



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

"Procurement That Delivers"

**COMPLIANCE INSPECTION REPORT FOR FINANCIAL
YEAR 2023/24**

PAKWACH DISTRICT LOCAL GOVERNMENT

DECEMBER 2024

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ACRONYMS

ESHS	Environment, Social, Health and Safety Safeguards
FY	Financial Year
GCC	General Conditions of Contract
Ltd	Limited
PPDA	Public Procurement and Disposal of Public Assets Authority
PPDA Act	Public Procurement and Disposal of Public Assets Act
SCC	Special Conditions of Contract
TCC	Tax Clearance Certificate
UGIFT	Uganda Intergovernmental Fiscal Transfer
UGX	Uganda Shillings
VAT	Value Added Tax
WHT	Withholding Tax

EXECUTIVE SUMMARY

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out the compliance inspection of Pakwach District Local Government that covered a sample of 10 procurement transactions under Financial Year 2023/24. The overall objective of the compliance inspection was to assess and establish the degree of compliance of Pakwach District Local Government's procurement system and processes with the provisions of the PPDA Act, 2003 and the PPDA Regulations and assess the level of procurement performance over the compliance inspection period.

From the findings of the compliance inspection exercise, the performance of Pakwach District Local Government for Financial Year 2023/24 was **moderately satisfactory** with an average weighted risk rating of **56.64%** as per the ranking in Table 22 in Chapter 3 of this report.

The following key exceptions were noted:

1. Failure to dispose of obsolete assets contrary to Regulation 2 of the PPDA (Disposal of Public Assets) Regulations, 2023. As a result, assets continue to lose value through depreciation and face risks of loss or vandalism.
2. The Entity installed only three out of the 20 planned microscale irrigation equipment for farmers in FY 2023/2024. This hindered the Government of Uganda's efforts to achieve its National Irrigation Policy which aims to create 1.5 million hectares of irrigated land by the year 2040.
3. Two non-performing contracts have delayed service delivery to the intended beneficiaries and also increased costs associated with contract management:
 - i) The contractor, Pegions Investment Limited, failed to complete civil maintenance works worth UGX 190,178,100 in five selected schools of Paroketo Primary school; Oguta Primary School; Panyimur Primary School; Pajobi Primary School; and Ojigo Primary School. This has delayed service delivery to the intended beneficiaries.
 - ii) The contractor, Rhema Engineering Company Limited, failed to substantially perform the obligations specified in the contract for the construction of Wadelai Seed Secondary School. The intended completion date was 22nd February 2024, but the works are still incomplete and the contract expired. This has delayed service delivery to the intended beneficiaries.
4. Irregular payments totaling to UGX 10,626,915 were made to providers contrary to Regulation 103 (1) of the Local Governments (PPDA) Regulations, 2006. This resulted into a financial loss to the Entity as indicated below:
 - i) Funds worth UGX 4,000,000 paid for material testing that was not undertaken by the contractors in two procurements worth UGX 219,022,370.
 - ii) Funds worth UGX 950,000 paid to contractors for inappropriate items in the bills of quantities i.e., performance bond/security and insurance for works, construction plants against damage to persons and property, in two procurements worth UGX 257,320,000.
 - iii) Funds worth UGX 5,676,915 not withheld (6% WHT) from the payments made to the contractor, Pegions Investment Limited yet there was no evidence that the company was withholding tax exempt at the time of payment.
5. Unrectified defects i.e., poor installation of windows and leakages on the roof gutter joints were observed on the 3-classroom block at Jacan Primary School worth UGX 125,000,000, contrary to the requirements specified in the bills of quantities of the signed contract. This

is a safety hazard and may also cause disruptions to students, management and staff of the school.

6. Failure to obtain Environment and Social performance securities and to enforce the implementation of the Environmental, Social, Health and Safety requirements in six procurements worth UGX 758,531,470, contrary to SCC (GCC) 61.1 of the signed contracts and the PPDA Circular No. 5 of 2019 (Issuance of Standard Bidding Document for Procurement of Works, Under Open or Restricted Bidding Methods). This compromised the health, safety and security of the community, workers and materials on site.
7. Ambiguous and inadequate evaluation criteria in the bidding documents of five procurements worth UGX 527,500,470, for example, failure to include qualification requirements for key personnel, undefined time periods for trading licences and tax clearance certificates, contrary to Regulation 48 (4) of the Local Governments (PPDA) Regulations, 2006. This exposed the Entity to the risk of contracting ineligible and/or incompetent providers.
8. Failure to update the procurement plan to remove planned procurements estimated at UGX 2,054,736,327 that were not implemented by the Entity, contrary to Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023. This negatively affected the Entity's procurement plan implementation rate at only 42.9 %.

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

1. The Accounting Officer should:
 - i) Dispose of the obsolete assets to avoid further depreciation of the assets and attain value for money in accordance with the PPDA (Disposal of Public Assets) Regulations, 2023.
 - ii) Establish more demonstration sites to cover more sub-counties in the district to create awareness, train and guide farmers on the selection of the irrigation equipment in accordance with Clause 7 (Awareness Raising) of the UGIFT Micro-Scale Irrigation Program Technical Guidelines, Version 3, April 2023.
 - iii) Task the District Engineer to value the pending works at Wadelai Seed Secondary School and tender the pending works to enable successful completion of the project and deliver service to the intended beneficiaries.
 - iv) Recover and submit to the Authority evidence of recovery of UGX 4,950,000 that was irregularly paid to the following providers:
 - a) UGX 2,000,000 from Rivershore Trade Links in the construction of a 3-classroom block at Ocayo Primary School for purported material testing.
 - b) UGX 2,500,000 from Pegions Investment Limited in the fencing of Pakwach Health Centre IV at Kapita with gates as follows:
 - UGX 2,000,000 for purported material testing.
 - UGX 500,000 for the performance security requirement that was irregularly included in the bills of quantities
 - c) UGX 450,000 from Icon Projects Limited in the procurement for sitting, drilling, construction, supervision of five deep boreholes (i.e., Performance Bond worth UGX 150,000 and insurance of works, construction plants, against damage to persons and property worth UGX 300,000 that were irregularly included in the bills of quantities).
 - v) Liaise with the contractor, Pegions Investment Limited to remit withholding tax worth UGX 5,676,915 to URA for the civil maintenance works in five selected schools of

Paroketo; Oguta; Panyimur; Pajobi; and Ojigo Primary Schools, in accordance with Section 124 (1) of the Income Tax Cap. 304.

- vi) Endeavour to implement all the Authority's recommendations to improve procurement performance in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205.
2. The District Engineer should:
 - i) Task the contractor, Wuna and Julia Enterprises, to rectify all defects that were identified on the 3-classroom block at Jacan Primary School in accordance with Regulation 52 (3) (i) of the PPDA (Contracts) Regulations, 2023. A report on the defects rectified should be submitted to the Authority.
 - ii) Work closely with the Environmental Officer, Community Development Officer and the District Health Officer to enforce implementation of ESHS requirements during execution of contracts. The ESHS aspect should be incorporated in the monthly progress reports submitted to the Accounting Officer and the Procurement and Disposal Unit in accordance with Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023.
 3. The Head Procurement and Disposal Unit should
 - i) Comprehensively detail the evaluation criteria in the bidding documents in accordance with Section 76 (2) of the PPDA Act Cap. 205.
 - ii) In consultation with User Departments regularly review and update the procurement plan based on the existing circumstances at the Entity in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023.
 4. The Contracts Committee should scrutinize all sections of the bidding documents for completeness and appropriateness before approving them for issue in accordance with Section 30 (e) of the PPDA Act, Cap. 205.
 5. Contract Managers should appraise and report on the performance of the providers to the Procurement and Disposal Unit in accordance with Regulation 52 (3) (f) of the PPDA (Contracts) Regulations, 2023.

In accordance with Section 128 (e) of the PPDA Act, Cap. 205, the Authority shall institute suspension proceedings into the following:

1. Pegions Investment Limited's failure to complete civil maintenance works worth UGX 190,178,100 in five selected schools of Paroketo; Oguta; Panyimur; Pajobi; and Ojigo Primary Schools.
2. Rhema Engineering Company Limited's failure to complete the construction works at Wadelai Seed Secondary School worth UGX 3,054,165,281.

Pakwach District Local Government should implement the recommended action plan on Pages **42 - 43** of this report.

CHAPTER ONE: INTRODUCTION

1.1 Structure of the Entity

According to Section 28 (1) of the PPDA Act Cap 205, the Accounting Officer has the overall responsibility for the execution of procurement and disposal processes in the Entity. The Accounting Officer of Pakwach District Local Government during the Financial Year under inspection was Mr. Moses R.K Dalili. The compositions of the Procurement and Disposal Unit; the Contracts Committee and the User Departments are detailed in Appendices 6, 7 and 8 respectively.

1.2 Background

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out the compliance inspection of Pakwach District Local Government that covered a sample of 10 procurement transactions under Financial Year 2023/24, vide Appendix 1.

1.3 Objective of the compliance inspection

The overall objective of the compliance inspection was to assess the effectiveness and efficiency of the procurement and disposal processes at the Entity and adherence to the PPDA Act, Cap. 205, attendant PPDA Regulations, and public procurement policies so as to determine the procurement performance over the compliance inspection period.

The specific objectives were to assess the:

1. Compliance of the Entity's procurement processes with the provisions of the PPDA Act, Cap 205 and any other applicable laws and identify areas for improvement to enhance procurement practices at the Entity;
2. Compliance of the Entity's disposal process with the provisions of the PPDA Act, Cap 205 and attendant Regulations;
3. Level of application of the Environmental, Social, Health and Safety (ESHS) requirements in the procurement processes at the Entity;
4. Progress and performance of the Micro-scale Irrigation Program in Pakwach District Local Government; and
5. Entity's implementation of PPDA recommendations made in the report issued in May 2023, for the contract audit into the construction of Wadelai Seed Secondary School.

1.4 Scope of the compliance inspection

The compliance inspection covered a sample of 10 procurement transactions worth UGX 1,262,577,826 conducted in the Financial Year 2023/2024, vide Appendix 1.

1.5 Methodology

Two Senior Officers conducted the compliance inspection exercise under the supervision of the Regional Manager. During the compliance inspection, they examined records and documents for each sampled procurement transaction and obtained relevant and sufficient evidence to derive the compliance inspection conclusions. This involved a review of the Entity's procurement/disposal planning, initiation, bidding, evaluation, contract placement and management.

The auditors 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 the preliminary findings that arose during the audit was held with the Entity management and staff on **23rd October 2024** before the auditors could embark on preparation of the management letter. The management letter was sent to the Entity on **28th October 2024** with a requirement to submit a management response by **4th November 2024**, but the Entity submitted its response to the Authority on **7th November 2024**.

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

CHAPTER TWO: FINDINGS AND RECOMMENDATIONS

2.1. COMPLIANCE OF THE ENTITY'S PROCUREMENT PROCESSES WITH THE PROVISIONS OF THE PPDA ACT, CAP. 205 AND ATTENDANT REGULATIONS AND IDENTIFY AREAS FOR IMPROVEMENT TO ENHANCE PROCUREMENT PRACTICES AT THE ENTITY

2.1.1 Procurement plan implementation rate

The Authority reviewed the procurement reports submitted for the Financial Year 2023/2024 and found that the Entity procured items worth UGX 1,546,693,000 which amounted to 42.9% of the planned procurement value worth UGX 3,601,429,327. However, planned procurements estimated at UGX 2,054,736,327 were not implemented as detailed in Table 1 below:

Table 1: Procurement plan implementation rate analysis

Total procurement plan value (UGX)	3,601,429,327
Total procurement spend value (UGX)	1,546,693,000
Procurement plan implementation rate (%)	42.9
Procurement plan implementation variance (UGX)	2,054,736,327

Implication

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

Management response

The variance realized was due to lack of funding especially for those procurements that were planned for under local revenue that was not realized, for example, supply of a deep freezer for the District Service Commission; supply of two executive office chairs to Audit Department; supply of three laptop computers to the Trade, Industry and Local Economic Development Department; construction of storage shelves for the Procurement and Disposal Unit; to mention but a few. The Entity at the end of the financial year also had some projects that were not fully implemented, for example, construction of Wadelai Seed School; supply of micro-scale irrigation equipment; renovation works on schools which were due to delays in execution by the service providers. However, the Entity requested for the funds to be re-voted, and the works are being executed in the FY 2024/25 after the funds were re-voted.

Recommendations

1. The Accounting Officer should always endeavour to execute all planned procurements in order to deliver services to the intended beneficiaries and avoid returning the unspent balances to the Consolidated Fund.
2. In the event that there are amendments 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 Micro procurements

The Authority observed that User Departments procured items worth UGX 53,956,000 listed in Table 2 using the micro procurement method; however, the following anomalies were noted:

- i) User Departments procured these items without delegation from the Accounting Officer to perform this function;

- ii) There was no evidence of accountability in terms of delivery notes, invoices, payments and/or evidence that the User Departments made a comparison for at least three quotations before procuring the items;
- iii) The micro procurements undertaken by the User Departments were not reported to the Contracts Committee on a monthly basis; and
- iv) The micro procurements undertaken by the User Departments were not reported to the Authority in the quarterly and monthly report submissions made by the Entity.

Table 2: Micro procurements irregularly implemented by User Departments

No.	User Department	Description	Amount (UGX)
1.	Education Department	Procurement of bus hire services	10,000,000
2.	District Service Commission	Welfare and entertainment	4,242,000
3.	Health Department	Purchase of cleaning materials for office	1,000,000
		Purchase of items for tea and refreshments	800,000
4.	Planning Unit	Computer accessories	5,000,000
		Procurement of internet bundles	4,000,000
5.	Pakwach Health Centre IV	Supply of stationery	2,321,000
		Supply of tonner and cartridges	2,300,000
		Supply of small office equipment	1,248,000
		Maintenance of ambulance, other vehicles, motorcycle and equipment	11,420,000
		Supply of beddings	2,040,000
		Maintenance of buildings	3,000,000
		Office stationery	400,000
		Welfare	500,000
6.	Pakwach Town Council	Fuel	1,985,000
		Purchase of GPS and a digital camera	1,900,000
7.	Pokwero Sub-County	Supply of 2 laptop computers	1,800,000
Total			53,956,000
8.	Ragem Sub-County	The Procurement and Disposal Unit informed the inspection team that procurement of items like stationery, fuel, small office equipment was undertaken by the sub-counties, but not reported to the Procurement and Disposal Unit, thus the total amount spent was not known.	
9.	Alwi Sub-County		
10.	Panyango Sub-County		
11.	Dei Sub-County		
12.	Pakwach Sub-County		

Implications

- User Departments usurped the powers of the Accounting Officer and also exposed the Entity to the risk of incurring domestic arrears by irregularly procuring items without evidence of availability and approval of funding by the Accounting Officer.
- There was no assurance on value for money for items procured by the User Departments using the micro procurement method in absence of accountability reports.
- Failure to report to the Authority all procurements undertaken by the Entity contravenes the principles of transparency and accountability in public procurement.

