)	Finding
	with Terrazo finishes at Loro Primary School		<p>There was no management response</p> <ul style="list-style-type: none"> <li>• <b>Failure to state the amount to be withheld for late submission of program updates in the contract.</b> GCC 27.3 of the Special Conditions of Contract stated that the period between program updates is 7 days and the amount to be withheld for late submission of an updated program is Not Applicable</li> </ul> <p><b><u>Management Response</u></b> <i>The entity noted the anomalies and will always include in the Bidding Document.</i></p> <ul style="list-style-type: none"> <li>• <b>Irregular change of the contract duration.</b> The bidding document stated that the intended completion date for the whole of the works shall be 3 months however the contract agreement stated that the contract duration shall be 4 months from 30<sup>th</sup> October 2023 to 1<sup>st</sup> March 2024</li> </ul> <p><b><u>Management Response</u></b> <i>This oversight has been noted for improvement</i></p>
5.	Completion of maternity block at AGulurude Health Centre III, Loro Sub County	113,644,620	<p><b>Irregular change of the contract duration.</b> The bidding document stated that the intended completion date for the whole of the works shall be 3 months however the contract agreement stated that the contract duration shall be 4 months from 30<sup>th</sup> October 2023 to 1<sup>st</sup> March 2024.</p> <p><b><u>Management Response</u></b> <i>This oversight has been noted for improvement</i></p>
6.	Completion of maternity block at Ngai Health Centre III, Ngai Sub County	112,828,916	<p><b>Irregular change of the contract duration.</b> The bidding document stated that the intended completion date for the whole of the works shall be 3 months however the contract agreement stated that the contract duration shall be 4 months from 30<sup>th</sup> October 2023 to 1<sup>st</sup> March 2024.</p> <p><b><u>Management Response</u></b> <i>This oversight has been noted for improvement</i></p>
<b>Total</b>		<b>913,200,817</b>	

### Implications

- Irregularities in the signed contracts exposed the entity to the risk of contract disputes between the entity and the contractors.
- Failure to send notices of best evaluated bidder denied aggrieved bidders the right to appeal the contract award decision and therefore undermined the principle of transparency.

- Delay by the entity to sign contracts after completion of evaluation process delayed service delivery to the intended beneficiaries hence affecting performance of the Government of Uganda.

### Recommendations

1. The Accounting Officer should:
  - i. Only sign contract documents after satisfying himself on removal or correction of any ambiguity that may be contained therein and that the contracts are complete.
  - ii. Send/deliver the notice of best evaluated bidder at the time it is displayed, to all bidders who participated in the procurement in accordance with Regulation 3 (4) of the PPDA (Contracts) Regulations, 2023.
  - iii. Task the Head Procurement and Disposal Unit to incorporate all comments made by the Solicitor General in future contracts.
2. The Authority shall engage the Office of the Solicitor General to come up with mechanisms that can improve efficiency in clearing contract documents that are submitted by Entities.

#### 2.1.10. Delay in signing contracts as per the planned contract signing dates

In the following four procurements worth UGX 686,727,281, the Authority found significant delays (variances) between the planned contract signing dates in the procurement plan and the actual dates of contract signature. The details are indicated in Table 9 below:

**Table 9: Delays to sign contracts as per the planned contract signing dates**

No	Subject of procurement	Contract value (UGX)	Date of Contract Signature in procurement plan	Actual date of contract signature	Delay in working days
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	14 <sup>th</sup> September 2023	24 <sup>th</sup> October 2023	28
2.	Completion of renovation of OPD Block at Minakulu HC II	108,359,081	14 <sup>th</sup> September 2023	24 <sup>th</sup> October 2023	28
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	14 <sup>th</sup> September 2023	29 <sup>th</sup> November 2023	54
4.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000	14 <sup>th</sup> September 2023	24 <sup>th</sup> October 2023	28
<b>Total</b>		<b>686,727,281</b>			

### **Implication**

Delays during the procurement process led to delayed service delivery to the targeted beneficiaries and further contributed to haphazard contract execution towards the end of the financial year.

### **Management response**

*Delays comes from clearance from solicitor's office in case of contracts above 200m and other stakeholders within the procurement process for example, user departments, contracts committee among others.*

### **Recommendation**

The Accounting Officer should put in place measures such as; initiation of procurement requirements as per the planned initiation dates, timely approval of the requisitions and timely evaluation of bids in order to minimize delays in procurement processes.

#### **2.1.11. Incomplete procurement files**

Eight procurement action files worth UGX 1,151,226,017 lacked records relating to the procurements contrary to Section 31 (o) of the PPDA Act, 2003. The missing records are indicated in Table 10 below:

**Table 10: Procurements with incomplete files**

<b>No</b>	<b>Subject of Procurement</b>	<b>Contract Value (UGX)</b>	<b>Missing record</b>
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	<ul style="list-style-type: none"><li>• Contract implementation plan</li><li>• Monthly progress reports</li><li>• Contract completion report</li><li>• Contract completion certificate</li></ul> <p><b><u>Management response</u></b> <i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
2.	Completion of renovation of OPD Block at Minakulu HC II	108,359,081	<ul style="list-style-type: none"><li>• Contract implementation plan</li><li>• Monthly progress reports</li><li>• Contract completion report</li><li>• Contract completion certificate</li></ul> <p><b><u>Management response</u></b> <i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p>

No	Subject of Procurement	Contract Value (UGX)	Missing record
			<p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	<ul style="list-style-type: none"> <li>• Contract implementation plan</li> <li>• Monthly progress reports</li> <li>• Performance Security worth UGX 23,900,600</li> <li>• Contract completion report</li> <li>• Contract completion certificate</li> </ul> <p><b>Management response</b> <i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
4.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000	<ul style="list-style-type: none"> <li>• Contract implementation plan</li> <li>• Monthly progress reports</li> <li>• Performance Security worth UGX 13,960,000</li> <li>• Contract completion report</li> <li>• Contract completion certificate</li> </ul> <p><b>Management response</b> <i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
5.	Completion of maternity block at Agalurude Health Centre III, Loro Sub County	113,644,620	<ul style="list-style-type: none"> <li>• Contract implementation plan</li> <li>• Monthly progress reports</li> <li>• Contract completion report</li> <li>• Contract completion certificate</li> </ul> <p><b>Management response</b></p>

