



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

**PROCUREMENT AND DISPOSAL AUDIT REPORT OF MBARARA MUNICIPAL
COUNCIL FOR FINANCIAL YEAR 2018/2019**

NOVEMBER 2019

Table of Contents

EXECUTIVE SUMMARY	4
CHAPTER 1: INTRODUCTION.....	6
1.1. Background.....	6
1.2. Objectives of the Audit	6
1.3 Scope of the Audit	6
1.4. Methodology	6
CHAPTER 2: KEY FINDINGS AND RECOMMENDATIONS ON THE PROCUREMENT SYSTEM PROCESS AND DISPOSAL	9
CHAPTER 3: PROCUREMENT PERFORMANCE INDICATORS	23
3.1 Compliance score.....	23
3.2 Performance Score	25
3.3 Overall procurement performance	27
CHAPTER 4: RECOMMENDED ACTION PLAN	28
ANNEXES	30
Annex 1: Sample list.....	30
Annex 2. List of persons met during entry meeting.....	33
Annex 3. List of staff in the Procurement and Disposal Unit.....	33
Annex 4. List of the Contracts Committee members.....	33
Annex 5. List of User Departments	33
Annex 6: Physical Verification.....	34

ACRONYMS

AO	Accounting Officer
CC	Contracts Committee
FY	Financial Year
HPDU	Head Procurement and Disposal Unit
PDE	Procuring and Disposing Entity
PDU	Procurement and Disposal Unit
PPDA	Public Procurement and Disposal of Public Assets Authority
USMID	Uganda Support to Municipal Infrastructure Development
LG	Local Government

EXECUTIVE SUMMARY

Introduction

The Public Procurement and Disposal of Public Assets Authority (PPDA) carried out the Procurement and Disposal audit of Mbarara Municipal Council. The audit covered a representative sample of twenty (20) procurements carried out during the Financial Year 2018/19. The audit involved a review of procurement system, procurement processes, asset disposal processes and the procurement performance indicators following the Public Procurement and Disposal of Assets Act 2003 and Local Government (PPDA) Regulations 2006.

From the findings of the procurement audit exercise, the summary performance of your Entity revealed that the compliance score was 82%, the performance score was 79% and the overall weighted average performance of 80.2%, which is satisfactory performance as summarized in the table below:

No.	Compliance Indicator	Score %	Weight	Weighted Score
1.	Average Compliance Indicator Score	82	0.4	32.8
2.	Average Performance Indicator Score	79	0.6	47.4
Entity's Weighted Procurement Performance Score				80.2

Performance rating

No.	Compliance Level (%)	Compliance Rating
	90-100	Highly Satisfactory
	60-89	Satisfactory
	30-59	Unsatisfactory
	0-29	Highly Unsatisfactory

Despite the satisfactory performance, the following exceptions were noted:

1. Only 60% of the recommendations for the Financial Year 2017/2018 were implemented and 40% were not implemented;
2. The Entity failed to fully implement the procurement plan. The audit revealed that there was a 36.7% budget absorption rate with a budget variance of UGX 16,344,838,281, implying 63.3% of the planned activities were not implemented;
3. On average, the User Departments delayed to initiate procurements by 98 working days, according to the timelines enshrined in the procurement plan. This was noted in fifteen of the twenty sampled procurements worth UGX 918,670,549;
4. The Accounting Officer delayed to confirm availability of funds by an average of 25 working days, from the date of the procurement initiation by the users, in four procurements worth UGX 182,552,821;
5. The Entity received less than 3 (three) bids in nine (9) procurements worth UGX 314,440,159. This is an indicator of low levels of competition in the procurement processes of the Entity;
6. The Entity irregularly disposed of trees at the Nyakayojo Division Offices at UGX 15,126,550 without following all of the necessary disposal procedures;
7. The Procurement and Disposal Unit did not report on micro procurements and call off orders issued under framework contracts e.g. stationery, materials under force

account, printing and photocopying utilities. Therefore, the Authority could not determine the total expenditure on framework contracts; and

8. Procurement action files for sixteen (16) procurements worth UGX 1,243,764,566 were incomplete, fifteen (15) of the sixteen (16) incomplete files did not have a contract implementation plans.