Management response

The procurement of bus hire services was delegated to the Education department. The micro procurements that were not delegated to user departments were, however, procured from prequalified service providers. Going forward, the Accounting Officer shall continue to delegate authority to the User Departments.

Authority's comment

The delegation of the procurement of bus hire services on 20th June 2024 at UGX 11,550,000 was contrary to Regulation 23 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023 which provides that: "A Procuring and Disposing Entity may delegate to a user department, the authority to undertake micro procurement of the value specified in the Guidelines or the limit set by the Contracts Committee, which shall be lower than the value in the Guidelines."

Recommendations

1. The Accounting Officer should:
 - i) Formally delegate authority to User Departments to undertake micro procurements in accordance with Regulation 22 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), Regulations, 2023.
 - ii) Ensure that the delegation to undertake micro procurements is in accordance with the values for micro procurement method specified in the PPDA Guideline 1/2024 (Thresholds for procurement Methods) or the limit set by the Contracts Committee, which shall be lower than the value in the Guidelines in accordance with Regulation 23 (1) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
 - iii) Task User Departments to account and obtain value for money to the extent practical under the micro procurement procedures in accordance with Regulation 23 (2) (c) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), Regulations, 2023.
2. User Departments should on a monthly basis report to the Procurement and Disposal Unit all micro procurements undertaken. The Procurement and Disposal Unit should in turn:
 - i) Prepare monthly reports for the Contracts Committee in accordance with Section 33 (p) of the PPDA Act Cap. 205.
 - ii) For each month submit to the Authority a report on the procurement activities undertaken by the Entity including micro procurements in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023.

2.1.3 Failure to provide for a price adjustment clause in contracts exceeding 18 months

The Authority found that the Entity signed six framework contracts estimated at UGX 1,668,834,390 per year based on FY 2023/24 expenditure as indicated in Table 3 for a period of three years i.e., commencing August 2024 and terminating in 2027; however, there was no provision for a price adjustment:

Table 3: Framework contracts without provisions for price adjustment

No.	Description of supplies	Estimated Expenditure per FY (UGX)
1.	Supply of agriculture and fencing inputs and tools	48,318,126
2.	Supply of assorted office stationery	476,891,240
3.	Supply of small office equipment	61,877,074
4.	Supply of petroleum products and lubricants	764,342,950

No.	Description of supplies	Estimated Expenditure per FY (UGX)
5.	Supply of building materials	252,305,000
6.	Supply of equipment spare parts	65,100,000
Total		1,668,834,390

Implication

Both the Entity and the providers are not protected from the volatile market conditions, for example inflation and changes in foreign exchange rates hence the signed contracts may not be fair and equitable over their durations.

Management response

By the time the circular was circulated, the Entity had already signed the frame work contracts. However, the Entity shall call all the service providers with frame work contracts in order to include price adjustments.

Authority's comment

The Entity's response is noted; however, at the time of issuance of the PPDA Circular No.3 of 2024 on 3rd September 2024, Regulation 38 (4) of the PPDA (Contracts) Regulations, 2023 was already in place and as such applied to the framework contracts which were signed by the Entity in August 2024. Regulation 38 (4) of the PPDA (Contracts) Regulations, 2023 provides that "A Procuring and Disposing Entity shall place a contract with provisions on price adjustment for a procurement requirement that will not be completed within eighteen months from the placement of a contract."

Recommendations

The Accounting Officer should:

1. Always place a contract with provisions on price adjustment for a procurement requirement that will not be completed within 18 months from the placement of a contract in accordance with Regulation 38 (4) of the PPDA (Contracts) Regulations, 2023.
2. Consider amending the framework contracts to include the price adjustment clause, in case, during contract execution it becomes apparent that prices are significantly fluctuating, in accordance with the PPDA Circular No.3 of 2024 (Provision of Price Adjustment Clause in Framework Contracts) that was issued to all Accounting Officers on 3rd September 2024.

2.1.4 Ambiguous and inappropriate requirements in the bidding documents

i) Bills of Quantities (BOQs)

The Authority found that the bills of quantities in two procurements worth UGX 256,320,000 included inappropriate items that irregularly formed part of the contract price as detailed in Table 4 below:

Table 4: Procurements with inappropriate items in the BOQs

No.	Subject of procurement	Exceptions						
1.	Sitting, drilling, construction supervision of five deep boreholes worth UGX 192,340,000	The Authority found that the BOQs included inappropriate items and the contractor, Icon Projects Limited, quoted for these items that formed part of the contract price as indicated below: <table border="1" data-bbox="651 1951 1362 2024"> <thead> <tr> <th>Item No.</th> <th>Description</th> <th>Amount (UGX)</th> </tr> </thead> <tbody> <tr> <td>1.1</td> <td>Performance Bond</td> <td>150,000</td> </tr> </tbody> </table>	Item No.	Description	Amount (UGX)	1.1	Performance Bond	150,000
Item No.	Description	Amount (UGX)						
1.1	Performance Bond	150,000						

No.	Subject of procurement	Exceptions						
		<table border="1"> <tr> <td data-bbox="649 230 799 383">1.2</td> <td data-bbox="799 230 1123 383">Insurance of works, construction plants, against damage to persons and property</td> <td data-bbox="1123 230 1396 383">300,000</td> </tr> <tr> <td colspan="2" data-bbox="649 383 1123 421">Total</td> <td data-bbox="1123 383 1396 421">450,000</td> </tr> </table> <p data-bbox="649 461 1396 533">Implication The Entity incurred a financial loss of UGX 450,000.</p> <p data-bbox="649 573 1396 786"><u>Management response</u> <i>The Entity has taken note of the inappropriate items in the bills of quantity. The cost of UGX 450,000 incurred on those items shall be recovered at the time of payment of retention to the contractor and evidence of recovery shall be provided accordingly.</i></p>	1.2	Insurance of works, construction plants, against damage to persons and property	300,000	Total		450,000
1.2	Insurance of works, construction plants, against damage to persons and property	300,000						
Total		450,000						
2.	Fencing of Pakwach Health Centre IV at Kapita with gates worth UGX 63,980,000	<p data-bbox="649 797 1396 976">The Authority found that the Item E of the BOQs provided for a performance security and the contractor, Pegions Investment Limited, quoted for UGX 500,000 for this requirement. Ultimately, this amount of UGX 500,000 irregularly formed part of the contract price.</p> <p data-bbox="649 1016 1396 1088">Implication The Entity incurred a financial loss of UGX 500,000.</p> <p data-bbox="649 1128 1396 1337"><u>Management response</u> <i>The Entity has taken note of the inappropriate items in the bills of quantity. The cost of UGX 500,000 incurred on those items shall be recovered at the time of payment of retention to the contractor and evidence of recovery shall be provided accordingly.</i></p>						

Implication

The Entity incurred a total financial loss of UGX 950,000.

Management Response

Management shall immediately write to the contractors and recover these amounts from their retention that has not been paid since the projects are still under the defect liability period.

Recommendations

The Accounting Officer should recover of a total of UGX 950,000 and submit evidence of recovery to the Authority as follows:

1. UGX 450,000 from Icon Projects Limited in the procurement for sitting, drilling, construction, supervision of five deep boreholes.
2. UGX 500,000 from Pegions Investment Limited in the procurement for fencing of Pakwach Health Centre IV at Kapita with gates.

ii) Statement of requirements

In two procurements worth UGX 57,280,000, the Authority found that the statement of requirements in the bidding documents did not define the specifications for each of the inputs listed in Table 5 and ultimately in the signed contracts.

Table 5: Ambiguous description of items in the bidding document and signed contract

No.	Subject of procurement	Exceptions															
1.	Supply of local materials worth UGX 35,280,000	<p>The table below shows the inputs whose specifications were not defined under the statement of requirements in the bidding document:</p> <table border="1"><thead><tr><th>Description of supplies</th><th>Quantity</th><th>Unit of measure</th></tr></thead><tbody><tr><td>Gravel</td><td>17,547</td><td>M³</td></tr><tr><td>Hardcore</td><td>1,267</td><td>M³</td></tr><tr><td>Aggregate</td><td>-</td><td>M³</td></tr><tr><td>River sand</td><td>462</td><td>M³</td></tr></tbody></table>	Description of supplies	Quantity	Unit of measure	Gravel	17,547	M ³	Hardcore	1,267	M ³	Aggregate	-	M ³	River sand	462	M ³
Description of supplies	Quantity	Unit of measure															
Gravel	17,547	M ³															
Hardcore	1,267	M ³															
Aggregate	-	M ³															
River sand	462	M ³															
2.	Supply of road rehabilitation materials worth UGX 22,000,000	<p>The table below shows the inputs whose specifications were not defined under the statement of requirements in the bidding document:</p> <table border="1"><thead><tr><th>Description of supplies</th><th>Quantity</th><th>Unit of measure</th></tr></thead><tbody><tr><td>Ordinary port land cement</td><td>10,000</td><td>KG</td></tr><tr><td>Hardcore</td><td>320</td><td>M³</td></tr><tr><td>Fine aggregate</td><td>160</td><td>M³</td></tr></tbody></table>	Description of supplies	Quantity	Unit of measure	Ordinary port land cement	10,000	KG	Hardcore	320	M ³	Fine aggregate	160	M ³			
Description of supplies	Quantity	Unit of measure															
Ordinary port land cement	10,000	KG															
Hardcore	320	M ³															
Fine aggregate	160	M ³															

Implication

Ambiguous statement of requirements create room for assumption by bidders which in turn could compromise on the expected deliverables by the Entity hence failure to meet the objectives of the procurement.

Management response

This is noted. Going forward, the Entity shall ensure that user departments provide detailed specifications for the required materials. In line with the above, the Entity carried out market assessments which depict clear specifications of commonly procured items in the district.

Recommendations

1. User Departments should propose technical specifications to the Procurement and Disposal Unit in accordance with Section 36 (1) (d) of the PPDA Act Cap. 205.
2. The Head Procurement and Disposal Unit should provide specifications for each of the supply requirements in the bidding documents in accordance with Regulation 35 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.
3. The Contracts Committee should scrutinize all sections of the bidding documents for completeness and appropriateness before approving them for issue in accordance with Section 30 (e) of the PPDA Act, Cap. 205.

iii) Evaluation criteria

The Authority found that the evaluation criteria was ambiguous and inadequate in the bidding documents of five procurements worth UGX 527,500,470 as detailed in Table 6 below:

Table 6: Procurements with inadequate evaluation criteria in the bidding documents

No.	Subject of procurement	Exceptions
1.	Supply of road rehabilitation materials worth UGX 22,000,000	<p>This exception applies to No.s 1 and 2:</p> <p>Preliminary evaluation criteria Under Part 1: Bidding Procedures, the Authority found that item No.7 (d) of the documents evidencing eligibility required bidders to submit a copy of a valid income tax clearance certificate (TCC) or its equivalent addressed to Pakwach DLG; however, the specific period of the TCC was not indicated.</p> <p>Management response <i>Management admits that this was an oversight; however, we considered the tax clearance certificates of that financial year 2023/2024. Going forward, the Entity shall task the Procurement and Disposal Unit to be keen to avoid such errors.</i></p>
2.	Supply of local materials worth UGX 35,280,000	
3.	Civil maintenance in selected schools worth UGX 190,178,100	<p>These exceptions apply to No's 3, 4 and 5:</p> <p>i) Preliminary Examination Criteria The Authority found that item No. 3.2 under the eligibility criteria, required bidders to submit the following documentation without indicating the required period as follows:</p> <ul style="list-style-type: none"> • 3.2 (a) - a copy of the bidder's trading license or equivalent. • 3.2 (e) - fulfilment of obligations to pay taxes and social security contributions in Uganda where applicable. <p>Management response <i>We acknowledge this oversight; however, we always consider the current valid trading licenses and current valid tax clearance certificates for each running financial year. Going forward, the Entity shall task the Procurement and Disposal Unit to be keen to avoid such errors.</i></p> <p>ii) Failure to include requirements for academic qualifications of key personnel The Authority found that Item 6.1A under Personnel Criteria, required each bidder to demonstrate that it will have the personnel for the key positions (General Manager, Site Engineer Site Fore man, Electrical Engineer, Mason, Environmental Officer and Social Development Officer), however, the requirement for academic qualifications was not indicated. In addition, while the required years of experience for other personnel were indicated, those for the Environmental Officer and Social Development Officer were not included.</p>
4.	Construction of a 3-classroom block at Ocayo Primary School worth UGX 155,042,370	
5.	Construction of a 3-classroom block at Jacan Primary School worth UGX 125,000,000	

No.	Subject of procurement	Exceptions
		<p>Management response <i>This is noted. Going forward, the Entity shall ensure that personnel qualifications for such big contracts are included in the bidding documents. The Contracts Committee shall be advised to ensure proper scrutiny of the bidding documents before approval.</i></p>

Implication

There is a risk that the eligibility, technical ability of the bidders to perform the contract and the availability of the required resources were not correctly assessed. This exposed the Entity to the risk of contracting ineligible and/or incompetent providers.

Recommendations

1. The Head Procurement and Disposal Unit should fully and comprehensively detail the evaluation criteria in the bidding documents in accordance with Section 76 (2) of the PPDA Act Cap. 205.
2. The Contracts Committee should scrutinize all sections of the bidding documents for completeness and appropriateness before approving them for issue in accordance with Section 30 (e) of the PPDA Act, Cap. 205.