No	Subject of Procurement	Contract Value (UGX)	Missing record
			<p><i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
6.	Completion of maternity block at Ngai Health Centre III in Ngai Sub County	112,828,916	<ul style="list-style-type: none"> <li>• Contract implementation plan</li> <li>• Monthly progress reports</li> <li>• Contract completion report</li> <li>• Contract completion certificate</li> </ul> <p><b><u>Management response</u></b></p> <p><i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
7.	Sitting, drilling and pump testing of four production well	155,925,200	<ul style="list-style-type: none"> <li>• Contract implementation plan</li> <li>• Monthly progress reports</li> <li>• Contract completion report</li> <li>• Contract completion certificate</li> </ul> <p><b><u>Management response</u></b></p> <p><i>The above documents were not submitted to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
8.	Supply of 280 school desks to Amati, Loro, Ototong and Ogara Primary School	82,100,000	<ul style="list-style-type: none"> <li>• Contract implementation plan</li> <li>• Monthly progress reports</li> <li>• Contract completion report</li> <li>• Contract completion certificate</li> </ul> <p><b><u>Management response</u></b></p> <p><i>The above documents were not submitted</i></p>

No	Subject of Procurement	Contract Value (UGX)	Missing record
			<p><i>to PDU for filing by the time of inspection, but here is the attachment.</i></p> <p><b>Authority's comment:</b> The Entity's response was noted; however, the Entity did not submit the above documents for verification.</p>
<b>Total</b>		<b>1,151,226,017</b>	

### **Implication**

Missing records are a sign of non-transparency and weaknesses in the internal controls of the Entity.

### **Recommendations**

1. The Accounting Officer should:
  - i) Prevail over Contract Managers to prepare reports on contract implementation and share with the Procurement and Disposal Unit in accordance to Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023.
  - ii) Direct the Finance Department to always share copies of payment records with the Procurement and Disposal Unit in order for procurement action files to be closed off.
2. The Head, Procurement and Disposal Unit should maintain all procurement action files with complete documentation in accordance with Section 33 (o) of the PPDA Act, Cap. 205.

**2.2. COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESS WITH THE PROVISION OF THE PPDA ACT, CAP. 205 AND PPDA REGULATIONS.**

**2.2.1 Failure to dispose obsolete assets**

The board of survey report for 2022-2023 was not presented to the inspection team for review, however, the team identified several assets that are due for disposal parked at the Works Department Yard, some of which have stayed at the yard for years. There was no evidence of efforts by the Entity to dispose of these items. Motor vehicles, Motorcycles and other unserviceable items recommended for disposal are indicated in Table 10 below:

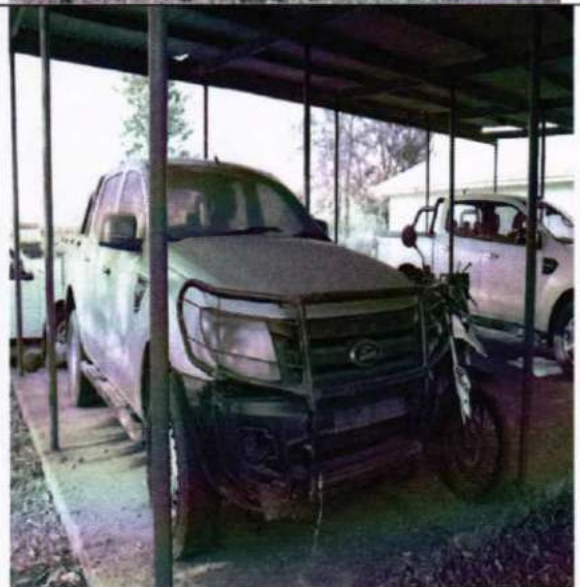
**Table 11: Photographs of obsolete assets taken on 21<sup>st</sup> February 2025**

Obsolete Assets	Obsolete Assets
	
	

**Obsolete Assets**



**Obsolete Assets**



**Obsolete Assets**



**Obsolete Assets**



**Implication**

Failure to dispose of assets whose use ceased inhibits achievement of value for money as funds are held up in assets which are not in use and also lost through depreciation of these assets.

**Management Response**

*There has been much delay in the process but finally the disposal was conducted (see attachment of the Disposal Report)*

**Recommendation**

The Authority shall conduct a follow up exercise to confirm that the obsolete assets were all disposed of by the Entity in accordance with 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.**

**1.1.1 Failure to appoint Contract Managers**

The Authority found that contract managers were not appointed and contract management plans not prepared in eight sampled procurements worth UGX 1,151,226,017. Subsequently, key contract managers' roles like submission of monthly progress reports to the PDU, organizing site meetings and preparation of meeting minutes, and reporting on deviations in the implementation of the contracts were not performed. This was contrary to Regulation 119 (2) and (3) of the Local Governments (PPDA) Regulations, 2006 and Regulations 50 (1) and (3) and 51 (1) of the PPDA (Contracts) Regulations, 2023. The procurements are in Table 11:

**Table 11: Procurements without Contract Managers and contract implementation plans**

No	Subject of procurement	Contract value (UGX)
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200
2.	Completion of renovation of OPD Block at Minakulu HC II	108,359,081
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000
4.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000
5.	Completion of maternity block at Agulurude Health Centre III, Loro Sub County	113,644,620
6.	Completion of maternity block at Ngai Health Centre III in Ngai Sub County	112,828,916
7.	Sitting, drilling and pump testing of four production well	155,925,200
8.	Supply of 280 school desks to Amati, Loro, Ototong and Ogara Primary School	82,100,000
<b>Total</b>		<b>1,151,226,017</b>

**Implications**

- Failure to appoint a contract manager affected timely and effective monitoring and supervision of the works.
- Failure by the contract managers to prepare contract management plans, hindered the Entity from effectively monitoring, tracking of key milestones and supervising the contractor to meet the contractual obligations.

**Management response**

*The management has taken this recommendation for implementation in this current financial year.*

**Recommendations**

1. The Heads of User Departments should nominate personnel with appropriate skills and experience for subsequent appointment by the Accounting Officer as contract managers to supervise and report on the implementation of the contracts in accordance with Regulations

- 50 (1) and 51 (1) of the PPDA (Contracts) Regulations, 2023.
2. Contract managers should prepare contract management plans in accordance with Regulation 50 (3) of the PPDA (Contracts) Regulations, 2023 and also closely monitor the execution of contracts.