Recommendations

Mbarara Municipal Council should implement the following recommendations:

1. The Accounting Officer should ensure that all recommendations made by PPDA are fully implemented to improve performance of the Entity in accordance with Regulation 14(k) of the Local Government (PPDA) Regulations 2006.
2. The Accounting Officer should ensure that the procurement plan is fully implemented by the end of the financial year and also ensure that realistic estimates are made during the planning phase.
3. User Departments should initiate procurements in accordance with the planned timelines in the procurement plan in order to enable the full absorption of the budgeted funds.
4. The Accounting Officer should ensure that confirmation of funding is undertaken in an efficient manner in accordance with Regulation 14 (j) of the Local Government (PPDA) Regulations, 2006.
5. The Accounting Officer and Management should put in place a mechanism of improving/ increasing transparency and competition in accordance with Section 46 of the PPDA Act, 2003 and Schedule 7(c) of the Fourth Schedule of the PPDA Act, 2003
6. The Head Procurement and Disposal Unit should also conduct supplier appraisals of providers and develop strategies that maximize competition in accordance with Section 46 of the PPDA Act 2003.
7. The Head Procurement and Disposal Unit should ensure that disposal is undertaken in accordance with Regulation 122 and 125 of the Local Government (PPDA) Regulations 2006.
8. The Procurement and Disposal Unit should ensure that all procurement transactions (including frame work agreements and micro procurements) are reported to the Authority in accordance with Regulation 7 of the Local Government (PPDA) Regulations, 2006.
9. The Accounting Officer should ensure that the Procurement and Disposal Unit's procurement action files are complete with all documents in accordance with Section 31 (o) of the PPDA Act 2003.
10. Contract supervisors should ensure that progress reports and contract implementation plans are prepared and a copy is submitted to the Procurement and Disposal Unit for record keeping in accordance with Regulation 119 (10) (f) of the Councils (PPDA) Regulations, 2006.

CHAPTER 1: INTRODUCTION

1.1. Background

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal audit of Mbarara Municipal Council that covered a representative sample of 20 procurement transactions in the Financial Year 2018/2019. The audit involved a review of the procurement system, procurement process and disposal.

1.2. Objectives of the Audit

The overall objective of the procurement and disposal audit was to assess and establish the degree of compliance of Mbarara Municipal Council's procurement system and processes with the provisions of the PPDA Act 2003 and Local Government (PPDA) Regulations 2006 and assess the level of procurement performance over the audit period.

The specific objectives were:

1. To establish the level of compliance of the internal procurement systems with provisions of the PPDA Act, Regulations and Guidelines and the adequacy for effective procurements and disposals.
2. To assess procurement, contracting and implementation process based on a representative sample of contracts to confirm the level of compliance with the PPDA Act, Regulations, and Guidelines.
3. To assess the level of compliance of the asset disposal contracts with the PPDA Act, Regulations and Guidelines.
4. To establish the level of procurement performance of the Entity and the achievement of value for money for each of the sampled contracts in terms of time, competition and cost.
5. Based on the key findings on the procurement systems, process, and performance, to offer an opinion on attainment of value for money and recommend measures to improve performance.

1.3 Scope of the Audit

The Public Procurement and Disposal of Public Assets Authority carried out the procurement and disposal audit of Mbarara Municipal Council from 30th May 2019 to 3rd October 2019. The Entity had a total procurement budget of **UGX 25,836,649,970** in the audit period.

The audit covered a representative sample of twenty (20) procurement carried out during FY 2018-2019. The list of sampled transactions is contained in **Annex 1**. The audited procurement contracts totaled **UGX 3,376,949,357** which was **36%** of the total procurement spend of **UGX 9,491,811,689** in the audit period.

The audit questions and criteria were derived from the Public Procurement and Disposal of Assets Act 2003 and Local Government (PPDA) Regulations 2006 as well as Local Government (PPDA) Guidelines 2008. The three audit tools used in the audit were: procurement system audit criteria, procurement process audit criteria and asset disposal audit criteria as contained in the PPDA Procurement Audit Manual.