2.1.5 Irregularities at the financial evaluation stage

The Authority found that the evaluation committees did not properly conduct financial evaluation of bids in three procurements worth UGX 347,169,100 as detailed in Table 7 below.

Table 7: Procurements with irregularities at the financial evaluation stage

No.	Subject of procurement	Exceptions																				
1.	Fencing of Pakia Health Centre III with gate – Panyango Sub-County worth UGX 31,991,000	<p>Failure to evaluate all items in the BOQs The Authority found that the evaluation committee did not consider BOQs items worth UGX 1,305,000 when evaluating the price of the best evaluated bidder, Kris Consult Limited as indicated below:</p> <table border="1"> <thead> <tr> <th>Item Ref.</th> <th>Description</th> <th>Quantity</th> <th>Rate (UGX)</th> <th>Amount (UGX)</th> </tr> </thead> <tbody> <tr> <td>K</td> <td>Insitu concrete class 15/20 mm aggregate as described: 300X300X400 thick to bases of concrete posts at 2500 mm/cc</td> <td>3</td> <td>210,000</td> <td>630,000</td> </tr> <tr> <td>L</td> <td>Anti-termite protection: Treat bottom and sides of foundation trench with Aldlex or any other equal and approved anti-termite solution</td> <td>270</td> <td>2,500</td> <td>675,000</td> </tr> <tr> <td colspan="4">Total</td> <td>1,305,000</td> </tr> </tbody> </table>	Item Ref.	Description	Quantity	Rate (UGX)	Amount (UGX)	K	Insitu concrete class 15/20 mm aggregate as described: 300X300X400 thick to bases of concrete posts at 2500 mm/cc	3	210,000	630,000	L	Anti-termite protection: Treat bottom and sides of foundation trench with Aldlex or any other equal and approved anti-termite solution	270	2,500	675,000	Total				1,305,000
Item Ref.	Description	Quantity	Rate (UGX)	Amount (UGX)																		
K	Insitu concrete class 15/20 mm aggregate as described: 300X300X400 thick to bases of concrete posts at 2500 mm/cc	3	210,000	630,000																		
L	Anti-termite protection: Treat bottom and sides of foundation trench with Aldlex or any other equal and approved anti-termite solution	270	2,500	675,000																		
Total				1,305,000																		

No.	Subject of procurement	Exceptions
		<p>As a result, the evaluation committee recommended contract award to Kris Consult Limited at a wrong evaluated price of UGX 31,991,000 instead of the correct amount of UGX 33,296,000.</p> <p>Implication The contract was signed with the contractor, Kris Consult Limited at the evaluated price of UGX 31,991,000 implying that the above items may not have been implemented by the contractor at the time of execution of the contract.</p> <p><u>Management response</u> <i>Whereas the contractor was paid UGX 31,991,000, he executed the works as per the quantities verified in the bills of quantities because he accepted the conditions of the contract award. Going forward, the Accounting Officer shall summon all evaluation committee members and task them to be critical so that they avoid such errors. We shall also carry out prior training before commencement of the evaluation processes.</i></p>
2.	Construction of a 3-classroom block at Jacan Primary School worth UGX 125,000,000	<p>Irregular recommendation of contract award at a wrong price The Authority found that the evaluation committee recommended contract award to Wuna and Julia Enterprises at UGX 125,000,000 (planned/budgeted amount) instead of the evaluated price of UGX 125,247,475 yet there were no arithmetic errors/omissions.</p> <p>As a result, the contract was signed at UGX 125,000,000 on 14th November 2023 instead of the evaluated price of UGX 125,247,475.</p> <p>Implication The contractor, Wuna and Julia Enterprises was unfairly denied UGX 247,475 for use in execution of the works.</p> <p><u>Management response</u> <i>Negotiation was carried out with the contractor who accepted to carry out the works at the reserve price. The minute for negotiation and acceptance of the award is available for review.</i></p> <p>Authority's comment The Entity's response is noted; however, the negotiation minute dated 24th October 2023 under Min. 4/24.10.23 bullet eight was contrary to Regulation 83 (4) (c) of the Local Governments (PPDA) Regulations, 2006 which provided that "<i>Negotiations under competitive procurement methods shall not be conducted primarily for the purposes of reducing prices.</i>"</p>
3.	Civil maintenance in selected schools worth UGX 190,178,100	<p>Failure to detect arithmetic errors The Authority found that the evaluation committee did not detect arithmetic errors in the bid for Pegions Investment Limited as indicated below:</p>

No.	Subject of procurement	Exceptions																																
		<p data-bbox="564 271 932 304">i) Pajobi Primary School</p> <table border="1" data-bbox="564 338 1385 680"> <thead> <tr> <th data-bbox="564 338 772 450">Area</th> <th data-bbox="772 338 975 450">Evaluated Price (UGX)</th> <th data-bbox="975 338 1177 450">Authority's computation (UGX)</th> <th data-bbox="1177 338 1385 450">Variance (UGX)</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 450 772 490">Substructure</td> <td data-bbox="772 450 975 490">13,150,600</td> <td data-bbox="975 450 1177 490">9,152,000</td> <td data-bbox="1177 450 1385 490">(3,998,000)</td> </tr> <tr> <td data-bbox="564 490 772 566">Walling and frame</td> <td data-bbox="772 490 975 566">7,682,500</td> <td data-bbox="975 490 1177 566">7,683,500</td> <td data-bbox="1177 490 1385 566">1,000</td> </tr> <tr> <td data-bbox="564 566 772 642">Lightening protection</td> <td data-bbox="772 566 975 642">1,732,000</td> <td data-bbox="975 566 1177 642">1,746,000</td> <td data-bbox="1177 566 1385 642">14,000</td> </tr> <tr> <td colspan="3" data-bbox="564 642 1177 680">Total error</td> <td data-bbox="1177 642 1385 680">(3,983,000)</td> </tr> </tbody> </table> <p data-bbox="564 719 1445 790">The evaluated price should have reduced by UGX 3,983,000 from UGX 60,899,600 to UGX 56,916,000.</p> <p data-bbox="564 831 727 864">Implication</p> <p data-bbox="564 869 1422 902">The Entity potentially incurred a financial loss of UGX 3,983,000.</p> <p data-bbox="564 943 879 976"><u>Management response</u></p> <p data-bbox="564 981 1445 1122"><i>Pegions Investment Limited was paid for works done only. The project was reviewed and the remaining works are currently being executed by another service provider. The obligations shall be deducted from the retention to be paid.</i></p> <p data-bbox="564 1162 979 1196">ii) Panyimur Primary School</p> <p data-bbox="564 1200 1445 1305">The Authority found that the evaluated price should have increased by UGX 345,000 from UGX 38,706,000 to UGX 39,051,000 due to the error below:</p> <table border="1" data-bbox="564 1341 1437 1532"> <thead> <tr> <th data-bbox="564 1341 746 1417">Area</th> <th data-bbox="746 1341 963 1417">Evaluated Price (UGX)</th> <th data-bbox="963 1341 1267 1417">Authority's computation (UGX)</th> <th data-bbox="1267 1341 1437 1417">Variance (UGX)</th> </tr> </thead> <tbody> <tr> <td data-bbox="564 1417 746 1494">Lightening Protection</td> <td data-bbox="746 1417 963 1494">2,253,000</td> <td data-bbox="963 1417 1267 1494">2,598,000</td> <td data-bbox="1267 1417 1437 1494">345,000</td> </tr> <tr> <td colspan="3" data-bbox="564 1494 1267 1532">Total error</td> <td data-bbox="1267 1494 1437 1532">345,000</td> </tr> </tbody> </table> <p data-bbox="564 1570 1445 1641">This denied the contractor, Pegions Investment Limited, UGX 345,000 for use in execution of the works.</p> <p data-bbox="564 1682 727 1715">Implication</p> <p data-bbox="564 1720 1445 1792">There is a risk that the quality of the lightening protection was compromised.</p> <p data-bbox="564 1832 879 1865"><u>Management response</u></p> <p data-bbox="564 1870 1445 2038"><i>Pegions Investment Limited did not execute the works on lightening arrestors hence no payment was made. The contractor was therefore not denied the UGX 345,000. However, the Entity shall strengthen review of every evaluation committee report especially the bills of quantities.</i></p>	Area	Evaluated Price (UGX)	Authority's computation (UGX)	Variance (UGX)	Substructure	13,150,600	9,152,000	(3,998,000)	Walling and frame	7,682,500	7,683,500	1,000	Lightening protection	1,732,000	1,746,000	14,000	Total error			(3,983,000)	Area	Evaluated Price (UGX)	Authority's computation (UGX)	Variance (UGX)	Lightening Protection	2,253,000	2,598,000	345,000	Total error			345,000
Area	Evaluated Price (UGX)	Authority's computation (UGX)	Variance (UGX)																															
Substructure	13,150,600	9,152,000	(3,998,000)																															
Walling and frame	7,682,500	7,683,500	1,000																															
Lightening protection	1,732,000	1,746,000	14,000																															
Total error			(3,983,000)																															
Area	Evaluated Price (UGX)	Authority's computation (UGX)	Variance (UGX)																															
Lightening Protection	2,253,000	2,598,000	345,000																															
Total error			345,000																															

No.	Subject of procurement	Exceptions												
		<p>iii) Ojigo Primary School The Authority found that the evaluated price should have increased by UGX 350,000 from UGX 38,705,000 to UGX 39,055,000 due to the error below:</p> <table border="1"> <thead> <tr> <th>Area</th> <th>Evaluated Price (UGX)</th> <th>Authority's computation (UGX)</th> <th>Variance (UGX)</th> </tr> </thead> <tbody> <tr> <td>Lightening Protection</td> <td>2,182,000</td> <td>2,532,000</td> <td>350,000</td> </tr> <tr> <td colspan="3">Total error</td> <td>350,000</td> </tr> </tbody> </table> <p>This denied the contractor, Pegions Investment Limited, UGX 350,000 for use in execution of the works.</p> <p>Implication There is a risk that the quality of the lightening protection was compromised.</p> <p>Management response <i>Pegions Investment Limited did not execute the works on lightening arrestors hence no payment was made. The contractor was therefore not denied the UGX 350,000. However, the Entity shall strengthen review of every evaluation committee report especially the bills of quantities.</i></p>	Area	Evaluated Price (UGX)	Authority's computation (UGX)	Variance (UGX)	Lightening Protection	2,182,000	2,532,000	350,000	Total error			350,000
Area	Evaluated Price (UGX)	Authority's computation (UGX)	Variance (UGX)											
Lightening Protection	2,182,000	2,532,000	350,000											
Total error			350,000											

Recommendation

Evaluation Committee members should conduct financial evaluation of bids in accordance with Regulation 21 (2) (b) of the PPDA (Evaluation) Regulations, 2023.

2.1.6 Failure by contractors to submit Performance Securities

The Authority found that contractors did not submit Performance Securities in five procurements worth UGX 616,498,100 in Table 8 contrary to SCC (GCC) 61.1 of the signed contracts which provided that: "A Performance Security shall be required. A Performance Security shall be 8% of the contract price in form of an unconditional bank guarantee."

Table 8: Procurements where contractors did not submit performance securities

No.	Subject of procurement	Contract Amount (UGX)	Contractor
1.	Sitting, drilling, construction, supervision of five deep boreholes	192,340,000	Icon Projects Limited
2.	Civil maintenance in selected schools	190,178,100	Pegions Investment Limited
3.	Construction of a 3-classroom block at Jacan Primary School	125,000,000	Wuna and Julia Enterprises
4.	Fencing of Pakwach Health Centre IV at Kapita with gates	63,980,000	Pegions Investment Limited

No.	Subject of procurement	Contract Amount (UGX)	Contractor
5.	Additional works for rehabilitation of piped water system	45,000,000	Yura B Technical Services
Total		616,498,100	

Implication

Without obtaining Performance Securities, the Entity loses out on compensation resulting from the contractors' failure to execute their obligations under the contract.

Management response

This is noted.

Recommendations

1. In future procurements, where the contractor fails to furnish the Performance Security within the stipulated period; the Accounting Officer should withhold the bid security, annul the contract award decision and award the contract to the next best evaluated bidder in accordance with Regulation 12 (2) and (3) of the PPDA (Contracts) Regulations, 2023.
2. The Head Procurement and Disposal Unit should provide for a Performance Securing declaration in the bidding documents for procurements under the restricted domestic, restricted international, quotation and direct bidding methods in accordance with Clause 2.0 (iii) of Guideline Reference: 3/2024 on Bid and Performance Securities.

2.1.7 Delayed completion of works

The Authority found that the contractors failed to perform the works within the intended contractual completion periods in four procurements worth UGX 376,013,370 as indicated in Table 9 below:

Table 9: Construction works not completed within the contractual periods

No.	Subject of procurement	Contractual completion date	Actual completion date	Delay in working days
1.	Fencing of Pakia Health Centre III with gate – Panyango Sub-County worth UGX 31,991,000	15 th February 2024	13 th March 2024	20
2.	Construction of a 3-classroom block at Jacan Primary School worth UGX 125,000,000	15 th February 2024	14 th March 2024	21
3.	Construction of a 3-classroom block at Ocayo Primary School worth UGX 155,042,370	13 th March 2024	2 nd April 2024	15
4.	Fencing of Pakwach Health Centre IV at Kapita with gates worth UGX 63,980,000	15 th March 2024	No evidence of completion of the works: by 6 th March 2024; only 69.5% of the works were completed totaling to 39,998,250	152 (Calculated up to 14 th October 2024)

Implication

Delayed completion of works delays service delivery to the intended beneficiaries and increases costs of contract management.

Management response

For fencing of Pakia Health Centre III, the delays were due to some weakness detected in some concrete fencing poles and a recommendation was made to test the poles. When the results came out indicating the weakness of the poles, the contractor was tasked to rectify this hence the delay.

Authority's comment

The Entity did not respond to other delays that were observed by the Authority.

Recommendation

Contract managers should always task providers to meet all performance or delivery obligations as per the terms and conditions of a contract, in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023.

2.1.8 Failure by contractors to submit work programs

The Authority found that the contractors did not submit work programs in four procurements worth UGX 376,013,370 in Table 9, contrary to the provisions of contract under SCC (GCC) 36.1: which provided that: *"The contractor shall submit the program for the works within seven working days of contract signature."*

Implication

Without a works program, contract managers cannot measure/monitor the actual progress achieved on each activity and this can lead to time losses during contract execution.