### 1.1.2 Anomalies in contract management

The Authority found anomalies in contract management in the following eight procurements worth UGX 1,151,226,017 which casts doubt on the effectiveness of the entity in supervision of contracts and contravened Regulation 119 (2) and (3) of the Local Governments (PPDA) Regulations, 2006 and Regulations 50, 51 and 52 of the PPDA (Contracts) Regulations, 2023 as detailed in Table 12 below:

**Table 12: Procurements with irregularities in contract management**

No	Subject of procurement	Contract Amount (UGX)	Findings
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	<ul style="list-style-type: none"> <li>• Failure to prepare monthly progress reports. Though the contract required preparation of monthly reports, the team found that there were no monthly reports.</li> <li>• GCC 36.1 required the contractor to submit program of works within seven (7) days of contract signature however there is no evidence that this was done by the contractor</li> <li>• GCC 36.3 stated that the period between program updates is thirty (30) days and the amount to be withheld for late submission of an updated program is 2% of contract sum. There was no evidence of updated programs</li> <li>• Failure to fully pay the contractor. The payment voucher dated 19<sup>th</sup> April 2024 showed that UGX 179,785,980 was paid out of the total contract price of UGX 199,762,200. Therefore, a total of UGX 19,976,220 was not paid to the contractor.</li> <li>• The Contract Manager did not prepare a contract completion report to show that the project was satisfactorily completed.</li> </ul> <p><b><u>Management Response</u></b> <i>No management response to the above findings</i></p>
2.	Completion of renovation of OPD Block at Minakulu	108,359,081	<ul style="list-style-type: none"> <li>• Failure to prepare monthly progress reports. Though the contract required preparation of monthly reports, the team</li> </ul>

No	Subject of procurement	Contract Amount (UGX)	Findings
	HC II		<p>found that there were no monthly reports.</p> <ul style="list-style-type: none"> <li>• GCC 36.1 required the contractor to submit program for the works within seven (7) days of contract signature however there is no evidence that this was done by the contractor</li> <li>• GCC 36.3 stated that the period between program updates is thirty (30) days and the amount to be withheld for late submission of an updated program is 2% of contract sum. There was no evidence of updated programs</li> <li>• Failure to fully pay the contractor. The contractor was paid UGX 102,410,707 out of the total contract price of UGX 108,359,081. A total of UGX 5,948,374 was not paid to the contractor yet the defects liability expired in August 2024</li> <li>• There was no contract completion report to show that the project was satisfactorily completed</li> </ul> <p><b><u>Management Response</u></b>  <i>No management response to the above findings</i></p>
3.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	<ul style="list-style-type: none"> <li>• Failure to prepare monthly progress reports. Though the contract required preparation of monthly reports, the team found that there were no monthly reports.</li> <li>• GCC 36.1 required the contractor to submit program for the works within seven (7) days of contract signature however there is no evidence that this was done by the contractor</li> <li>• GCC 36.3 stated that the period between program updates is 14 days. There was no evidence to show that the contractor submitted updated programs</li> <li>• Failure to task the contractor to submit a Performance Security. GCC 52.1 of the SCC stated that a performance security 10% of the contract price shall be required however the Entity failed to task Sunrise Water Drilling Co. Ltd to submit the</li> </ul>

No	Subject of procurement	Contract Amount (UGX)	Findings
			<p>Performance Security worth UGX 23,900,600.</p> <ul style="list-style-type: none"> <li>• GCC 27.1 required the contractor to submit program for the works within 5 days of delivery of letter of acceptance however there is no evidence that this was done by the contractor</li> <li>• There was no contract completion report to show that the project was satisfactorily completed</li> </ul> <p><b><u>Management Response</u></b>  <i>No management response to the above findings</i></p>
4.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000	<ul style="list-style-type: none"> <li>• Failure to prepare monthly progress reports. Though the contract required preparation of monthly reports, the team found that there were no monthly reports.</li> <li>• GCC 27.1 required the contractor to submit program for the works within 5 days of delivery of Letter of Acceptance however there was no evidence to show that it was submitted</li> <li>• GCC 27.3 stated that the period between program updates is 7 days. There was no evidence to show that the contractor submitted updated programs</li> <li>• Failure to task the contractor to submit a Performance Security. GCC 52.1 of the SCC stated that a performance security 10% of the contract price shall be required however the Entity failed to task Megum Technical Services Ltd to submit the Performance Security worth UGX 13,960,000.</li> <li>• There was no contract completion report to show that the project was satisfactorily completed</li> <li>• Failure to fully pay the contractor. The contractor was paid UGX 132,028,475 out of the total contract price of UGX 139,600,000. A total of UGX 7,571,525 was not paid to the contractor despite the defects liability period of 180 days</li> </ul>

No	Subject of procurement	Contract Amount (UGX)	Findings
			<p>expiring in August 2024</p> <p><b><u>Management Response</u></b>  <i>No management response to the above findings</i></p>
5.	Completion of maternity block at AGulurude Health Centre III, Loro Sub County	113,644,620	<ul style="list-style-type: none"> <li>• GCC 27.1 required the contractor to submit program for the works within 5 days of delivery of Letter of Acceptance however there was no evidence to show that it was submitted</li> <li>• Delayed commencement of works. GCC 21.1 of the contract stated the commencement date as 30<sup>th</sup> October 2023 however works were actually commenced on 1<sup>st</sup> December 2023 with a completion date of 30<sup>th</sup> March 2024</li> <li>• Failure to prepare monthly progress reports. Though the contract required preparation of monthly reports, the team found that there were no monthly reports.</li> </ul> <p><b><u>Management Response</u></b>  <i>No management response to the above findings</i></p>
6.	Completion of maternity block at Ngai Health Centre III , Ngai Sub County	112,828,916	<ul style="list-style-type: none"> <li>• GCC 27.1 required the contractor to submit program for the works within 5 days of delivery of Letter of Acceptance however there was no evidence to show that it was submitted</li> </ul>
7.	Sitting, drilling and pump testing of four production well  Start date is 3 days after contract signing	155,925,200	<ul style="list-style-type: none"> <li>• Failure to prepare monthly progress reports. Though the contract required preparation of monthly reports, the team found that there were no monthly reports.</li> </ul> <p><b><u>Management Response</u></b>  <i>No management response to the above findings</i></p>
8.	Supply of 280 school desks to Amati, Loro, Ototong and Ogara Primary School	82,100,000	
<b>Total</b>		<b>1,151,226,017</b>	

### **Implications**

- Ineffective contract monitoring and supervision, potentially increased the risk of contract breaches going unnoticed without any backstopping.
- There was a potential risk that some of the terms and conditions of contract were breached and others not detected thus compromising the quality of deliverables.

### **Recommendations**

1. Contract managers should:
  - i) Strictly supervise contracted firms to fulfil all contractual obligations specified within the terms and conditions of the contract in accordance with Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023.
  - ii) Submit regular progress /contract management reports to the Accounting Officer and Procurement and Disposal Unit as required under Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023.
2. The Accounting Officer should emphasize training of contract managers on contract management procedures and preparation of reports to ensure that supplies, works and services are delivered in accordance with the technical specifications laid down in the contract.

### **1.1.3 Failure to implement Environmental, Social, Health and Safety (ESHS) requirements during contract implementation**

The Authority found that much as the contracts and industry standards required the Entity and the contractors to adhere to various ESHS requirements. The following ESHS requirements were not met:

#### **a) Failure to report on the implementation of the ESHS requirements**

The Contract Managers did not prepare progress reports on the implementation of ESHS requirements during contract implementation for example; the safety of works, HIV and Gender sensitization, grievance handling, disposal of waste, community engagements, planting of trees, management of pollution, among others.

#### **Implication**

This made monitoring of the implementation of the ESHS requirements and intervention by the responsible stakeholders difficult.