1.4. Methodology

Mbarara Municipal Council was notified about the upcoming audit on **23rd May 2019**. To prepare for the audit, the auditors reviewed the Entity's budget, procurement plan and quarterly reports.

The procured items in the transaction list were stratified by (a) category of works, supplies, consultancy, and non-consultancy services, (b) procurement method, (c) and contract value. A representative sample of the twenty (20) procurement transactions were selected for audit based on a stratified random sampling method.

Using guidelines in the Procurement Audit Manual, the sample size was assessed as representative of the population of transactions. The distribution of the transaction population and sample is in Table 1.

Table 1. Distribution of the transactions population and sample for audit						
Population			Sample		Percentages	
Method	No.	Value	Number	Value	% Number	% Value
Open Domestic Bidding	28	6,798,502,028	10	2,247,407,237	36	33
Selective Bidding	31	1,254,809,450	8	291,470,568	25.8	23
Micro procurements	248	179,968,526	0	0	-	-
Force account	45	1,258,531,685	2	838,071,552	4	67
Sub total	352	9,491,811,689	10	3,376,949,357	3	36

An entry meeting was held on **30th May 2019** and the list of those in attendance is shown in **Annex 2**. At the meeting, the objectives of the audit were discussed as well as the timelines, roles and responsibilities. The Entity's management was requested to avail the required records in time for the audit, to which they agreed to give the necessary assistance to the auditors.

Two Procurement Audit Officers under the supervision of the Director, Performance Monitoring carried out the audit. During the audit, the auditors had personal interviews with the staff from the Procurement and Disposal Unit and User Departments. The meetings were necessary to obtain qualitative information that was crucial to understand the internal control system and processes. The list of the staff in the PDU during the audit is shown in **Annex 3**.

The examination of records and documents was done for each of the sampled transactions. The auditors obtained the relevant evidence to arrive at audit conclusions. Physical inspection was carried out at the end of the audit.

On completion of data collection and before writing the report, the audit manager reviewed the working papers for completeness. The working papers contain detailed chronology of findings on each of the sampled transactions. The audit report presents the key findings and conclusions arising from the audit;

At the end of the field data collection, a debriefing meeting was held on **23rd August 2019** with the staff and management of the Entity to conclude pending issues and any records that could not be accessed during the audit. All the pending matters were cleared on **27th August 2019** before the preparation of the audit report.

The auditors prepared the management letter, which was sent to the Entity on **30th August 2019** with a request to submit management response by 13th September 2019. The responses were submitted on **12th September 2019**. The exit meeting was held on **3rd October 2019** at the Authority's Head Office.

CHAPTER 2: KEY FINDINGS AND RECOMMENDATIONS ON THE PROCUREMENT SYSTEM PROCESS AND DISPOSAL

This chapter presents the findings arising from the audit. The audit was carried out based on the set criteria per the PPDA Act, Regulations and Guidelines and the procurement audit manual. The root causes of non-compliance and implications are presented. The recommendations are made considering the management responses from the Entity.

2.1 Accounting Officer

Regulation 14 of the Councils (PPDA) Regulations 2006 gives the Accounting Officer overall responsibility for the successful execution of the procurement, disposal and contract management processes in the Procuring and Disposing Entity. During the execution of his duties, the following areas of non-compliance were noted:

2.1.1 Failure to fully implement previous recommendations

The Authority noted that only 60% of the recommendations for the Financial Year 2017/2018 were implemented and 40% were not implemented by the Entity as highlighted below:

Origin	Recommended Action	Status of implementation
Accounting Officer	The Accounting Officer should ensure that all revenues sources that are awarded in the Financial Year and the running contracts from the previous financial years are reported in accordance with Regulation 7(1) of the PPDA Local Government Regulations 2006.	Not implemented
Procurement and Disposal Unit	The Procurement and Disposal Unit should ensure that all procurement transactions (including frame work agreements and micro procurements) are reported to the Authority in accordance with Regulation 7 of the Local Government (PPDA) Regulations, 2006.	Not implemented
	The Head Procurement and Disposal Unit should conduct supplier appraisals of providers and develop strategies maximize competition in accordance with Section 46 of the PPDA Act 2003.	Not implemented
Procurement Planning	The Accounting Officer should ensure that the procurement plan is fully implemented by the end of the Financial Year 2018/2019.	Not implemented
Record Keeping	The Accounting Officer should ensure that the Procurement and Disposal Unit procurement action files are complete with all documents in accordance with Section 31 (o) of the PPDA Act 2003 and Regulation 46 of the Local Government (PPDA) Regulations.	Not implemented