Management response

The Entity has always requested for work programs during the bidding processes, which are attached in the bid documents. However, if there are delays in contract signing, the bidders are requested to submit an updated work program.

Authority's comment

There was no evidence of updated work programs submitted to support the management response.

Recommendations

1. Contract managers should always task contractors to submit work programs as per the terms and conditions of the contract before contract execution in accordance with Regulation 52 (3) (ii) of the PPDA (Contracts) Regulations, 2023.
2. Where contractors fail to submit the work programs, the contract managers should penalize the contractors by invoking the clauses on submission of work programs in the Special Conditions of Contract.

2.1.9 Non- performance of a contract

The Authority found that the contractor, Pegions Investment Limited, failed to complete the civil maintenance works worth UGX 190,178,100 in five selected schools of: Paroketo Primary school; Oguta Primary School; Panyimur Primary School; Pajobi Primary School; and Ojigo Primary School.

The Entity signed a contract with Pegions Investments Limited on 10th November 2023 at UGX 190,178,100 with an intended completion date of four months i.e., 10th March 2024 as per SCC (GCC 22.1) of the signed contract.

However, works were not completed and, in a letter, dated 26th April 2024, the Accounting Officer notified the contractor of the expiry of the contract and the Entity's rejection of the contractor's request for a contract period extension since there were no valid reasons advanced. He further indicated that the action taken by the Entity was to value the works done and make payment to the contractor for the works that were executed.

The Authority noted that:

- i) There was no evidence of valuation and certification of the works to warrant total payment worth UGX 94,615,249 made to the contractor, Pegions Investment Limited as indicated in Table 10 below:

Table 10: Total payments made to Pegions Investments Limited

Date of payment	Amount paid (UGX)
26 th April 2024	48,230,549 less 10% retention, but inclusive of 6% WHT
11 th July 2024	46,384,700 inclusive of 10% retention and 6%WHT

Table 11 below shows the breakdown of the payments made to the contractor, Pegions Investment Limited, for works executed in each school.

Table 11: Payments made to Pegions Investments Limited per school

Name of School	Original value of works (UGX)	Value of works done (UGX)	Value of works not done (UGX)
Paroketo Primary school	23,440,000	8,122,000	15,318,000
Oguta Primary School	28,427,500	13,490,000	14,937,500
Panyimur Primary School	38,706,000	26,251,000	12,455,000
Pajobi Primary School	60,899,600	23,226,000	37,673,600
Ojigo Primary School	38,705,000	23,387,000	15,318,000
Totals	190,178,100	94,476,000	95,702,100

The information contained in this table was obtained from the Contract Manager.

- ii) The Entity did not retain 10% (UGX 4,638,470) before effecting payment worth UGX 46,384,700 to the contractor, Pegions Investment Limited, on 11th July 2024. This was contrary to GCC 57.1 of the signed contract which stated that: "*The proportion of payments retained is ten percent (10%)*".
- iii) The Entity did not deduct the 6% WHT (a total of UGX 5,676,915) before effecting payments indicated in Table 10 yet there was no evidence that the contractor, Pegions Investment Limited, was withholding tax exempt at the time of payment.

Implications

- Delayed completion of works has delayed service delivery to the intended beneficiaries and increased costs associated with contract management.

- The Entity does not have security or assurance that defects that could develop would be remedied due to failure to retain monies worth UGX 4,638,470 when effecting payment to the contractor on 11th July 2024.
- The Entity is liable to pay the Uganda Revenue Authority the tax amount worth UGX 5,676,915 that was not withheld before effecting payments to Pegions Investment Limited.

Management response

A letter shall be drafted indicating that WHT deductions were not managed, therefore, Pegions Investments Ltd should remit the said amount to Uganda Revenue Authority.

Authority’s comment

The Entity did not respond to the other issues raised by the Authority. The Authority shall institute suspension proceedings into Pegions Investment Limited’s failure to complete civil maintenance works worth UGX 190,178,100 in five selected schools of Paroketo; Oguta; Panyimur; Pajobi; and Ojigo Primary Schools in accordance with Section 128 (e) of the PPDA Act, Cap. 205.

Recommendations

The Accounting Officer should:

1. Strictly pay retention monies after expiry of the defect’s liability period or if the contractor substitutes a payment security for a retained payment in accordance with Regulation 45 (2) of the PPDA (Contracts) Regulations, 2023.
2. Liaise with the contractor, Pegions Investment Limited to remit UGX 5,676,915 to URA for the civil maintenance works in five selected schools of: Paroketo Primary school; Oguta Primary School; Panyimur Primary School; Pajobi Primary School; and Ojigo Primary School.

2.1.10 No evidence of rectification of defects

The Authority found that in the construction of a 3-classroom block at Jacan Primary School worth UGX 125,000,000, the Contract Manager, in his report dated 27th March 2024 highlighted the following defects found on site to be rectified by the contractor, Wuna and Julia Enterprises:

- Windows not installed properly; and
- Leakages on the roof gutter joints.

However, the Authority did not find evidence that the defects were rectified yet the defects liability period expired on 23rd October 2024 (i.e., 180 days from the date of the intended completion date of 15th February 2024).

Implication

This is a safety hazard and may also cause disruptions to students, management and staff of the school.

Management response

No retention payment shall be made to Wuna and Julia Enterprise Ltd unless a report on correction of defect is provided.

Recommendations

1. The Contract Manager should task the contractor, to rectify all defects that were identified with immediate effect.

2. The Accounting Officer should:
 - i) Submit to the Authority a report on rectification of these defects.
 - ii) Not pay retention monies to the contractor until all the defects are satisfactorily rectified.

2.1.11 Unaccounted for funds

The Authority did not find any accountability for funds paid to contractors for material testing in three procurements worth UGX 409,200,470 indicated in Table 12:

Table 12: Procurements with no accountabilities for material testing

No.	Subject of procurement	Provision made for material testing (UGX)	Contractor										
1.	Civil maintenance in selected schools worth UGX 190,178,100	6,000,000	Pegions Investment Limited										
	<table border="1"> <thead> <tr> <th>Name of school</th> <th>Provision (UGX)</th> </tr> </thead> <tbody> <tr> <td>Ojigo Primary School</td> <td>2,000,000</td> </tr> <tr> <td>Panyimur Primary School</td> <td>2,000,000</td> </tr> <tr> <td>Pajobi Primary School</td> <td>2,000,000</td> </tr> <tr> <td>Total</td> <td>6,000,000</td> </tr> </tbody> </table>	Name of school	Provision (UGX)	Ojigo Primary School	2,000,000	Panyimur Primary School	2,000,000	Pajobi Primary School	2,000,000	Total	6,000,000		
Name of school	Provision (UGX)												
Ojigo Primary School	2,000,000												
Panyimur Primary School	2,000,000												
Pajobi Primary School	2,000,000												
Total	6,000,000												
2.	Construction of a 3-classroom block at Ocayo Primary School worth UGX 155,042,370	2,000,000	Rivershore Trade Links										
3.	Fencing of Pakwach Health Centre IV at Kapita with gates worth UGX 63,980,000	2,000,000	Pegions Investment Limited										
	Total	10,000,000											

Implication

The Entity incurred a financial loss of UGX 10,000,000 in purported material testing by the contractors.

Management response

The total amount of UGX 10,000,000 shall be recovered from the contractors' retention money.

Recommendations

The Accounting Officer should recover and submit to the Authority evidence of recovery of funds worth UGX 10,000,000 that were paid to contractors in purported material testing as follows:

1. UGX 6,000,000 from Pegions Investments Limited for the civil maintenance in three schools of: Ojigo Primary School; Panyimur Primary School; and Pajobi Primary School.
2. UGX 2,000,000 from Rivershore Trade Links for the construction of a 3-classroom block at Ocayo Primary School.
3. UGX 2,000,000 from Pegions Investment Limited for the fencing of Pakwach Health Centre IV at Kapita with gates.

2.1.12 Failure to fully implement the PPDA audit recommendations for FY 2021/2022

The Authority issued the Entity with a procurement and disposal audit report for FY 2021/2022 on 12th September 2023. Out of the 15 recommendations made, six (40%) were implemented,

five (33.3%) were partially implemented and four (26.7%) were not implemented as indicated in Table 13 below:

Table 13: Partially implemented and unimplemented previous audit recommendations for FY 2021/2022

Audit Recommendation	Status	Management response
<p>The Accounting Officer should:</p> <ol style="list-style-type: none"> 1. Task the Internal Audit Unit to undertake a value for money audit into works that were undertaken in Panyimur Town Council worth UGX 709, 342,877 (funds advanced to Mr. Jimmy Omeri) with an objective of establishing whether the works were completed as specified and that the costs were justifiable; and submit a copy of the report to the Authority within three months. 2. Sign a contract with the next best evaluated bidder, in the event that the best evaluated bidder fails to meet the contractual requirements of submission of the performance security within the specified period. 3. Follow up closely with the Chief Government Valuer and other stakeholders to ensure that disposal of obsolete assets is expeditiously handled. 	<p>Not implemented</p> <p>Not implemented</p> <p>Not implemented</p>	<ol style="list-style-type: none"> 1. <i>An audit was conducted, the audit issues identified were submitted to the Local Government's Public Accounts Committee and it was disposed of.</i> <p>Authority's comment The Entity submitted an internal audit report dated 26th July 2023, which was before the Authority issued its report with recommendations on 12th September 2023. As such, the Authority's recommendation of undertaking a value for money audit to establish whether the works were completed and that the costs were justifiable was not implemented because no report was submitted to the Authority.</p> <ol style="list-style-type: none"> 2. <i>Management has noted the audit recommendation No.2.</i> 3. <i>A letter was written to Ministry of Works and Transport to value the assets recommended for disposal.</i>
<p>The Head Procurement should:</p> <ol style="list-style-type: none"> 1. Set evaluation criteria that sufficiently assesses the ability of the bidder to perform the contract to meet the objectives of the procurement. 2. For each procurement requirement submit the proposed shortlist of providers and reasons for their selection to the Contracts Committee for approval. 	<p>Partially implemented</p> <p>Partially implemented</p>	<ol style="list-style-type: none"> 1. <i>The Entity shall continue ensuring that the bidders provide performance securities.</i> 2. <i>Evidence for shortlist of providers is available for review.</i> <p>Authority's comment The Entity submitted an invitation to bid instead of a shortlist of providers that must be submitted to the Contracts Committee for approval before providers are</p>

Audit Recommendation	Status	Management response
		invited to participate in the Entity's bidding processes.
User Departments should: 1. Conduct adequate needs assessment and develop appropriate statement of requirements before commencement of the procurement process. 2. Prevail over contract managers and contractors for the construction of Alwi Seed School, Market shade at Pokwero Auction Market; and a classroom block at Ocayo Primary School to rectify the defects.	Partially implemented Not implemented	<i>The Entity carried out market assessment to enable departments specify appropriately.</i> Authority's comment The Entity did not respond to the issue raised by the Authority under No.2.
The Contracts Committee should scrutinize all sections of the bidding documents for completeness and appropriateness before approving them for issue.	Partially implemented	<i>This is noted.</i>
Evaluation Committee members should conduct verification of the eligibility documents submitted by the bidders to confirm accuracy, authenticity and validity.	Partially implemented	<i>Evaluation committees do ascertain authenticity and validity of some documents.</i>

Implication

Failure to fully implement the Authority's audit recommendations is a red flag for inadequate internal controls and affects the performance of the procurement and disposal function in the Entity.

Recommendation

The Accounting Officer should 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.

2.2 COMPLIANCE OF THE ENTITY'S DISPOSAL PROCESSES WITH THE PROVISIONS OF THE PPDA ACT, CAP. 205 AND ATTENDANT REGULATIONS

2.2.1 Non disposal of obsolete/unserviceable assets

The Authority reviewed the board of survey report dated 28th August 2023 and found that several assets were recommended for disposal, vide Appendix 2; however, the Entity did not dispose of the assets.

Implication

Assets continue to lose value through depreciation and face risks of loss or vandalism.

Management response

This is noted.

Recommendation

The Accounting Officer should dispose of the obsolete assets to avoid further depreciation of the assets and attain value for money in accordance with the PPDA (Disposal of Public Assets) Regulations, 2023.

2.3 APPLICATION OF THE ENVIRONMENTAL, SOCIAL, HEALTH AND SAFETY (ESHS) REQUIREMENTS IN THE PROCUREMENT PROCESSES AT THE ENTITY

2.3.1 Failure to obtain Environmental and Social (ES) Performance Securities

The Authority found that the Entity did not obtain ES Performance Securities from contractors in six procurements worth UGX 758,531,470 indicated in Table 14 below, contrary to SCC (GCC) 61.1 of the signed contracts which provided that: “An ES performance security shall be required. The ES performance security shall be for 2% of the contract price.”

Implication

The Entity lost out on financial compensation resulting from the contractors’ failure to complete their obligations on environment, health, social and safety requirements under the contract.

Management response

This is noted.

Recommendation

The Accounting Officer should withhold the bid security, annul the contract award decision and award the contract to the next best evaluated bidder in cases where the contractor fails to furnish the ES Performance Security within the stipulated period, in accordance with Regulation 12 (2) and (3) of the PPDA (Contracts) Regulations, 2023.