#### **Management response**

*The entity noted the anomalies and will contract supervisors comprehensively report on the implementation of ESHS requirements in the progress reports. The Environment Officer will not sign on the payment certificates without inclusion of the requirements in the reports.*

*The District Environment Officers will be involved in the planning and contract monitoring to take care of the environment safeguard requirements.*

#### **Recommendations**

1. The Accounting Officer should prevail over the contract supervisors to comprehensively report on the implementation of ESHS requirements in the progress reports. The Environment Officer should not sign on the payment certificates without inclusion of the

- requirements in the reports.
2. The District Environment Officers should be involved in the planning and contract monitoring to take care of the environment safeguard requirements.

**b) Failure to undertake social and safety requirements**

The following social and safety requirements inadequacies were found in the implemented works contracts:

- None of the sites had an occupational permit
- There was no evidence of HIV and AIDs prevention awareness and campaigns
- The Entity and Contractors did not form Grievance Redress Committees for managing complaints, grievances, and safety incidences from workers, project affected persons, suppliers, among others.

**Implication**

Failure to undertake social and safety requirements increased the risk of infringement on the human rights and safety of Project Affected Personnel and exposed the project to the risk of rejection by the communities.

**Management response**

*The entity noted the anomalies and will task the Contract Managers to work hand in hand with the Community Development Officers, Health Officers, Environmental Officers and Labour officers to ensure enforcement of social and health safeguards during contract implementation.*

**Recommendation**

The Contract Managers should work hand in hand with the Community Development Officers, Health Officers, Environmental Officers and Labour officers to ensure enforcement of social and health safeguards during contract implementation.

**c) Failure to undertake environmental safeguards**

The Authority found that environmental safeguards such as planting of trees and grass, creating drainage for storm water and waste management were not implemented during the implementation of the contracts:

**Implication**

Failure to undertake environmental safeguards exposes the environment to degradation which makes it uninhabitable and further increases the risk of accidents.

**Management response**

*The entity noted the anomalies and will task the District Environment Office to develop a robust sustainability strategy that will include sensitization and punitive actions for District Staff, Contractors and Communities that disregard the implementation of environmental safeguard requirements.*

**Recommendation**

The District Environment Office should develop a robust sustainability strategy that should include sensitization and punitive actions for District Staff, Contractors and Communities that

disregard the implementation of environmental safeguard requirements.

## **2.4. PROGRESS AND PERFORMANCE OF THE MICRO-SCALE IRRIGATION PROGRAM IN OYAM DISTRICT LOCAL GOVERNMENT**

### **Background:**

The Micro-scale Irrigation Program is in line with Uganda's National Irrigation Policy which aims to create 1.5 million hectares of irrigated land by the year 2040. The Micro-scale Irrigation Program supports farmers to purchase and use individual irrigation equipment through a matching grant scheme, in which the cost of the equipment is co-financed by the farmer and the Government of Uganda.

The Government subsidises between 25% and 75% of the total cost of the irrigation equipment (which can be sprinkler, drip and drag hosepipe methods using either solar or petrol energy sources). The level of the subsidy varies according to the choice of the irrigation equipment/technology selected by the farmer as indicated below:

- For solar-powered irrigation equipment, the maximum Government co-payment is 75% of the total cost of equipment and is capped at UGX 18,000,000; and
- For petrol-powered irrigation equipment the maximum Government co-payment is 25% of the total cost of equipment and is capped at UGX 5,000,000

### **2.4.1 Failure to provide procurement file for the Micro-scale Irrigation Program**

The procurement file for the Micro-scale Irrigation Program were requested for by the team however the Entity did not provide the files for review. Therefore, the team did not assess the progress and performance of the Micro-scale Irrigation Program in Oyam District Local Government.

### **Implication**

Failure to provide the procurement files for Micro-scale Irrigation Program is a sign of lack of transparency and accountability in the Entity's procurement function.

### **Management Response**

*The entity admits that the procurement file for micro scale were mix up by that time since procurement office was shifted from one block to another but it has been retrieved and provided.*

### **Review of the file submitted by the Entity:**

The Authority reviewed the file for Micro-scale Irrigation Program that was submitted. Notably, the Entity signed a contract with Mubanique Co. Limited to design, supply and install micro-scale irrigation systems at a contract price of UGX 87,450,000.

The breakdown of the beneficiary farmers is provided below:

1. Okello Alex Gilbert of Palwo Village, Opuk Parish, Minakulu Sub County at UGX 12,404,500
2. Ayo Agnes of Aromonyogo Village, Atego Ward, Minakulu Sub County at UGX 11,709,500
3. Olaka George Haron of Farm Village, Kulakula Parish, Omolo Ward, Ngai Sub County at UGX 12,082,500

4. Ogwanga George Felix of Jerico Cell, Omolo Ward, Minakulu Town Council at UGX 12,809,500
5. Akello Grace of Okarowok Cell, Western Ward, Oyam Town Council at UGX 13,179,500
6. Ogwang Peter of Aringo Rwot Village, Kulabura Parish, Minakulu Sub County at UGX 12,874,500
7. Olal James Ogwal of Akaidebe Cell, Western Ward, Oyam Town Council at UGX 12,390,500

The Authority found the following exceptions:

#### 2.4.2 Failure to fully pay the contractor.

The file for Micro-scale Irrigation Program had only one payment voucher dated 11<sup>th</sup> July 2024 that showed payment of only UGX 12,560,135 to Mubanique Co. Limited out of the contract price of UGX 87,450,000. The payment was for installation of Micro-scale Irrigation System for Ms. Akello Grace. The details are in Table 13 below:

**Table 13: Failure to fully pay Mubanique Co. Limited**

No	Farmer	Amount (UGX)	Amount Paid (UGX)
1.	Akello Grace of Okarowok Cell, Western Ward, Oyam Town Council	13,179,500	12,560,135
2.	Okello Alex Gilbert of Palwo Village, Opuk Parish, Minakulu Sub County	12,404,500	No evidence of payment
3.	Ayo Agnes of Aromonyogo Village, Atego Ward, Minakulu Sub County	11,709,500	No evidence of payment
4.	Olaka George Haron of Farm Village, Kulakula Parish, Omolo Ward, Ngai Sub County	12,082,500	No evidence of payment
5.	Ogwanga George Felix of Jerico Cell, Omolo Ward, Minakulu Town Council	12,809,500	No evidence of payment
6.	Ogwang Peter of Aringo Rwot Village, Kulabura Parish, Minakulu Sub County	12,874,500	No evidence of payment
7.	Olal James Ogwal of Akaidebe Cell, Western Ward, Oyam Town Council	12,390,500	No evidence of payment
<b>Total</b>		<b>87,450,500</b>	<b>12,560,135</b>

#### Recommendation

The Accounting Officer should:

1. Submit certified payment records to the Authority showing payment of UGX 74,890,365 to Mubanique Co. Limited for installation of Micro-scale Irrigation Systems.
2. Direct the Finance Department to always share copies of payment records with the procurement and disposal unit in order for procurement action files to be closed off.
3. Direct the Head, Procurement and Disposal Unit to maintain all procurement action files with complete documentation in accordance with Section 32 (o) of the PPDA Act, Cap. 205.