Origin	Recommended Action	Status of implementation
	The Head PDU should ensure that micro procurements are reported to the Contracts Committee on a monthly basis by the holder of the delegated Authority in accordance with Regulation 41 of the Local Government (PPDA) Regulations, 2006.	Not implemented

Implication

This implies that the Entity does not have a mechanism put in place by Management for implementation of recommendations.

Management Response

Management has resolved that implementing recommendations by the Authority is a priority this financial year.

Recommendation

- The Management should ensure that all recommendations made by PPDA are fully implemented to improve performance of the Entity in accordance with Regulation 14(k) of the Local Government (PPDA) Regulations 2006.
- The Accounting Officer should ensure that all recommendations by the Authority are shared with all User Departments of the Entity and institute a mechanism to ensure full implementation in accordance with Regulation 14(k) of the Local Government (PPDA) Regulations 2006.

2.1.2 Delay to confirm funding

The Authority noted an average delay of 25 working days in confirmation of availability of funds by the Accounting Officer, that is, from the date of initiation. This was noted in four (4) procurements worth UGX 182,552,821, these were:

No.	Subject of procurement	Contract value (UGX)	Initiation date	Confirmation date	Delay period (working days)
1.	Construction of a 2 classroom block at Rwariire Primary School	74,368,768	11 th December 2018	7 th January 2019	17
2.	Construction of a 2 classroom block at Nyamiyaga Primary School	75,014,036	11 th December 2018	7 th January 2019	17
3.	Supply of twin desks to Nyakayojo Division	33,170,017	20 th November 2018	31 st January 2019	50
4.	Supply and delivery of a 10,000 litre	5,546,000	10 th January 2019	31 st January 2019	16

No.	Subject of procurement	Contract value (UGX)	Initiation date	Confirmation date	Delay period (working days)
	water harvest tank at Kichwamba Primary School in Nyakayojo Division				
TOTAL/AVERAGE		182,552,821			25

Implication

Delays in the procurement process affect the key principle of efficiency since it may lead to delayed service delivery to the intended beneficiaries.

Management response

The Accounting Officer has taken note. The delays are mainly caused by inadequacies found in submissions made by User Departments.

Recommendation

The Accounting Officer should ensure that confirmation of funding is undertaken in an efficient manner in accordance with Regulation 14 (j) of the Local Government (PPDA) Regulations, 2006.

2.2 Procurement and Disposal Unit

The Procurement and Disposal Unit was comprised of a Senior Procurement Officer and Procurement Officer. Regulation 25 of the Local Government (PPDA) Regulations, 2006 mandates the Procurement and Disposal Unit to manage and coordinate all procurement and disposal activities of all the Departments.

However, the following areas of non-compliance were noted:

- i. The Entity did not report on micro procurements and call off orders issued under framework contracts e.g. stationery, materials under force account, printing and photocopying utilities. Therefore, the Authority could not determine the total expenditure on framework contracts and inputs used on roads.
- ii. In addition, all procurements undertaken by Kakoba Division worth UGX 994,267,375 were reported to the Municipality's Procurement and Disposal Unit. However, the PDU did not report these to the Authority in their quarterly reports.
- iii. Whereas the Entity spent UGX 99,847,110 on motor vehicle maintenance, the Local Purchase Orders (LPOs) did not specify or mention the particular motor vehicles serviced or maintained. There were no contract management records on motor vehicle maintenance in the PDU and the procurements were part of those not reported to PPDA.
- iv. The Local Purchase Orders issued for payment of commission do not indicate the estimate from which the commission shall be deducted contrary to Regulation 95 (1) and (2) of the Local Governments (PPDA) Regulations, 2006.

Implication

Failure by the PDU to provide accountability on purchases undertaken by the Entity affects the key principles of transparency and value for money. It also prevents the Authority from fully analyzing procurement data so as to provide the necessary guidance for future improvement.