2.3.2 Non- implementation of ESHS requirements

The Authority did not find any evidence that the Entity enforced the implementation of ESHS requirements in the execution of six contracts worth UGX 758,531,470 as detailed in Table 14:




Table 14: Procurements where ESHS requirements were not implemented

No	Subject of procurement	Exceptions															
1.	Construction of a 3-classroom block at Jacan Primary School worth UGX 125,000,000	The Authority did not find any evidence that the following ESHS requirements worth UGX 1,950,000 were implemented by the contractor, Wuna and Julia Enterprises, yet the Entity paid the contractor. <table border="1"><thead><tr><th>Item Ref</th><th>Description</th><th>Amount (UGX)</th></tr></thead><tbody><tr><td>J2</td><td>Powdered fire extinguisher</td><td>1,200,000</td></tr><tr><td>J3</td><td>First aid kit complete with the necessary requirement for first aid activities</td><td>150,000</td></tr><tr><td>J4</td><td>Provision of mandatory PPE for workers on site</td><td>300,000</td></tr><tr><td>J5</td><td>Sensitization of workers and neighbouring communities</td><td>120,000</td></tr></tbody></table>	Item Ref	Description	Amount (UGX)	J2	Powdered fire extinguisher	1,200,000	J3	First aid kit complete with the necessary requirement for first aid activities	150,000	J4	Provision of mandatory PPE for workers on site	300,000	J5	Sensitization of workers and neighbouring communities	120,000
Item Ref	Description	Amount (UGX)															
J2	Powdered fire extinguisher	1,200,000															
J3	First aid kit complete with the necessary requirement for first aid activities	150,000															
J4	Provision of mandatory PPE for workers on site	300,000															
J5	Sensitization of workers and neighbouring communities	120,000															

No	Subject of procurement	Exceptions												
		<table border="1"> <tr> <td>J7</td> <td>Installation of warning signages</td> <td>10,000</td> </tr> <tr> <td>J8</td> <td>Provision of waste management facilities</td> <td>70,000</td> </tr> <tr> <td>J10</td> <td>Tree and grass planting</td> <td>100,000</td> </tr> <tr> <td>Total</td> <td></td> <td>1,950,000</td> </tr> </table> <p>Management response <i>The ESHS requirements such as supply and installation of health and safety signages and warning tapes in and around the site was done at the time of project implementation, but may not be easily traced. Sensitization of workers on issues of GBV, HIV/AIDS, occupational health and safety was also done. Landscaping and restoration of biodiversity, construction of drainage and a soak pit are evident on the ground. The contractor, Wuna and Julia Enterprises Ltd ensured that environmental safeguards were adhered to. Trees i.e., Ashoka (Saraca Asoca) tree species were planted. Waste management facilities were also provided for during the construction and during monitoring there was no evidence of wastes.</i></p> <p>Authority's comment The Entity's response is noted; however, the report dated 15th December 2023 that was submitted by the Entity indicated that ESHS activities were not undertaken by the contractor as indicated below:</p>	J7	Installation of warning signages	10,000	J8	Provision of waste management facilities	70,000	J10	Tree and grass planting	100,000	Total		1,950,000
J7	Installation of warning signages	10,000												
J8	Provision of waste management facilities	70,000												
J10	Tree and grass planting	100,000												
Total		1,950,000												

MONITORING EDUCATION PROJECTS FOR ENVIRONMENT AND CLIMATE CHANGE SAFEGUARDS							
SN	PROJECT	LOCATION	PROJECT COST	CONTRACTOR	OBSERVATION	RECOMMENDATION (S)	PHOTOS
1	Construction of 3 classroom block with lightening arrester and water tank at Jacan P/S	Jacan village, Owoi, Pokwero S/C	126,900,000	Wuna and Julia Enterprise limited	ES and CC screening was done. A costed ESMP was developed and incorporated in the BOQ. The contractor does not have a competent ESHS staff and a C. ESMP. There is a waste management system on site. No activities that generate excessive dust. No activities that generate excessive noise. There is loss of vegetation, Soil Erosion, Haphazard management of construction materials. Landscaping, planting grass and provision of a water harvesting facility was partially done there is no hoarding off of the site and health and safety signage.	The Contractor should ensure Landscaping, planting of grass and trees are done. The Contractor should complete the installation of gutters and the tank. Ensure the construction wastes are properly collected and reused or disposed off in designated areas. The Contractor should ensure hoarding off is done to keep non construction workers off the site and proper management of construction materials to avoid wastage.	
2.	Fencing of Pakia Health Centre III with gate – Panyango Sub-County worth UGX 31,991,000				The Authority found that the Entity did not provide for ESHS requirements in the bidding document, and as such, the contractor, Kris Consult Limited did not provide for them in the submitted bid.		

No	Subject of procurement	Exceptions																											
		<p>This implies that works were executed without adherence to ESHS requirements.</p> <p><u>Management response</u> <i>The Entity provided for the Environment and Social Management Plan. This was done for all projects.</i></p> <p>Authority's comment The Entity's response is noted; however, there was no evidence submitted to support the management response.</p>																											
3.	Fencing of Pakwach Health Centre IV at Kapita with gate worth UGX 63,980,000	<p>The Authority noted ambiguity of the ESHS requirements in the bills of quantities i.e., the requirement was simply stated as "Provide for Environment and Social safeguards" without any specifics such as; waste management, tree/grass planting, safety signages on site, among others.</p> <p>The contractor, Pegions Investment Limited, also quoted UGX 500,000 for Environment, Social, Health and Safety requirements ambiguously. However, the Authority did not find any evidence of implementation of ESHS requirements yet payment was effected in favor of the contractor on 26th April 2024.</p> <p><u>Management response</u> <i>The Entity provided for the Environment and Social Management Plan. This was done for all projects.</i></p> <p>Authority's comment The Entity's response is noted; however, there was no evidence submitted to support the management response.</p>																											
4.	Construction of a 3-classroom block at Ocayo Primary School worth UGX 155,042,370	<p>The Authority did not find any evidence that the following ESHS requirements worth UGX 4,900,000 were implemented by the contractor, Rivershore Trade Links, yet the Entity paid the contractor.</p> <table border="1" data-bbox="639 1485 1385 2042"> <thead> <tr> <th data-bbox="644 1491 730 1559">Item Ref</th> <th data-bbox="730 1491 1230 1559">Description</th> <th data-bbox="1230 1491 1380 1559">Amount (UGX)</th> </tr> </thead> <tbody> <tr> <td data-bbox="644 1559 730 1599">J2</td> <td data-bbox="730 1559 1230 1599">Powdered fire extinguisher</td> <td data-bbox="1230 1559 1380 1599">1,800,000</td> </tr> <tr> <td data-bbox="644 1599 730 1711">J3</td> <td data-bbox="730 1599 1230 1711">First aid kit complete with the necessary requirement for first aid activities</td> <td data-bbox="1230 1599 1380 1711">450,000</td> </tr> <tr> <td data-bbox="644 1711 730 1783">J4</td> <td data-bbox="730 1711 1230 1783">Provision of mandatory PPE for the workers</td> <td data-bbox="1230 1711 1380 1783">600,000</td> </tr> <tr> <td data-bbox="644 1783 730 1861">J5</td> <td data-bbox="730 1783 1230 1861">Sensitization of workers and neighbouring communities</td> <td data-bbox="1230 1783 1380 1861">450,000</td> </tr> <tr> <td data-bbox="644 1861 730 1901">J7</td> <td data-bbox="730 1861 1230 1901">Installation of signages</td> <td data-bbox="1230 1861 1380 1901">200,000</td> </tr> <tr> <td data-bbox="644 1901 730 1973">J8</td> <td data-bbox="730 1901 1230 1973">Provision of waste management facilities</td> <td data-bbox="1230 1901 1380 1973">400,000</td> </tr> <tr> <td data-bbox="644 1973 730 2016">J10</td> <td data-bbox="730 1973 1230 2016">Trees and grass planting</td> <td data-bbox="1230 1973 1380 2016">1,000,000</td> </tr> <tr> <td data-bbox="644 2016 730 2042">Total</td> <td data-bbox="730 2016 1230 2042"></td> <td data-bbox="1230 2016 1380 2042">4,900,000</td> </tr> </tbody> </table>	Item Ref	Description	Amount (UGX)	J2	Powdered fire extinguisher	1,800,000	J3	First aid kit complete with the necessary requirement for first aid activities	450,000	J4	Provision of mandatory PPE for the workers	600,000	J5	Sensitization of workers and neighbouring communities	450,000	J7	Installation of signages	200,000	J8	Provision of waste management facilities	400,000	J10	Trees and grass planting	1,000,000	Total		4,900,000
Item Ref	Description	Amount (UGX)																											
J2	Powdered fire extinguisher	1,800,000																											
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J7	Installation of signages	200,000																											
J8	Provision of waste management facilities	400,000																											
J10	Trees and grass planting	1,000,000																											
Total		4,900,000																											

No	Subject of procurement	Exceptions										
		<p>Management response <i>The contractor, Rivershore Trade Links Ltd, ensured that environmental safeguards were adhered to. Trees i.e., Ashoka (Saraca Asoca) tree species and paspalum were planted. Waste management facilities were provided for during the construction and during monitoring, there was no evidence of wastes.</i></p> <p>Authority's comment The Entity's response is noted; however, the report dated 15th December 2023 that was submitted by the Entity indicated that ESHS activities were not undertaken by the contractor as indicated below:</p>										
7	Construction of 3 classroom block at Ocayo P/S	Paten Ocayo, Ragem Upper, Ragem S/C	<table border="1"> <tr> <td data-bbox="624 712 778 1514">136,000,000</td> <td data-bbox="778 712 954 1514">Rivershore tradelinks</td> <td data-bbox="954 712 1161 1514"> <p>ES and CC screening was done. A costed ESMP was developed and incorporated in the BOQ. The contractor does not have a competent ESHS staff and a C. ESMP. There is a waste management system on site. No activities that generate excessive dust, No activities that generate excessive noise. There is loss of vegetation, Soil Erosion, Haphazard management of construction materials. Landscaping, planting grass and provision of a water harvesting facility was partially done there is no hoarding off of the site and health and safety signage</p> </td> <td data-bbox="1161 712 1410 1514"> <p>The Contractor should ensure Landscaping, planting of grass and trees are done. The Contractor should complete the installation of gutters and the tank. Ensure the construction wastes are properly collected and reused or disposed off in designated areas. The Contractor should ensure hoarding off is done to keep non construction workers off the site and proper management of construction materials to avoid wastage.</p>  </td> </tr> </table>	136,000,000	Rivershore tradelinks	<p>ES and CC screening was done. A costed ESMP was developed and incorporated in the BOQ. The contractor does not have a competent ESHS staff and a C. ESMP. There is a waste management system on site. No activities that generate excessive dust, No activities that generate excessive noise. There is loss of vegetation, Soil Erosion, Haphazard management of construction materials. Landscaping, planting grass and provision of a water harvesting facility was partially done there is no hoarding off of the site and health and safety signage</p>	<p>The Contractor should ensure Landscaping, planting of grass and trees are done. The Contractor should complete the installation of gutters and the tank. Ensure the construction wastes are properly collected and reused or disposed off in designated areas. The Contractor should ensure hoarding off is done to keep non construction workers off the site and proper management of construction materials to avoid wastage.</p> 					
136,000,000	Rivershore tradelinks	<p>ES and CC screening was done. A costed ESMP was developed and incorporated in the BOQ. The contractor does not have a competent ESHS staff and a C. ESMP. There is a waste management system on site. No activities that generate excessive dust, No activities that generate excessive noise. There is loss of vegetation, Soil Erosion, Haphazard management of construction materials. Landscaping, planting grass and provision of a water harvesting facility was partially done there is no hoarding off of the site and health and safety signage</p>	<p>The Contractor should ensure Landscaping, planting of grass and trees are done. The Contractor should complete the installation of gutters and the tank. Ensure the construction wastes are properly collected and reused or disposed off in designated areas. The Contractor should ensure hoarding off is done to keep non construction workers off the site and proper management of construction materials to avoid wastage.</p> 									
5.	Sitting, drilling, construction, supervision of five deep boreholes worth UGX 192,340,000	<p>The Authority did not find any evidence that the following ESHS requirements worth UGX 380,000 were implemented by the contractor, Icon Projects Limited, yet the Entity paid the contractor.</p> <table border="1"> <thead> <tr> <th data-bbox="639 1697 735 1776">Item Ref</th> <th data-bbox="735 1697 1225 1776">Description</th> <th data-bbox="1225 1697 1394 1776">Amount (UGX)</th> </tr> </thead> <tbody> <tr> <td data-bbox="639 1776 735 1888">4.1</td> <td data-bbox="735 1776 1225 1888">Supply and provide personal protective equipment to all labour and first aid kit on site.</td> <td data-bbox="1225 1776 1394 1888">50,000</td> </tr> <tr> <td data-bbox="639 1888 735 1993">4.2</td> <td data-bbox="735 1888 1225 1993">Supply and install health and safety signages and warning tapes in and around sites.</td> <td data-bbox="1225 1888 1394 1993">30,000</td> </tr> </tbody> </table>		Item Ref	Description	Amount (UGX)	4.1	Supply and provide personal protective equipment to all labour and first aid kit on site.	50,000	4.2	Supply and install health and safety signages and warning tapes in and around sites.	30,000
Item Ref	Description	Amount (UGX)										
4.1	Supply and provide personal protective equipment to all labour and first aid kit on site.	50,000										
4.2	Supply and install health and safety signages and warning tapes in and around sites.	30,000										

No	Subject of procurement	Exceptions		
		4.3	Restore, level and landscape the site to the required standard to support the growth of biodiversity after completion of construction works.	30,000
		4.4	Plant at least 5 trees of good species and grass (paspalum) around the borehole to curb erosion of the levelled excavated soil.	100,000
		5.5	Construct a 6m long drainage channel terminating into 1m diameter and 2m deep soak pit filled with 300mm size hardcore, backfilled and levelled.	150,000
		5.6	Sensitization of workers on issues of GBV, HIV/AIDS, occupational health and safety.	20,000
		Total		380,000
<p><u>Management response</u> <i>The contractor ensured that the environmental safeguards were adhered to. Trees i.e., Ashoka (Saraca Asoca) tree species were planted. Waste management facilities were provided for during the construction and thus during monitoring there was no evidence of wastes. Also grass planting i.e., paspalum was done. A 6m long drainage channel terminating into 1m diameter and 2m deep soak pit filled with 300mm size hardcore, backfilled and levelled was put in place.</i></p> <p>Authority's comment The Entity's response is noted; however, the report dated 31st July 2024 that was submitted by the Entity indicated that construction waste on site, landscaping, grass and tree planting were not done. In addition, there was no pictorial evidence submitted to support the management response on areas reported as implemented.</p>				

No	Subject of procurement	Exceptions
5	Siting and drilling of Acana borehole, Acana village, Fualwonga Parish, Aitwi Sub-county	192,340,000 Icon Projects Limited
6	Siting and drilling of Kukuber borehole, Kukuber village, Lwala Parish, Panyimur Sub-county	192,340,000 Icon Projects Limited

Environment and climate change screening was conducted, Environment Management Plan prepared and the issues incorporated in the BOQ. During drilling the site was hoarded off with warning tapes, a first aid kit provided on site, communities informed in case of high noise levels and works were restricted during day, the workers were provided with PPEs. The dust levels were well managed. There is no soak pit and fencing of the water source has not been done adequately. Construction wastes on site, landscaping, grass and tree planting as well are not yet done.