### 2.4.3 Failure to report on the progress of the implementation of the Micro-scale Irrigation Program

The Entity did not provide evidence to show that the contract manager prepared and submitted progress reports on the implementation of Micro-scale Irrigation Program to the Accounting Officer and Procurement and Disposal Unit. There was no evidence on file to show that the installation of Micro-scale Irrigation System was satisfactorily completed by Mubanique Co. Limited.

#### Implications

- This deprived the Accounting Officer of valuable information that could enable him make informed decisions on implementation of Micro-scale Irrigation Program.
- The procurement and disposal unit could not subsequently report to the Authority on the progress of the installation of Micro-scale Irrigation Program to the various farmers.

#### Recommendations

The contract manager should:

1. Strictly supervise the contracted firm to fulfil all contractual obligations specified within the terms and conditions of the contract in accordance with Regulation 52 (1) (b) of the PPDA (Contracts) Regulations, 2023.
2. Submit regular progress /contract management reports to the Accounting Officer and Procurement and Disposal Unit as required under Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023.

## 2.5. PROGRESS AND PERFORMANCE OF THE UGX 1,000,000,000 ROAD REHABILITATION GRANT UNDER FORCE ACCOUNT MECHANISM

#### Background:

The Government of Uganda in February 2023 allocated a Road Rehabilitation Grant of UGX 1,000,000,000 to each of the 135 Districts, 10 Cities and 31 Municipalities in the FY 2023/2024. The funds are meant to rehabilitate District, Urban and Community Access Roads (DUCAR) in the respective Local Governments, Cities and Municipalities.

Oyam District Local Government received UGX 1,000,000,000 in the FY 2023/2024 to rehabilitate District and Community Access Roads under Force Account Mechanism. The details of the amount spent are indicated in Table 13 below:

**Table 14: Planned activities for the routine mechanized maintenance**

No	Activity	Amount (UGX)
8.	Routine mechanized maintenance of Awio – Bario Road 13.9 km	127,518,600
9.	Routine mechanized maintenance of Loro – Adyegi Road 27.9 km	305,954,600
10.	Routine mechanized maintenance of Dogolony – Okure – Ogwet - Abere Road 16.2 km	148,618,800
11.	Routine mechanized maintenance of Omara - Ayokgwokwiikwoyo Road 13 km	119,262,000

No	Activity	Amount (UGX)
12.	Routine mechanized maintenance of Okule – Cornerali - Acimi Road 10.2 km	93,574,800
13.	Routine mechanized maintenance of Aber – Kamdini – Gulu Boarder Road 6 km	55,071,200
Total amount		850,000,000
Mechanical imprest		100,000,000
Operational cost		50,000,000
<b>Grand total</b>		<b>1,000,000,000</b>

The following findings were obtained from the implementation of the Road Maintenance Grant:

### 2.5.1 Procurement of assorted road materials and fuel from providers that had no framework contracts with the entity

The Authority reviewed the files for the routine mechanized maintenance of Awio – Bario Road and found that the Entity procured assorted road materials worth UGX 33,600,000 from Whimsy (U) Ltd and fuel worth UGX 56,137,250 from Oyam Petroleum Products however there was no evidence of framework contracts between the Entity and the mentioned providers. The details are indicated in Table 14 below:

**Table 15: Engaging Whimsy (U) Ltd and Oyam Petroleum Products without framework contracts**

No	Description of activity	Amount (UGX)
1.	Payment to Whimsy (U) Ltd for supply of assorted road materials for Awio – Bario Road	33,600,000
2.	Payment to Oyam Petroleum Products for supply of fuel for Awio – Bario Road	56,137,250
<b>Total</b>		<b>89,737,250</b>

#### **Implication**

Engaging the providers without framework contracts put the entity at a risk having no legal backing in the event that the providers failed to deliver the goods.

#### **Management response**

*All the two companies were prequalified with Oyam District Local Government. See attached prequalification list of companies for FY 2023/24*

**Authority’s comment:** The Authority took note of the Entity’s response; however, the Entity should note that a prequalification process is not a framework contract. The Entity is advised to use open domestic bidding method to procure common user items under a framework contract.

#### **Recommendation**

The Accounting Officer:

1. Should caution the District Engineer for engaging Whimsy (U) Ltd and Oyam Petroleum Products to supply assorted road materials and fuel respectively without framework

contracts.

2. Should put in place contracts under framework arrangement for common user items such as inputs used for works under the Force on Account Mechanism.

### **2.5.2 Absence of programs of works for force account mechanism.**

The planned work activities and schedules did not have works programs to show the dates, duration of works, the activities to be undertaken and a justification of quantities for the materials, labour and equipment to be utilized.

#### **Implication**

This made effective time control difficult.

#### **Management response**

*The Entity noted the anomalies and will ensure that Force Account Supervisor prepare and submit monthly reports and a final completion report to the Accounting Officer and Procurement and Disposal Unit.*

**Authority's comment:** The Authority entity's response did not address the above exception.

#### **Recommendation**

The force account supervisor should prepare work programs for the force account works clearly stipulating the timelines, activities and how the materials, labour, and equipment schedules fit in to the programs and have them approved by the Contracts Committee.

### **2.5.3 Conducting works without approval of the Contracts Committee**

The works department executed the road rehabilitation works using force account mechanism without obtaining approval of the Contracts Committee of the work plans, work programs, the estimates, and the bills of quantities. The consumption estimates for the equipment, number of days that the works would take, the amount of labour deployed, allowances, quantity of materials were all not justified and approved.

#### **Implication**

Failure to obtain contracts committee approvals before undertaking works exposes public resources to the risk of abuse without backstopping.

#### **Management response**

*The entity noted the anomalies and will ensure that Force Account Supervisor is cautioned for failure to submit the work plans and bills of quantities to Contracts Committee for approval.*

#### **Recommendation**

The District Engineer should submit the force account work plans, work programs, estimates, and bills of quantities with satisfactory justifications to the Contracts Committee for approval.

### **2.4.4 Failure to report on the progress of force account works to the Procurement and Disposal Unit**

The force account supervisor did not prepare and submit reports on the progress of works to the Procurement and Disposal Unit for onward submission to the Contracts Committee for review

and adjudication.

### **Implications**

- This deprived the Contracts Committee of valuable information that could enable them make informed decisions.
- The procurement and disposal unit could not subsequently report to the Authority on the progress of force account activities due to absence of this information.