Management Responses

- Management has taken note of the concern. However, inputs and materials used under force account were reported in the respective road projects as a lumpsum.
- The figure of UGX 994,267,375 reported is not correct, it includes revenues worth UGX 872,506,249. The correct figure for micro procurements is UGX 121,761,126. These were forwarded to PDU for submission to Contracts Committee.

Recommendations

- The Procurement and Disposal Unit should ensure that all procurement transactions (including frame work agreements and micro procurements) are reported to the Authority in accordance with Regulation 7 of the Local Government (PPDA) Regulations, 2006.
- All procurement records should be kept in accordance with Regulation 46 of the Local Governments (PPDA) Regulations 2006.
- The Head Procurement and Disposal Unit should ensure that percentage based contracts clearly define the total cost from which the percentage is to be calculated in accordance with Regulation 95 of the Local Government (PPDA) Regulations 2006.

2.2.2 Low bidder participation

The Entity received less than 3 (three) bids in the following nine (9) procurements worth UGX 314,440,159:

S/N	Subject of Procurement	Number of bids received	Contract value (UGX)
1	Completion of a 2 unit staff house at Katebe Primary School- Kakiika Division	1 (Open bidding)	67,896,581
2	Completion of a 2 unit staff house at Kyahi Primary School- Kakiika Division	1 (Open bidding)	67,363,812
3	Construction of a box culvert at lower cell- Kakoba Division	1	44,591,610
4	Construction of 5 stance lined VIP latrine at Nkokonjeru Primary School	2	24,014,298
5	Construction of 5 stance lined VIP latrine at Mbarara Mixed Primary School	2	23,561,543
6	Construction of 5 stance lined VIP latrine at Rwariire Primary School	1	23,425,773
7	Supply and installation of a 5000 litre water harvest tank at Nyamitanga Moslem Primary School in Nyamitanga Division	1	9,490,740
8	Supply and delivery of a 10,000 litre water harvest tank at Kichwamba Primary School in Nyakayojo Division	1	5,546,000

S/N	Subject of Procurement	Number of bids received	Contract value (UGX)
9	Fencing Biharwe Division Offices	2	48,549,802
TOTAL			314,440,159

Implication

Low bidder participation indicates low levels of competition in the procurement process of the Entity as well as low levels of trust in the Entities policies, hence discouraging providers from doing business with the Entity.

Management response

Some of the procurements mentioned were openly advertised and the bidder response was beyond the Entity's control. For the procurements under selective bidding, the shortlisted firms were invited to pick bidding documents which they did, but some did not return bids for reasons unknown to the Entity.

Recommendations

- The Accounting Officer and Management should put in place a mechanism of improving/ increasing transparency and competition in accordance with Section 46 of the PPDA Act, 2003 and Schedule 7(c) of the Fourth Schedule of the PPDA Act, 2003
- The Head Procurement and Disposal Unit should also conduct supplier appraisals of providers and develop strategies that maximize competition in accordance with Section 46 of the PPDA Act 2003.

2.2.3 Irregular disposal of trees at Nyakayojo Division offices

The Authority notes the following irregularities:

- i. There was no evidence that the trees to be disposed at Nyakayojo Division were in the Board of Survey report contrary to Regulation 122 (2) of the LG (PPDA) Regulations, 2006;
- ii. There was no disposal plan. Therefore, the basis for the sale cannot be justified;
- iii. There was no evidence showing that the User Department initiated the disposal contrary to Regulation 122 (10) of the LG (PPDA) Regulations, 2006;
- iv. There was no evidence of Contracts Committee approval of the bid document, description of the asset to be disposed of, statement that the asset is sold on an "as is" and "where is basis, the deadline and method of submission of bid, method of disposal, qualification requirements to be met by the bidder, the method of evaluating the bids and awarding the contract;
- v. Only one firm, Woodfix Technical Services Ltd, participated in the disposal and there was no evidence on how the firm was invited since the invitation to bid was neither approved by the CC nor on file;
- vi. The trees were sold at a less value contrary to the estimated price following valuations by the Senior Forestry Officer. The estimated value of trees was UGX 19,174,500 but Woodfix Technical Services Ltd offered and was awarded the contract at UGX 15,126,550, causing the Entity a financial loss of UGX 4,047,950;
- vii. The Entity did not seek a second opinion on the price estimate from a competent Authority, that is, National Forestry Authority (NFA);
- viii. There were no contract management records, that is, contract document and payment records were missing; and

- ix. The Entity reported to PPDA in their quarterly report for quarter 3 that they had purchased eucalyptus trees at Nyakayojo using open domestic bidding method yet this was a disposal.