The contractor should dump all the wastes generated in designated places or recycle the ones that can be used. He should also ensure landscaping is done and trees and grass planting are done around the water source. The communities should also take up their responsibility of properly fencing the water source and providing for a sufficient soak pit.

Environment and climate change screening was conducted, Environment Management Plan prepared and the issues incorporated in the BOQ. During drilling the site was hoarded off with warning tapes, a first aid kit provided on site, communities informed in case of high noise levels and works were restricted during day, the workers were provided with PPEs. The dust levels were well managed. There is a soak pit and fencing of the water source has been done adequately. Construction wastes on site, landscaping, grass and tree planting as well are not yet done.

The contractor should dump all the wastes generated in designated places or recycle the ones that can be used. He should also ensure landscaping is done and trees and grass planting are done around the water source.

6. Civil maintenance in five selected schools worth UGX 190,178,100:

i) Paroketo Primary school

The Authority found that the contractor, Pegions Investment Limited, ambiguously made a provision of UGX 200,000 for environmental safeguards and UGX 50,000 for health and safety regulations; however, there was no evidence of implementation of ESHS requirements.

Management response

The contractor did not complete the contract at the said school.

ii) Oguta Primary School

The Authority found that the contractor, Pegions Investment Limited, ambiguously made a provision of UGX 500,000 for environmental safeguards and UGX 50,000 for health and safety regulations; however, there was no evidence of implementation of ESHS requirements.

Management response

The contractor did not complete the contract at the said school.

iii) Panyimur Primary School

The Authority did not find any evidence that the following ESHS requirements worth UGX 3,530,000 were implemented by the contractor, Pegions Investment Limited, yet the Entity paid the contractor.

No	Subject of procurement	Exceptions			
	Element J ENVIRONMENT AND SOCIAL SAFEGUARD				
J1	Crest Tanks of 3,000 Litre each to be installed on the rear and front including gutters	NO	1	-	-
J2	Powdered fire extinguisher	NO	2	-	-
J3	First Aid Kit complete with the necessary requirement for first Aid activities	NO	1	450,000	450,000
J4	Provision of mandatory PPE for the workers on site	Item	1	200,000	200,000
J5	Sensitisation of workers and neighbouring communities	Item	1	200,000	200,000
J6	Geotechnical survey of the project	Item	0	-	-
J7	Installation of warning signages	Item	1	120,000	120,000
J8	Provision of Waste management facilities	NO	2	200,000	400,000
J9	Land scaping	Item	1	-	-
J10	Tree and grass planting	Item	1	-	-
Total to be carried to summary at end of bill no 2 >>>>					1,370,000

iv) Pajobi Primary School

The Authority did not find any evidence that the following ESHS requirements worth UGX 4,510,000 were implemented by the contractor, Pegions Investment Limited, yet the Entity paid the contractor.

Item Ref	Description	Amount (UGX)
J2	Powdered fire extinguisher	2,960,000
J3	First aid kit complete with the necessary requirement for first aid activities	450,000
J4	Provision of mandatory PPE for workers on site	200,000
J5	Sensitization of workers and neighbouring communities	200,000
J7	Installation of warning signages	100,000
J8	Provision of waste management facilities	400,000
J10	Tree and grass planting	200,000
Total		4,510,000

Management response

Items captured under environment and social safeguard issues were not paid.

Authority's comment

According to the valuation sheet for works executed that was submitted by the Entity, items under J3; J4; J5; J7; and J8 totaling to UGX 1,350,000 were valued as undertaken and paid for without any supporting evidence of implementation.

No	Subject of procurement	Exceptions
	Item Ref	Description
		Amount (UGX)
	J2	Powdered fire extinguisher
	J3	First aid kit complete with the necessary requirement for first aid activities
	J4	Provision of mandatory PPE for workers on site
	J5	Sensitization of workers and neighbouring communities
	J7	Installation of warning signages
	J8	Provision of waste management facilities
	J10	Tree and grass planting
	Total	3,584,000
<u>Management response</u>		
<i>J2 and J10 were not paid as per the payment valuation certificate.</i>		
<u>Authority's comment</u>		
According to the Entity's response and in absence of a valuation sheet for works executed, this implies that items worth UGX 1,406,000 (J3; J4; J5; J7 and J8) were paid for without any supporting evidence of implementation.		

Implications

- There is a risk that the health, safety and security of the workers, community and materials on site was compromised.
- Without supporting evidence of implementation of ESHS requirements, the Entity potentially incurred a financial loss of UGX 11,856,000 by effecting payment to contractors as indicated below:
 - i) UGX 1,950,000 made to Wuna and Julia Enterprises in the construction of a 3-classroom block at Jacan Primary School.
 - ii) UGX 500,000 made to Pegions Investment Limited in the procurement for fencing of Pakwach Health Centre IV at Kapita with gates.
 - iii) UGX 4,900,000 made to Rivershore Trade Links in the construction of a 3-classroom block at Ocayo Primary School.
 - iv) UGX 380,000 made to Icon Projects Limited in the procurement for sitting, drilling, construction, supervision of five deep boreholes.
 - v) UGX 4,126,000 made to Pegions Investment Limited in the procurement for civil maintenance in selected schools (Panyimur Primary School, Pajobi Primary School and Ojigo Primary School).

Recommendations

1. The District Engineer should work closely with the Environmental Officer, Community Development Officer and the District Health Officer to enforce implementation of ESHS requirements during execution of contracts. The ESHS aspect should be incorporated in the monthly progress reports submitted to the Accounting Officer and the Procurement and Disposal Unit in accordance with Regulation 52 (3) (g) of the PPDA (Contracts) Regulations, 2023.
2. The Head Procurement and Disposal Unit should prepare bidding documents for works that clearly define the statement of requirements that are environmentally and socially

responsive in accordance with Regulation 37 (2) (i) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services) Regulations, 2023.

3. The Accounting Officer should task the Contract Managers to show cause why disciplinary action should not be taken against them for ESHS requirements worth UGX 11,856,000 that were paid without evidence of implementation as indicated below:
 - i) UGX 1,950,000 made to Wuna and Julia Enterprises in the construction of a 3-classroom block at Jacan Primary School.
 - ii) UGX 500,000 made to Pegions Investment Limited in the procurement for fencing of Pakwach Health Centre IV at Kapita with gates.
 - iii) UGX 4,900,000 made to Rivershore Trade Links in the construction of a 3-classroom block at Ocayo Primary School.
 - iv) UGX 380,000 made to Icon Projects Limited in the procurement for sitting, drilling, construction, supervision of five deep boreholes.
 - v) UGX 4,126,000 made to Pegions Investment Limited in the procurement for civil maintenance in selected schools (Panyimur Primary School, Pajobi Primary School and Ojigo Primary School).
4. The Accounting Officer should task the contractors listed in No.3 above to implement all the ESHS activities that were not implemented and where such activities have been overtaken by events, recover any payments made to the contractors.

2.4 PROGRESS AND PERFORMANCE OF THE MICRO-SCALE IRRIGATION PROGRAM IN PAKWACH DISTRICT

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. Within this total cap, the maximum Government payment for a tank stand is UGX 2,000,000.
- 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.

Exceptions noted:

2.4.1 Very low implementation of the design, supply and installation of UGIFT microscale irrigation systems

The Authority found that Pakwach District Local Government installed only three microscale irrigation equipment in the Financial Year 2023/2024. Whereas the Entity planned to procure and install irrigation systems worth UGX 287,148,066; only UGX 47,463,938 was spent on the three systems. This implies that funds worth UGX 239,684,128 meant for beneficiary farmers were returned to the Consolidated Fund at the end of the FY 2023/2024.

Out of the 95 farmers expressed interest in the microscale irrigation system equipment, only 17 farmers were found eligible, as vide Appendix 4, and by the end of FY 2023/2024, three farmers had their irrigation equipment installed.

Table 15 below shows the summary of procurement and implementation of the microscale irrigation program in Pakwach District in FY 2023/24.

Table 15: Summary status of the procurement of microscale irrigation equipment in FY 2023/2024

Level	Definition	Pakwach DLG statistics by Number (FY 2023/24)
'Interested' Farmer	<i>Those farmers who submitted an Expression of Interest (EOI) and met the basic self-assessed criteria</i>	95
'Eligible' Farmer	<i>Those farmers who had a farm visit and were found to meet the eligibility criteria</i>	17
'Approved' Farmer	<i>Those farmers who made the co-payment, provided documentary proof of their land tenure (if possible) and signed an MOU with the Local Government</i>	12
'Installation Accepted' Farmer	<i>Those farmers who had the irrigation equipment installed and the Local Government and farmer verified the equipment and installation was as per quotation and standards</i>	3
'Completed' Farmer	<i>Those Farmers where the irrigation equipment supplier was paid by the Local Government and all paperwork is complete</i>	3
Total of microscale irrigation kits installed and completed in FY 2023/2024		3

The three farmers that had their irrigation equipment installed are indicated in Table 16 below:

Table 16: Farmers whose irrigation kits were installed and completed for FY 2023/2024

No.	Name of Farmer	Amount (UGX)	Type of irrigation equipment	Date of installation and completion of the equipment
1.	Ms. Justine Birombo	15,930,740	Solar powered - drag hose	17 th June 2024
2.	Mr. Norbert Kayom	15,037,160	Solar powered - drag hose	17 th June 2024
3.	Mr. Daniel Pachutho	18,994,140	Solar powered - drag hose	27 th June 2024

Note: The supplier of the above equipment was M/s Relief Line Uganda Limited.

Implications

- The Government of Uganda may fail to achieve its National Irrigation Policy which aims to create 1.5 million hectares of irrigated land by the year 2040.
- Without embracing the microscale irrigation system programme, farmers may not be able to sustain agricultural productivity/enhancement amidst changing climatic conditions.

Management response

The farmers response in making payment for the co-funding was very low.

Recommendations

The Accounting Officer should:

1. Urge farmers to embrace the initiative through conducting continuous awareness programs about the micro-scale irrigation program and its benefits.
2. Target farmers that are willing and have the resources to make the required co-payments.
3. Encourage farmers to form groups and nominate a representative on their behalf, who will facilitate easier access to the programme in order to alleviate the financial burden.
4. Provide extension services to support farmers in maximizing the benefits of the program e.g., production enhancement/ increase in farm productivity and their standard of living.
5. Provide continuous support services such as training on Operation and Maintenance (O&M) and provision of manuals to the beneficiary farmers.

2.5 IMPLEMENTATION OF THE AUTHORITY'S RECOMMENDATIONS ON THE CONTRACT AUDIT INTO THE CONSTRUCTION OF WADELAI SEED SECONDARY SCHOOL

On 23rd August 2022, Pakwach District Local Government signed a contract with Rhema Engineering Company Limited for the construction of Wadelai Seed Secondary School at a total cost of UGX 3,054,165,281 with an intended completion period of 18 calendar months i.e., 22nd February 2024 (This was calculated from the date of site handover which was on 23rd August 2022).

The Authority conducted a contract audit into the matter and at the time of conclusion of the audit exercise on 2nd December 2022, the Authority found that the project was behind schedule with 17% of the contract period lapsed, and the financial and physical progress were at 0%. The construction works had not commenced at the time because the contractor was still undertaking material mobilization, site clearance and setting up site offices.

On 16th May 2023, the Authority issued a contract audit report with recommendations in Table 17.

Between 21st and 23rd October 2024, the Authority conducted a compliance inspection exercise of Pakwach DLG for FY 2023/2024 (contract summary is vide Appendix 4) and found that:

2.5.1 Failure to fully implement the audit recommendations

The Authority found that the Entity did not fully implement all the recommendations contained in the audit report issued on 16th May 2023 as detailed in Table 17 below:

Table 17: Status of implementation of audit recommendations contained in the report issued on 16th May 2023

Audit Recommendation	Status of implementation	Management response
The Accounting Officer should: 1. Engage Nebbi Catholic Diocese to: i) Follow up with the land office to amend the free hold	Not implemented	1. <i>The Entity wrote to the Office of the Solicitor General seeking guidance on how to proceed.</i>

2.5.2 Expired contract

The Authority did not find evidence of extension of the contract period after its expiry on 22nd February 2024 yet works were incomplete. The Authority noted that:

- On 26th May 2024, the contractor, requested for extension of the contract period from 1st July 2024 to 30th December 2024; and
- On 10th September 2024, the Contracts Committee approved the extension of contract period from 1st July 2024 to 30th December 2024.

However, the request and approval of the extension of the contract period from 1st July 2024 to 30th December 2024 was against an expired contract.

Implication

The expired contract and contract period extension is void and the terms and conditions are not enforceable.

Management response

Extension of contract period is up to 30th December 2024.

Authority's comment

The Entity's response is noted; however, the approval of the extension of the contract by the Contracts Committee on 10th September 2024 was retrospective and based on an expired contract.

Recommendations

The Accounting Officer should:

1. Not allow the contractor, Rhema Engineering Company Limited, to proceed with execution of works in absence of a valid binding agreement between the Entity and the contractor because it is contrary to Regulation 10 (1) of the PPDA (Contracts) Regulations, 2023.
2. Task the District Engineer to value the pending works and tender the pending works to enable successful completion of the project and deliver service to the intended beneficiaries.

2.5.3 Incomplete works

The District Engineer informed the PPDA Inspection team that no works were executed after 30th June due to expiry of the contract. According to the last progress report for the period 1st to 30th June 2024; the progress of the works is as indicated in Table 18:

Table 18: Progress of the works as at 30th June 2024

Physical Progress (%)	79%
Financial Progress (%)	60%
Time progress (%)	116.7%

Note: the time progress at the time of conclusion of the PPDA compliance inspection on 23rd October 2024 was 144.3%.