### **Management response**

*The Entity noted the anomalies and will ensure that Force Account Supervisor prepare and submit monthly reports and a final completion report to the Accounting Officer and Procurement and Disposal Unit.*

### **Recommendation**

The force account mechanism supervisor should prepare and submit reports on the progress of the works conducted using force account mechanism to the Accounting Officer, Internal Auditor, and Procurement and Disposal Unit on a monthly basis in accordance with Regulation 6 (5) of the PPDA (Force Account Mechanism) Regulations, 2014.

## **2.5.5 Failure to implement HIV/AIDS awareness campaigns**

The Authority found that no HIV/AIDS awareness and sensitization seminars had been carried out by the Entity during the implementation of the Force Account works. HIV/AIDS and STD prevention and counselling, information sharing, education and counselling campaigns including regular distribution of condoms were not implemented.

### **Implication**

Failure to enforce compliance to occupational health and safety, HIV/AIDS and gender measures endangered lives of workers and the communities surrounding the area where the road works are implemented.

### **Management Response**

*The entity noted the anomalies will ensure that Force Account Supervisor ensure that HIV/AIDS awareness and sensitization are planned for and fully implemented during the implementation of the force account activities.*

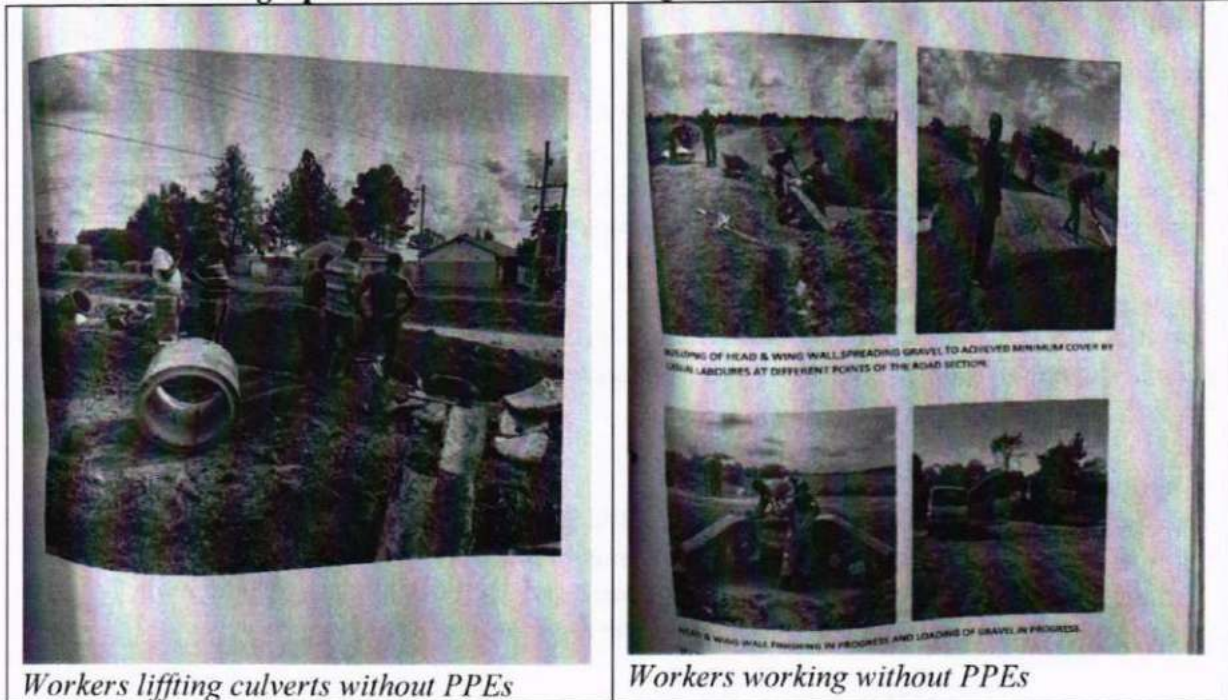
### **Recommendation**

The Accounting Officer should task the force account mechanism supervisor to implement HIV/AIDS awareness and sensitization campaigns and ensure that reports are prepared in accordance with Section 66 of the PPDA Act Cap. 205.

## **2.5.6 Failure to undertake safety and social safeguards**

The Authority found that the Entity did not provide Personal Protective Equipment (PPEs) to the workers that were involved in the implementation of the Force Account Mechanism activities. The photographs in the progress reports showed workers without PPEs as shown in Table 15 below:

**Table 16: Photographs of workers not wearing PPEs**



**Implication**

Failure to provide and enforce usage of PPEs during implementation of activities puts the workers at a risk of injuries or death that could be avoided if PPEs are used.

**Management response**

*The entity noted the anomalies will ensure that Force Account Supervisor works hand in hand with the Community Development Officers and Labour officers to ensure enforcement of safety safeguards during the implementation of the Force Account activities.*

**Recommendation**

The Force Account Supervisor should work hand in hand with the Community Development Officers and Labour officers to ensure enforcement of safety safeguards during the implementation of the Force Account activities in accordance with Section 66 of the PPDA Act Cap. 205.

### CHAPTER 3: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section presents graphically the scores per area assessed.

#### 3.1. Overall Conclusion

The performance of Oyam District Local Government for the Financial Year 2023/24 was **moderately satisfactory** with overall weighted average risk rating of **47.5%**.

The risk rating is as follows:

**Table 17:** Risk rating table

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

#### 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: -

**Table 18:** Weighted score of Oyam District Local Government

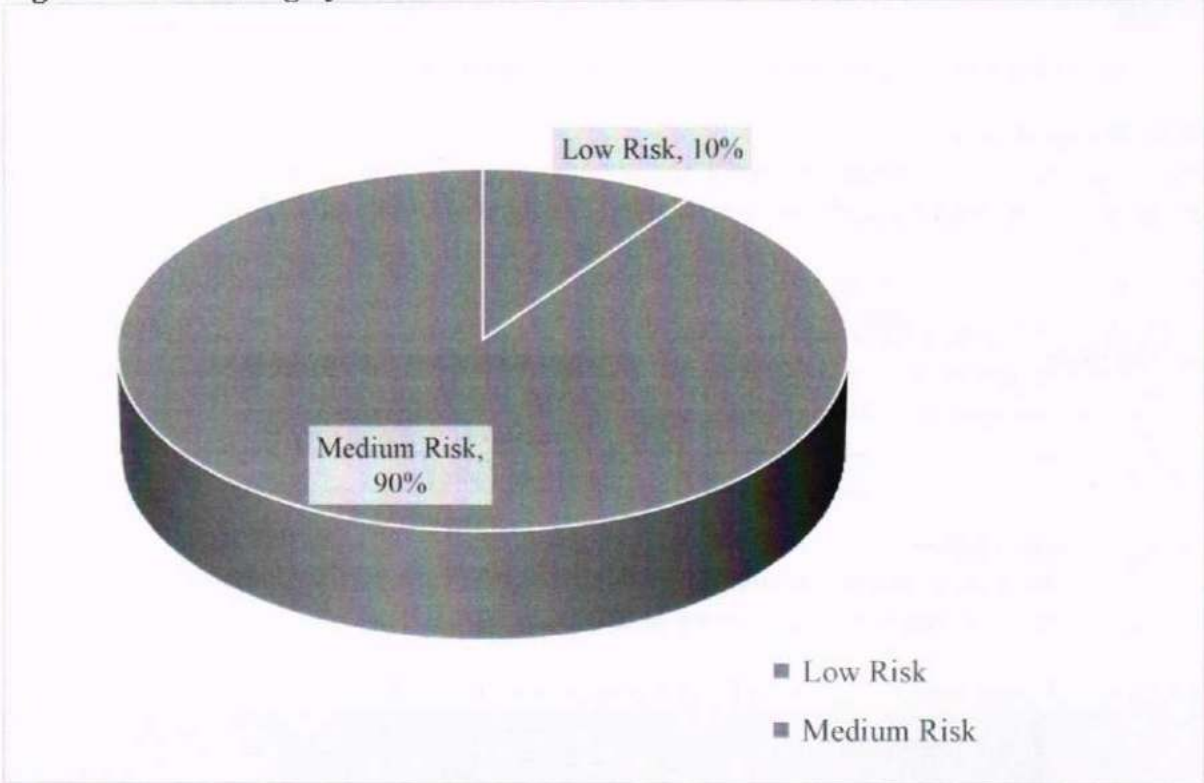
Risk Rating	No.	%No	Weights	Weighted score by No.	Value	% Value	Weights	Weighted score by value
High Risk	-	-	0.6	-	-	-	0.6	-
Medium Risk	9	90	0.3	27	1,284,094,617	94	0.3	28.2
Low Risk	1	10	0.1	1	82,100,000	6	0.1	0.6
Satisfactory	-	-	0	-	-	-	0	-
<b>Total</b>	<b>10</b>	<b>100</b>	<b>1</b>	<b>28</b>	<b>1,366,194,617</b>	<b>100</b>	<b>1</b>	<b>28.8</b>

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{28 \times 100}{60} = 47\%$$

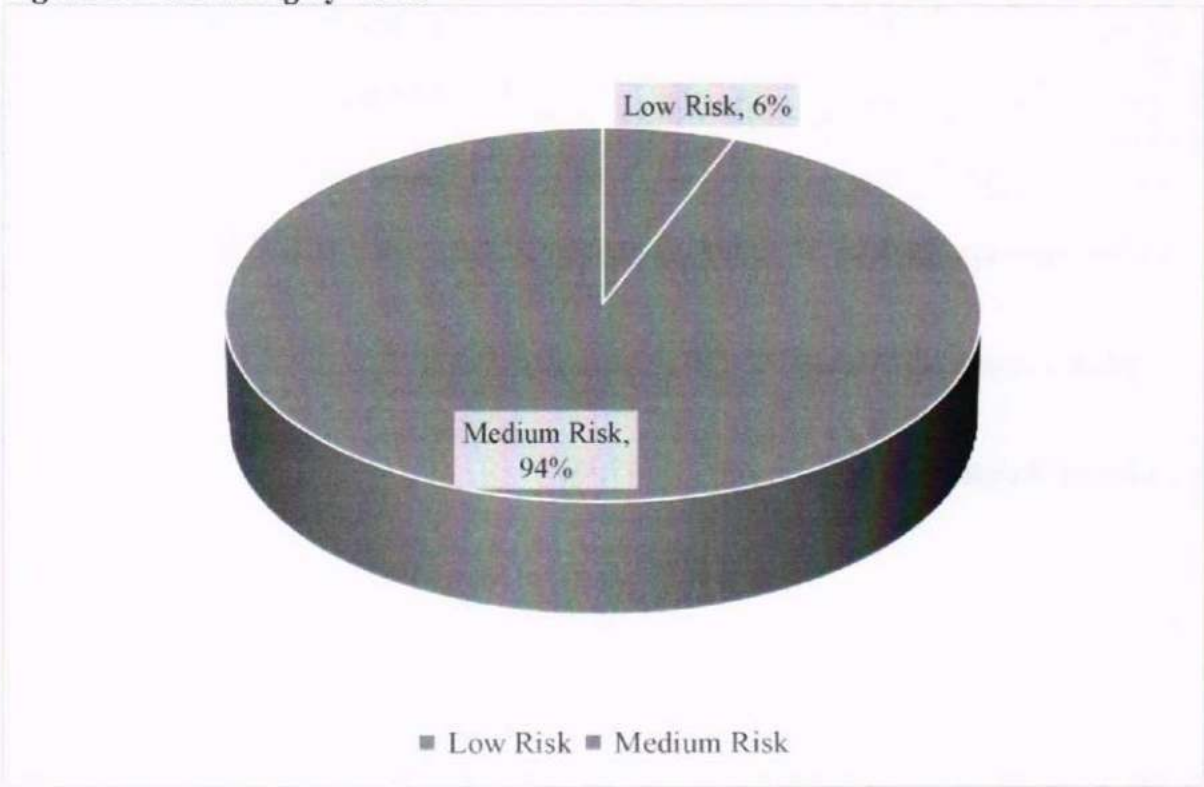
$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score} \times 100}{60} = \frac{29 \times 100}{60} = 48\%$$

$$\text{Combined Weighted Average} = \frac{47 + 48}{2} = 47.5\%$$

**Figure 1: Risk Rating by Number**



**Figure 2: Risk Rating by Value**



### 3.2. Recommended Action Plan

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

**Table 19: Action Plan**

<b>Origin</b>	<b>Recommended Action</b>	<b>Target Date</b>
Accounting Officer	<p>The Accounting Officer should:</p> <ul style="list-style-type: none"> <li>i) Implement all the Authority's recommendations in accordance with Section 10 of the PPDA Act, Cap. 205. Where management finds challenges in implementation of any recommendation, this should be brought to the attention of the Authority;</li> <li>ii) Sign contract documents after satisfying himself on removal or correction of any ambiguity that may be contained therein and that the contracts are complete in accordance with Regulation 9 (1) (a) of the PPDA (Contracts) Regulations, 2023; and</li> <li>iii) Task the Contracts Committee, Heads of User Departments and Head Procurement and Disposal Unit to start procurement processes as planned so as to sign and implement contracts as planned.</li> </ul> <p>4. Submit certified payment records to the Authority showing payment of UGX 74,890,365 to Mubanique Co. Limited for installation of Micro-scale Irrigation Systems.</p>	October 2025
Procurement and Disposal Unit	<p>The Head Procurement and Disposal Unit should:</p> <ul style="list-style-type: none"> <li>i) Prepare solicitation documents that define the requirements precisely and in a manner that leaves no doubt or assumption by a bidder in regard to the requirements of the Entity in accordance with Regulation 42 (a) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023; and</li> <li>ii) Ensure that the procurement action files are complete with all documents in accordance with Section 33 (o) of the PPDA Act, Cap. 205.</li> </ul>	October 2025
User Departments	<p>Contract Managers should:</p> <ul style="list-style-type: none"> <li>i) Submit regular progress /contract management reports to the Procurement and Disposal Unit as required under Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023; and</li> <li>ii) Strictly supervise contracted firms to fulfil all contractual obligations specified within the terms and conditions of the contract.</li> </ul>	October 2025