Implication

The method of disposal used does not exist in the PPDA Law. Therefore, the Entity irregularly sold off trees without following the necessary disposal procedures.

Management response

- The Entity acknowledges the auditor's observation. However, by the time of audit, some of these documents were not on file.
- The disposal of trees at Nyakayojo Division was included in the updated procurement plan for the Financial Year 2018/2019.
- The Senior Assistant Town Clerk for Nyakayojo Division (User Department) initiated the disposal of trees on the 21st November 2018.
- It is true that the some of the contract management records were not on the procurement action file by the time of audit.
- It should be noted that open bidding method was used for the disposal, the Entity could not have control of the number of bidders it was to receive.
- The evaluation criteria in the bidding document limited evaluation to price only. The Entity could not base on the Senior Forestry Officer's valuation to disqualify to sole bidder.
- The evaluation criteria in the bidding document limited evaluation to price only and an opinion from another authority would have no impact on the outcome of the evaluation process.
- It is true that the some of the contract management records were not on the procurement action file by the time of audit.
- It was as a mistake.

Recommendation

The Head Procurement and Disposal Unit should ensure that disposal is undertaken in accordance with Regulation 122 and 125 of the Local Government (PPDA) Regulations 2006.

2.3 User Departments

Regulation 26 (1) (b) of the Local Government (PPDA) Regulations 2006 provides that User Departments shall initiate procurement and disposal requirements. The Authority notes that there was delayed initiation in the following fifteen procurements worth UGX 918,670,549:

S/N	Subject of Procurement & value	Planned initiation date	Actual initiation date	Delay period (days)	Value (UGX)
1	Construction of a 3 classroom block at Rukindo Primary School	15 th July 2018	11 th December 2018	107	105,225,532
2	Construction of a 3 classroom block at Rwebihuro Primary School	15 th July 2018	11 th December 2018	107	102,769,976

S/N	Subject of Procurement & value	Planned initiation date	Actual initiation date	Delay period (days)	Value (UGX)
3	Construction of a 2 classroom block at Rwariire Primary School	15 th July 2018	11 th December 2018	107	74,368,768
4	Construction of a 2 classroom block at Nyamiyaga Primary School	15 th July 2018	11 th December 2018	107	75,014,036
5	Completion of a 2 unit staff house at Katebe Primary School- Kakiika Division	15 th July 2018	4 th January 2019	125	67,896,581
6	Completion of a 2 unit staff house at Kyahi Primary School- Kakiika Division	15 th July 2018	4 th January 2019	125	67,363,812
7	Completion of a 3 unit staff house at Rwebishuri Primary School- Kakiika Division	15 th July 2018	11 th January 2019	130	134,561,276
8	Construction of a box culvert at lower cell- Kakoba Division	14 th October 2018	5 th December 2018	38	44,591,610
9	Supply of twin desks	15 th July 2018	20 th November 2018	90	112,290,802
10	Construction of 5 stance lined VIP latrine at Nkokonjeru Primary School	15 th July 2018	23 rd November 2018	95	24,014,298
11	Construction of 5 stance lined VIP latrine at Mbarara Mixed Primary School	15 th July 2018	23 rd November 2018	95	23,561,543
12	Construction of 5 stance lined VIP latrine at Rwariire Primary School	14 th October 2018	20 th November 2018	27	23,425,773
13	Supply and installation of a 5000 litre water harvest tank at Nyamitanga Moslem Primary School in Nyamitanga Division	15 th July 2018	17 th January 2019	134	9,490,740
14	Supply and delivery of a 10,000 litre water harvest tank at Kichwamba Primary School in Nyakayojo Division	14 th October 2018	10 th January 2019	64	5,546,000
15	Fencing Biharwe Division Offices	31 st July 2018	4 th January 2019	114	48,549,802
TOTAL				98	918,670,549

Implication

Delayed initiation leads to delayed service delivery to the intended beneficiaries and it also affects budget absorption leading to domestic arrears since funds cannot be paid out on time.