The Authority noted that the District Engineer raised issues in his June 2024 report as follows:

- i) *"The construction project period extended expired and the work is still far from completion;*
- ii) *The contractor's management abandoned the site to only the Site Engineer and the Foreman with less attention;*

- iii) *The electrical fittings fixed on the walls were left uncovered and this possess a risk of being plucked off by intruders/children, since the site hoarding does not exist now;*
- iv) *The roofing of the kitchen blocks and the latrines' beams and eaves were left unfilled which exposed the roof structures to the risk of being blown away by strong winds expected by the commencement of the second farming season; and*
- v) *The contractor's balance of materials on site are bound to the risk of pilfering by the stranded operatives left on site with less attention."*

Table 19 below shows the pictorial evidence of the construction works as at 30th June 2024.

Table 19: Pictorial evidence as at 30th June 2024 report





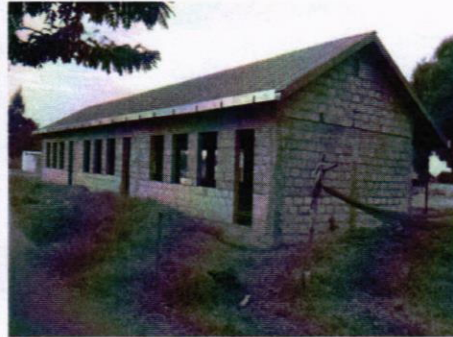
CLASSROOM BLOCKS FRONT



CLASSROOM BLOCK REAR



MULTIPURPOSE HALL FRONT



MULTIPURPOSE HALL ISOMETRIC



STAFF KITCHEN SIDE



STAFF KITCHEN FRONT



STAFF HOUSE FRONT



STAFF HOUSE BACK



STAFF TOILETS FRONT



STAFF TOILETS BACK



ADMINISTRATION LATRINE FRONT



SPORTS FIELD



GIRLS LATRINE FRONT



GIRLS LATRINE BACK



ICT/LIBRARY FRONT



ICT/LIBRARY BACK



BOYS LATRINE FRONT



BOYS LATRINE BACK

Implication

Delayed completion of the works has delayed service to the community, students, staff and management of Wadelai Seed Secondary School.

Management response

The contract shall be valued at the end of the contract period of 30th December, 2024 and the Entity shall initiate a new procurement process.

Authority's comment

There is no valid binding agreement between the contractor, Rhema Engineering Company Limited and Pakwach District Local Government. In addition, the approval of the extension of the contract period to 30th December 2024 by the Contracts Committee was retrospective and based on an expired contract i.e the Contracts Committee approved the contract period extension on 10th September 2024 after expiry of the contract on 22nd February 2024.

Recommendation

The Accounting Officer should task the District Engineer to value the pending works and tender the pending works to enable successful completion of the project and deliver service to the intended beneficiaries.

CHAPTER THREE: OVERVIEW OF THE PERFORMANCE OF THE ENTITY

This section graphically presents the scores per area assessed under the different compliance inspection questions.

3.1 Overall Procurement Performance

The performance of Pakwach District Local Government for the Financial Year 2023/24 was moderately satisfactory with an overall weighted average risk rating of 56.64%.

Table 20: Performance Rating

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

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 21: Summary of Performance of Pakwach District Local Government

Risk Rating	No.	% by No.	Weight	Weighted score by No.	Value (UGX)	% by Value	Weight	Weighted score by value
High	3	30	0.6	18	409,200,470	32.41	0.6	19.45
Medium	4	40	0.3	12	552,709,856	43.78	0.3	13.13
Low	3	30	0.1	3	300,667,500	23.81	0.1	2.38
Total	10	100	1	33	1,262,577,826	100	1	34.96

$$\text{Weighted Average (By no.)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{33}{60} \times 100 = 55\%$$

$$\text{Weighted Average (By Value)} = \frac{\sum \text{Weighted Score}}{60} \times 100 = \frac{34.96}{60} \times 100 = 58.29\%$$

$$\text{The average weighted risk rating} = \frac{55 + 58.29}{2} = 56.64\%$$

Figure 1: Risk Rating by Number

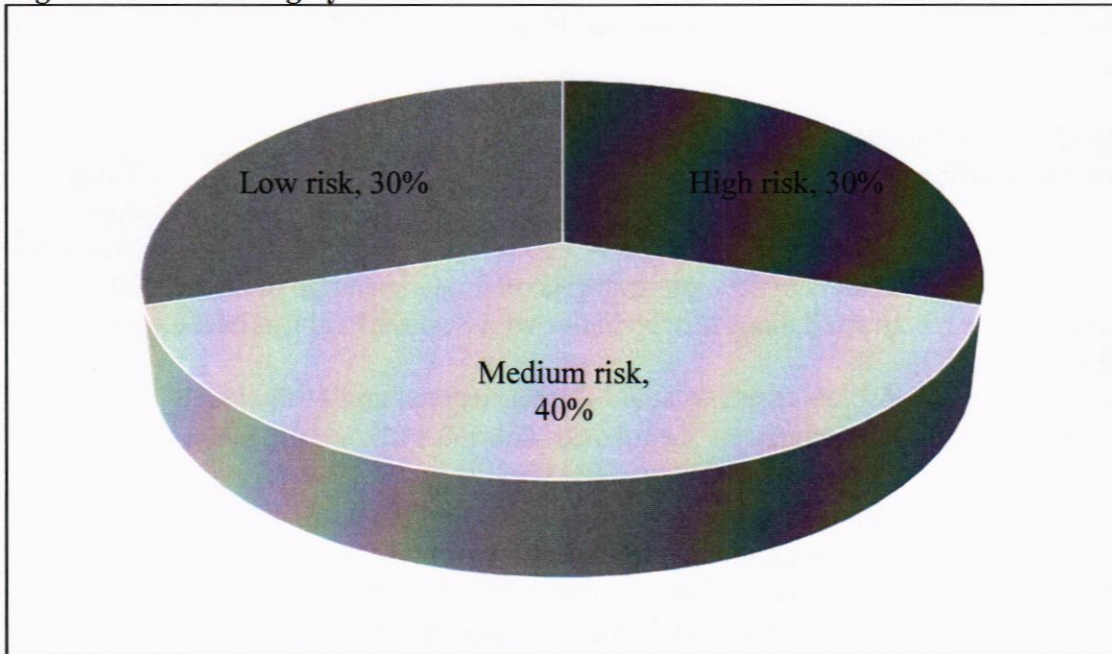
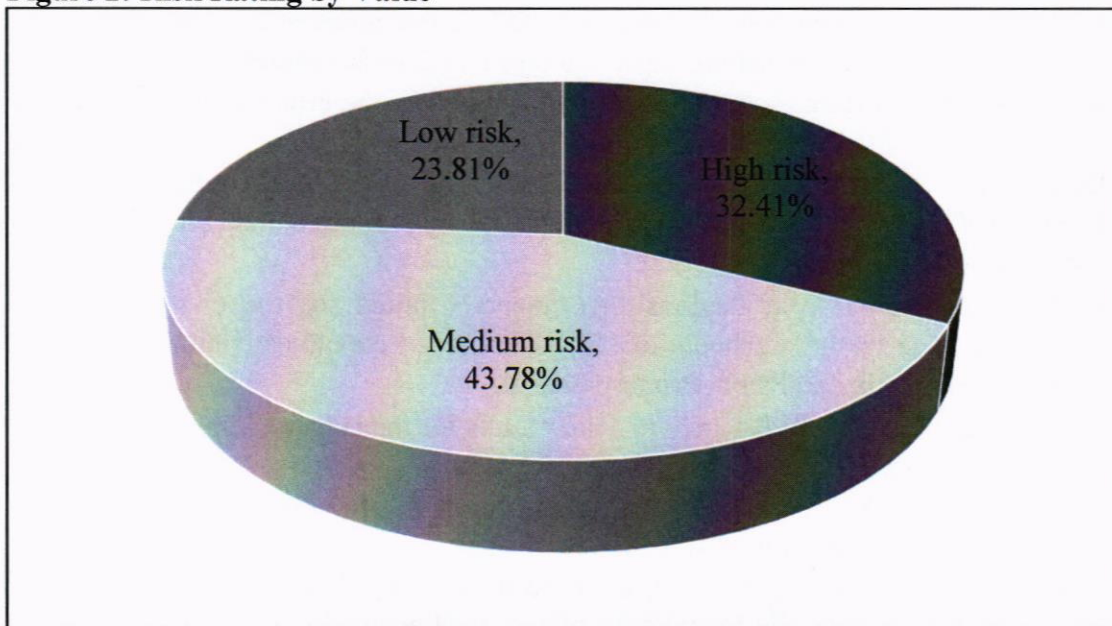


Figure 2: Risk Rating by Value



3.2 Recommended Action Plan

Pakwach District Local Government should with immediate effect implement the following recommendations to improve its performance in accordance with Section 10 (1) (a) of the PPDA Act, Cap. 205.

Table 22: Recommended Action Plan

Recommendation	Target date
<p>The Accounting Officer should:</p> <ol style="list-style-type: none"> 1. 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. Dispose of the obsolete assets to avoid further depreciation of the assets and attain value for money in accordance with the PPDA (Disposal of Public Assets) Regulations, 2023. 3. Liaise with the contractor, Pegions Investment Limited to remit UGX 5,676,915 to URA for the civil maintenance works in five selected schools (Paroketo Primary school; Oguta Primary School; Panyimur Primary School; Pajobi Primary School; and Ojigo Primary School). 4. Recover of a total of UGX 950,000 and submit evidence of recovery to the Authority as follows: <ul style="list-style-type: none"> • UGX 450,000 from Icon Projects Limited in the procurement for sitting, drilling, construction, supervision of five deep boreholes. • UGX 500,000 from Pegions Investment Limited in the procurement for fencing of Pakwach Health Centre IV at Kapita with gates. 5. Recover and submit to the Authority evidence of recovery of funds worth UGX 10,000,000 that were paid to contractors in purported material testing as follows: <ul style="list-style-type: none"> • UGX 6,000,000 from Pegions Investments Limited for the civil maintenance in three schools of: Ojigo Primary School; Panyimur Primary School; and Pajobi Primary School. • UGX 2,000,000 from Rivershore Trade Links for the construction of a 3-classroom block at Ocayo Primary School. • UGX 2,000,000 from Pegions Investment Limited for the fencing of Pakwach Health Centre IV at Kapita with gates. 6. Task the District Engineer to value the pending works at Wadelai Seed School and commence the retendering of the pending works to enable successful completion of the project and deliver service to the intended beneficiaries. 7. Formally delegate authority to User Departments to undertake micro procurements in accordance with Regulation 22 (2) of the PPDA (Rules and Methods for Procurement of Supplies, Works and Non-Consultancy Services), Regulations, 2023. 	<p>November 2024 for all</p>

Recommendation	Target date
<p>The Procurement and Disposal Unit should:</p> <ol style="list-style-type: none"> 1. In consultation with user departments regularly review and update the procurement plan based on the existing circumstances at the Entity in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023. 2. Fully and comprehensively detail the evaluation criteria in the bidding documents in accordance with Section 76 (2) of the PPDA Act Cap. 205. 3. Provide for a Performance Securing declaration in the bidding documents for procurements under the restricted domestic, restricted international, quotation and direct bidding methods in accordance with Clause 2.0 (iii) of Guideline Reference: 3/2024 on Bid and Performance Securities. 4. For each month submit to the Authority a report on the procurement activities undertaken by the Entity including micro procurements in accordance with Regulation 15 (1) of the PPDA (Procuring and Disposing Entities) Regulations, 2023. 	November 2024 for all
<p>User Departments should:</p> <ol style="list-style-type: none"> 1. In writing inform the Procurement and Disposal Unit to update the procurement plan in the event that there are amendments to the departmental work plans in accordance with Regulation 4 of the PPDA (Procurement Planning) Regulations, 2023. 2. Prepare monthly reports on micro procurements undertaken and submit the reports to the Procurement and Disposal Unit. 3. Propose technical specifications to the Procurement and Disposal Unit in accordance with Section 36 (1) (d) of the PPDA Act Cap. 205. 4. Prevail over Contract Managers to task providers to meet all performance or delivery obligations as per the terms and conditions of a contract, in accordance with Regulation 52 (3) (a) (i) of the PPDA (Contracts) Regulations, 2023 5. Through the Contract Manager ask the contractor, Wuna and Julia Enterprises to rectify all defects in in the construction of a 3-classroom block at Jacan Primary School. 	November 2024 for all
<p>Evaluation Committee members should:</p> <ol style="list-style-type: none"> 1. Adhere to the evaluation criteria set out in the bidding documents during evaluation of bids in accordance with Regulation 5 of the PPDA (Evaluation) Regulations, 2023. 2. Conduct financial evaluation of bids in accordance with Regulation 21 (2) of the PPDA (Evaluation) Regulations, 2023. 	Immediate for all
<p>The Contracts Committee should scrutinize all sections of the bidding documents for completeness and appropriateness before approving them for issue in accordance with Section 30 (e) of the PPDA Act, Cap. 205</p>	Immediate for all

APPENDICES

Appendix 1: Transaction list of audited files for FY 2023/24

No	Procurement Reference Number	Subject of Procurement	Procurement Method	Provider	Contract Value (UGX)	Rating
1.	PKCH918/WRKS/2023-24/00010	Extension of pipe water system under DWSCG	Open Domestic Bidding	Yura Technical Services Limited	198,387,500	Low
		Additional works for rehabilitation of piped water system	Direct Procurement		45,000,000	Low
2.	PKCH918/WRKS/2023-24/00011	Sitting, drilling, construction, supervision of five deep boreholes	Open Domestic Bidding	Icon Projects Limited	192,340,000	Medium
3.	PKCH918/WRKS/2023-24/00002	Civil maintenance in selected schools	Open Domestic Bidding	Pegions Investment Limited	190,178,100	High
4.	PKCH918/WRKS/2023-24/00001	Construction of a 3-classroom block at Jacan Primary School	Open Domestic Bidding	Wuna and Julia Enterprises	125,000,000	Medium
5.	PKCH918/WRKS/2023-24/00006	Construction of a 3-classroom block at Ocayo Primary School	Open Domestic Bidding	Rivershore Trade Links	155,042,370	High
6.	PKCH918/WRKS/2023-24/00005	Fencing of Pakwach Health Centre IV at Kapita with gates	Open Domestic Bidding	Pegions Investment Limited	63,980,000	High
7.	PKCH918/WRKS/2023-24/00006	Fencing of Pakia Health Centre III with gate in Panyango Sub-County	Selective Bidding	Kris Consult Limited	31,991,000	Medium
8.	PKCH918/SUPLS/2023-24/00012	Supply of local materials	Force on account	Mereki Awanga Solutions Ltd	35,280,000	Low
9.	PKCH918/SUPLS/2023-24/00039	Supply of road rehabilitation materials	Selective Bidding	Clean Cut Builders (U) Ltd	22,000,000	Low
10.	Various for different farmers	Microscale irrigation program	Request for Quotations	Relief Line Uganda	203,378,856	Medium
Total					1,262,577,826	
Follow-up: Construction of Wadelai Seed Secondary School				Rhema Engineering Company Limited	3,054,165,281	High