<b>Origin</b>	<b>Recommended Action</b>	<b>Target Date</b>
Evaluation Committee	<p>The Evaluation Committees:</p> <ul style="list-style-type: none"> <li>i) Should not, during evaluation of bids, make any amendment including any addition to the evaluation criteria stated in the bidding documents, and should not use any other criteria other than the criteria specified in the bidding documents in accordance with Regulation 5 of the PPDA (Evaluation) Regulations, 2023.</li> <li>ii) Should adhere to the evaluation criteria stated in the bidding documents while conducting evaluations in accordance with Section 76 (3) of the PPDA Act, Cap. 205.</li> </ul>	October 2025

**Appendix A: Summary case by case**

No	Contract Description	Contract Amount (UGX)	Reason for High Risk
1.	Partial completion of Oyam District Headquarter Administration Block Phase IX	199,762,200	<ul style="list-style-type: none"> <li>• Failure to prepare the contract implementation plan</li> <li>• Failure to prepare monthly progress reports</li> <li>• Failure to prepare site meeting minutes</li> <li>• Failure to fully pay the contractor</li> <li>• Payment for activities not implemented</li> <li>• Failure to prepare contract completion report</li> <li>• Failure to prepare contract completion certificate</li> </ul>
2.	Sitting, Drilling, Casting and Installation of 10 Boreholes	239,006,000	<ul style="list-style-type: none"> <li>• Missing bidding document</li> <li>• Failure to prepare the contract implementation plan</li> <li>• Failure to prepare monthly progress reports</li> <li>• Failure to prepare site meeting minutes</li> <li>• Failure to task the contractor to submit a Performance Security worth UGX 23,900,600</li> <li>• Payment for activities not implemented</li> <li>• Failure to prepare contract completion report</li> <li>• Failure to prepare contract completion certificate</li> </ul>
3.	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	139,600,000	<ul style="list-style-type: none"> <li>• Failure to prepare the contract implementation plan</li> <li>• Failure to prepare monthly progress reports</li> <li>• Failure to prepare site meeting minutes</li> <li>• Failure to task the contractor to submit a Performance Security worth UGX 13,960,000</li> <li>• Failure to fully pay the contractor</li> <li>• Payment for activities not implemented</li> <li>• Failure to prepare contract completion report</li> <li>• Failure to prepare contract completion certificate</li> </ul>

**Appendix B: List of the sample with risk rating**

No	Reference No.	Subject of Procurement	Procurement method	Provider	Contract Value (UGX)	Risk Rating
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No	Reference No.	Subject of Procurement	Procurement method	Provider	Contract Value (UGX)	Risk Rating
1.	Oyam916/Wrks/2023-2024/00001	Partial completion of Oyam District Headquarter Administration Block Phase IX	Open Domestic Bidding	Bygon Enterprises Ltd	199,762,200	High Risk
2.	Oyam916/Wrks/2023-2024/00007	Completion of renovation of OPD Block at Minakulu HC II	Open Domestic Bidding	ILEE Traders Company Limited	108,359,081	Medium Risk
3.	Oyam916/Wrks/2023-2024/00010	Sitting, Drilling, Casting and Installation of 10 Boreholes	Open Domestic Bidding	Sunrise Water Drilling Co. Ltd	239,006,000	High Risk
4.	Oyam916/Wrks/2023-2024/00003	Construction of two classroom block with an office and store with Terrazo finishes at Loro Primary School	Open Domestic Bidding	Megum Technical Services Ltd	139,600,000	High Risk
5.	Oyam916/Wrks/2023-2024/00006	Completion of maternity block at AGulurude Health Centre III, Loro Sub County	Open Domestic Bidding	Shalack Uganda Ltd	113,644,620	Medium Risk
6.	Oyam916/Wrks/2023-2024/00005	Completion of maternity block at Ngai Health Centre III, Ngai Sub County	Open Domestic Bidding	Kocongom General Service Ltd	112,828,916	Medium Risk
7.	Oyam916/Wrks/2023-2024/00011	Sitting, drilling and pump testing of four production well  Start date is 3 days after contract signing	Selective Bidding	East African Boreholes Ltd	155,925,200	Medium Risk
8.	Oyam916/Supls/2023-2024/00037	Supply of 280 school desks to Amati, Loro, Ototong and Ogara Primary School	Open Domestic Bidding	Morata Enterprises Ltd	82,100,000	Low Risk
9.	-	Routine mechanized maintenance of Awio – Bario Road 13.9 km		Force Account	127,518,600	Medium Risk
10.	Oyam916/Wrks/2023-2024/00001	Micro-scale Irrigation Program in Oyam District Local Government	Selective Bidding	Mubanique Co. Ltd	87,450,000	Medium Risk

No	Reference No.	Subject of Procurement	Procurement method	Provider	Contract Value (UGX)	Risk Rating
<b>Total</b>					<b>1,366,194,617</b>	
Disposal of obsolete assets					-	

#### Appendix C: Risk Rating Criteria

RISK	DESCRIPTION
<b>HIGH</b>	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".
<b>MEDIUM</b>	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.
<b>LOW</b>	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.

#### **SATISFACTORY**

Relates to 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.

**Appendix D: Contracts Committee and Procurement and Disposal Unit Composition**

**i) Contracts Committee Composition**

<b>No.</b>	<b>Name</b>	<b>Committee Position</b>	<b>Substantive Position</b>	<b>Effective Date</b>
1.	Dr. Ogwal Tom	Chairperson	Principal Veterinary Officer	26 <sup>th</sup> July 2024
2.	Mr. Alemo Moses	Secretary	Senior Labour Officer	11 <sup>th</sup> March 2025
3.	Mr. Owiny Robert	Member	Senior Engineer	26 <sup>th</sup> July 2024
4.	Ms. Akello Sidonia	Member	Assistant DHO	9 <sup>th</sup> January 2025
5.	Mr. Ogo Dennis	Member	Town Clerk	26 <sup>th</sup> July 2024

**ii) Procurement and Disposal Unit Composition**

<b>No.</b>	<b>Name</b>	<b>Title</b>
1.	Mr. Emmanuel Etenu	Senior Procurement Officer
2.	Mr. Eric Duncan Ogwal	Procurement Officer