Appendix 2: Risk Rating Criteria

RISK	DESCRIPTION
HIGH	Such procurements are 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".
MEDIUM	Procurements that were considered to have weaknesses which, although less likely to lead to material financial loss or to risk damaging the regulatory system or the entity's reputation, warrant timely management action using the existing management framework to ensure a formal and effective system of management controls is put in place. Such procurements would normally be graded "medium" provided that there is sufficient evidence of "hands on management control and oversight" at an appropriate level of seniority.
LOW	Procurements with weaknesses where resolution within the normal management framework is considered desirable to improve efficiency or to ensure that the business matches current market best practice. Deviations from laid down detailed procedures would normally be graded "low" provided that there is sufficient evidence of management action to put in place and monitor compliance with detailed procedures.
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 3: Obsolete assets due for disposal

No.	Pakwach District Headquarters	No.	Panyimur Health Centre III	No.	Pakwach Sub-County
1.	Motor vehicle - UG 2972M	1.	Weighing scale (Adult)	1.	Motorcycle - LG009838
2.	Motor vehicle - UG 0433R	2.	screen	2.	Desktop
3.	Motor vehicle - UG 011338	3.	Examination couch	3.	Book shelf
4.	Motor vehicle - UG 4072 M	4.	Mattresses	4.	Computer monitors
5.	Motor vehicle - UG 011138	5.	Stretcher	5.	Television screen
6.	Motorcycle - UG 1650 S	6.	Hospital bed	6.	Printer
7.	Motorcycle- UDX 181 Y	7.	Batteries (05)	7.	Computer CPU
8.	Motorcycle - UBA 196 Y	8.	Iron sheet (78)	8.	Filling cabinets - LT0050
9.	Used motor vehicle truck equipment tyres		Panyimur Town Council	9.	Executive wooden table
	Dei Health Centre II	1.	Rice hauler	1.	Pakwach Health Centre IV
1.	Chlorine empty bucket	2.	Lenovo computer	2.	Nisan Pick-up Double Cabin - UG 4072

2.	Solar battery	3.	Wall clock	3.	Nisan Pick-up Double Cabin - UG29721
3.	Spraying pump red		Panyimur Sub-County	4.	Motorcycle - LG0075-38
4.	Forceps assorted	1.	Motorcycle - LG0101-38	5.	Balance (Lab Department)
	Fualwonga Health Centre II	2.	Motorcycle - UG1617A	6.	Spectrophotometer
1.	Double cabin pick-up - UG 2914 (Chassis No. LY4YXEA025T000121	3.	Monitor (2)	7.	Microscope Radical RMH4B
	Alwi Sub-County	4.	CPU	8.	Sure-step Glucometer
1.	Laptop (CDO)	5.	Printer (HP laser jet)	9.	Sets of old beds (60 pieces)
2.	Motorcycle jialing - LG 2238 -091		Wadelai Health Centre III	10.	Generator (2)
	Pakwach Town Council	1.	Adjustable bed	11.	Amplifier
1.	Motorcycle –Yamaha AG 100 - LG 0043 038	2.	Delivery bed (2)	12.	Typewriter
2.	Motorcycle-Yamaha AG 100 - UG 14465S	3.	Wheelchair	13.	TV screen (Sony & Panasonic) - (2)
3.	Motorcycle Suzuki White - UG 0445 F	4.	Autoclave	14.	Computer Desktop
4.	Generator Elemax, red	5.	Stretcher	15.	Scanner
5.	Generator Elemax, red	6.	Electric sterilizer	16.	Beds
6.	Photocopier - PTC/COP/LR/001	7.	Solar fridges		
7.	Filling cabinet - PTC/FC/LR/006	8.	Suzuki Gypsy Marutu - UAA671N		
	Panyango Sub-County		Amor Health Centre II	3.	Gutter
1.	Motorcycle Yamaha DT - UDA276U	1.	Iron sheet		
2.	Motorcycle Yamaha DT - UDA270U	2.	Wooden door		

Appendix 4: Status of procurement of micro-scale irrigation kits as per the fiscal year ended 2023/24 in Pakwach District

No	Location	Farmer Name	Farmer ID	Cost (UGX)	Type of irrigation equipment	Supplier	Status as at 30 th June 2024
1.	Panyango	Ms. Justine Birombo	Pakwach/2023-05-09/Male/53635	15,930,740	Hose pipe (0.5 acres)	Relief Line Uganda Limited	Installation Completed
2.	Panyango	Mr. Norbert Kayom	Pakwach/2024-03-15/Male/74958	15,037,160	Hose pipe (1.5 acres)	Relief Line Uganda Limited	Installation completed
3.	Pakwach	Mr. Daniel Pachutho	Pakwach/2023-06-29/Male/61092	18,994,140	Sprinkler (2.5 acres)	Relief Line Uganda Limited	Installation at 95%

No	Location	Farmer Name	Farmer ID	Cost (UGX)	Type of irrigation equipment	Supplier	Status as at 30 th June 2024
4.	Panyimur	Ms. Christine Manda Olar	Pakwach/2024-01-31/Female/72948	20,330,800	Hose Pipe (1 acre)		Farmer committed IM, tender awarded
5.	Panyango	Mr. Josephat Okwai	Pakwach/2023-05-17/Male/54694	18,707,410	Hose Pipe (1 acre)		Farmer committed IM, tender awarded
6.	Pakwach Town Council	Ms. Filda Anican	Pakwach/2023-01-31/Female/35001	17,478,658	Hose Pipe (2.383 acres)		Farmer committed IM, tender awarded
7.	Pakwach Town Council	Mr. Terence Akera	Pakwach/2023-05-10/Male/53645	13,333,740	Sprinkler (0.5 acres)		Farmer committed IM, tender awarded
8.	Panyango	Mr. Ronald Rupiny	Pakwach/2023-05-10/Male/53639	17,727,970	Sprinkler (1 acre)		Farmer committed IM, tender awarded
9.	Panyango	Mr. Remmy Onyutha	Pakwach/2023-05-12/Male/54394	14,608,920	Hose Pipe (1 acre)		Farmer committed IM, tender awarded
10.	Pakwach	Mr. Sancto Ogena	Pakwach/2023-07-11/Male/62360	18,190,448	Hose Pipe (2.5 acres)		Farmer committed IM, tender awarded
11.	Alwi	Mr. Robert Steven Omitto	Pakwach/2023-02-27/Male/41351	17,791,300	Sprinkler (2.5 acres)		Farmer Committed IM, tender awarded
12.	Pokwero	Mr. Obel Onegi	Pakwach/2023-12-15/Male/71184	15,247,570	Hose Pipe (1 acre)		Farmer Committed IM, tender awarded
13.	Panyimur	Ms. Prossy Akumu	Pakwach/2024-01-11/Female/71929	-	Sprinkler (2.5 acres)	-	Farmer committed IM
14.	Pakwach	Mr. Christopher Opio	Pakwach/2023-07-11/Male/62282	-	Hose pipe	-	Farmer Committed IM
15.	Ragem	Mr. Onono Kizito	Pakwach/2023-02-27/Male/42097	-	Hose pipe (0.5 acres)	-	Farmer Committed IM

No	Location	Farmer Name	Farmer ID	Cost (UGX)	Type of irrigation equipment	Supplier	Status as at 30 th June 2024
16.	Ragem	Mr. Illario Twkakwo	Pakwach/2024-02-26/Male/74169	-	Hose pipe (0.5 acres)	-	Farmer Committed IM
17.	Ragem	Mr. Thomson Ovuru	Pakwach/2023-02-27/Male/42092	-	Hose pipe (0.5 acres)	-	Farmer Committed IM

Appendix 5: Contract Audit Summary at time of the compliance inspection on 23rd October 2024

Contract Title	Construction of Wadelai Seed Secondary School	
Method of Procurement	Open Bidding	
Important Dates	Submission of draft contract to Solicitor General for approval	8 th August 2022
	Date a No objection was sought from the Ministry of Education and Sports	14 th March 2022
	Approval date of the No objection by the Ministry of Education and Sports	10 th August 2022
	Approval of the draft contract by the Solicitor General	13 th August 2022
Contract Signing Date	23 rd August 2022	
Type of Contract	Admeasurement Contract	
Contract Price	UGX 3,054,165,281	
Name of Contractor	Rhema Engineering Company Limited	
Contract Scope	Description	Amount (UGX)
	Preliminaries	32,400,000
	Site levelling works	50,000,000
	Construction of 3 blocks of 2 classrooms	487,794,000
	2-unit science laboratory blocks	270,994,670
	Administration block	170,620,000
	3 blocks of 2-unit teachers' house	477,548,100
	3 blocks of 2-unit teachers' kitchen	118,296,000
	2 stances lined VIP latrine block-Administration block	20,010,500
	3 blocks of 2 latrine stances lined VIP latrine -Teachers' house	66,721,500
	5 stances lined VIP latrine block-Boys	35,422,000

	5 stances lined VIP latrine block-Girls	35,632,000
	External works	4,110,000
	Rain water harvest system with 500L water tank	21,670,000
	ICT library	384,968,900
	Multipurpose Hall	362,088,000
	Playground	50,000,000
	VAT	471,699,085
Contract Period	18 calendar months from site hand over date	
Actual Site Handover Date	23 rd August 2022	
Intended Completion Date	22 nd February 2024	
Revised Completion Date	30th Sept, 2024	
Other contract terms	<p>The defect liability period is 12 months Retention is 10% Advance payment is 20% of the contract sum Performance security is 8% of the contract sum Environmental and Social security is 2% of the contract sum</p>	
Project Management Team appointed on 26 th April 2020	<ol style="list-style-type: none"> 1. District Engineer - Project Manager 2. District Education Officer - Contract Manager 3. District Community Development Officer 4. Health Officer 5. Environmental Officer 	
Clerks of Works appointment	23 rd August 2022	
Progress report as at 23 rd October 2024	<p>Time progress – 79% Physical progress – 144.3% Financial progress – 60%</p>	

Appendix 6: List of the Procurement and Disposal Unit members

No	Name	Job Title	Academic Qualification	Procurement Certification	Years of Experience
1.	Mr. John Onyutha	Senior Procurement Officer	Bachelors of Procurement and Logistics Management	-	5 years
2.	Ms. Faith Mungudit	Procurement Officer	Bachelors of Supply and Procurement Management	-	8 years

Appendix 7: List of the Contracts Committee members

No	Name	Job Title	Position on Contracts Committee	Appointment Date	Date of Expiry
1.	Mr. Robert Canpara	Principal Entomologist	Chairperson	2 nd October 2023	2 nd October 2026
2.	Mr. Patrick Olwor	Senior Community Development Officer	Secretary	1 st March 2022	1 st March 2025
3.	Mr. Jimmy Berocan	Senior Fisheries Officer	Member	1 st July 2024	1 st July 2027
4.	Ms. Fuathum Kigezi	Environment Health Officer	Member	16 th June 2023	16 th June 2026
5.	To be filled				

Appendix 8: List of User Departments

No	User Department	Head Of Department	Job Title
1.	Administration	Mr. Stephen Edema Budraa	Deputy Chief Administrative Officer
2.	Finance	Mr. Peter Bere Otyanga	Chief Finance Officer
3.	Statutory	Mr. Charles Muswa	Principle Assistant Secretary & Clerk to Council
4.	Education	Ms. Christine Acayo	District Education Officer
5.	Health	Dr. Paul Ajal	District Health Officer
6.	Planning Unit	Mr. Richard Oryem	Senior Planner
7.	Audit	Mr. James Anego	Senior Internal Auditor
8.	Community Based Services	Awor Bernardette	District Community Development Officer
9.	Works Department	Mr. Geoffrey Ochakachon Avola	Senior Engineer
10.	Natural Resources	Mr. Richard Alenyo	Senior Land Management Officer
11.	Production	Mr. Samue Habajja I Nawedde	District Production Officer

No	User Department	Head Of Department	Job Title
12.	Water Sector	Mr. Benedicto Oweknimungu	Town Engineer
13.	TILED	Mr. Christopher Jakweyo	Principal Commercial Officer
14.	Human Resources Sector	Ms. Jennifer Kerobedi	Senior Human Resource Officer
15.	Pakwach Town Council	Mr. Stephen Wakunga Odongo	Town Clerk Pakwach Town Council
16.	Panyimur Town Council	Mr. Simon Adriko	Town Clerk Panyimur Town Council
17.	Pakwach Sub-County	Okaro Harbert	Assistant Secretary -Pakwach Sub County
18.	Panyango Sub-County	Mr. Jepter Ukurboth	Senior Assistant Secretary, Panyango Sub County
19.	Pokwero Sub-County	Mr. Harry Henry Othubi	Senior Assistant Secretary, Pokwero Sub County
20.	Ragem Sub-County	Mr. Martin Okumu	Parish Chief Ragem Sub County
21.	Wadelai Sub-County	Mr. Maurice Mucwa	Senior Assistant Secretary, Wadelai Sub County
22.	Alwi Sub-County	Ms. Hawa Sebbi	Senior Assistant Secretary, Alwi Sub County
23.	Panyimur Sub-County	Ms. Mary Racheal Anena	Senior Assistant Secretary, Panyimur Sub County
24.	Dei Sub-ounty	Ms. Penina Ubomba	Parish Chief, Dei Sub County