Management Response

Management has taken note and decided that the PDU will remind the User Departments to initiate their procurements according to the specifications and timelines in the consolidated procurement plan.

Recommendation

User Departments should initiate procurements in accordance with the planned timelines in the procurement plan in order to enable the full absorption of the budgeted funds.

2.4 Contracts Committee

Regulation 17 of the Local Government (PPDA) Regulations 2006 provides that the Contracts Committee shall be responsible for the approvals and adjudication of submissions made by the PDU in the award of contracts.

The Authority noted that:

- i. The Contracts Committee met only three (3) times in the Financial Year 2018/2019, that is, 6th December 2018, 11th January 2019 and 15th March 2019.
- ii. There was no evidence that Contracts Committee approved the procurement of inputs for force account.

Implication

The Contracts Committee did not fully play its oversight role in the Entity.

Management Response

The Contracts Committee sat and made approvals. However, we regret misfiling at the time of the audit exercise.

Recommendation

The Contracts Committee should perform their functions and roles as stipulated under Regulation 17 and 18 of the Local Government (PPDA) Regulations, 2006.

2.5 Evaluation Committee

During the audit, the following exceptions were noted under the evaluation process:

Regulation 73 (2) of the Council (PPDA) Regulations, 2006 states that a substantially compliant and responsive bid shall be one that conforms to all the instructions, requirements, terms and conditions of the bid documents without material deviation or omission. However, the following was noted:

Irregularity at Evaluation

Subject of procurement	Finding
1. Upgrade of Kyarbuganda Health Centre II to Health Centre III worth UGX 540,531,906	The best evaluated bidder, Kwed Construction Limited submitted a Transaction Tax Clearance Certificate for the period of 01/10/2017 to 31/12/2017 and yet the criteria in the SBD requested for one of

Subject of procurement	Finding
	2018 addressed to Ministry of Health.

Implication

The Evaluation Committee did not strictly adhere to the evaluation criteria in the bidding document.

Management Response

Kwed Construction Limited had the required tax clearance certificate issued on the 19th September 2018 clearing the trading period of 1st January 2017 to 31st December 2017. In reference to the financial records in the bid, the EC noticed that the accounting period of the bidder in question, is January to December every year, it means that technically, a tax clearance is issued to the applicant for the concluded trading year/period.

Recommendation

The Evaluation Committee should ensure that the determination of a bid's compliance and responsiveness is based on the contents of the bid and a substantially compliant bid is one that conforms to all the instructions, requirements, terms and conditions of the bid documents without material deviation or omission in accordance with Regulation 73 (1) and (2).

2.6 Procurement Planning

The procurement planning of the Entity was assessed and the table below summarises information about the plan, budget and utilization of funds. The procurement plan absorption rate was 36.7% with a budget variance of **UGX 16,344,838,281**.

Procurement spend Analysis	
Total procurement plan value inclusive of VAT (UGX)	25,836,649,970
Total procurement spend value inclusive of VAT (UGX)	9,491,811,689
Procurement plan Absorption Rate (%)	36.7%
Budget variance (UGX)	16,344,838,281

The Authority noted the following:

- i. The Entity failed to fully implement the procurement plan creating a variance of UGX 16,344,838,281.
- ii. The Authority sampled two (2) Divisions in the Municipality and reviewed the procurement plan absorption rate as indicated below:

S/n	Division	Planned Value (UGX)	Actual Spent Value (UGX)	Procurement plan absorption rate %
1	Kakoba	1,309,973,078	994,267,375	75.9
2	Kamukuzi	1,083,866,773	1,079,388,919	99.5

NB: In Kakoba Division, revenue collection from Taxi Park and Bus Park operations was halted in November 2018 following a presidential directive on taxis and buses thus the Division could not fully realize the target.

Implications

- Failure to fully utilize planned funds may be an indicator of unrealistic planning and poor formulation of needs by the User Department which may also deny the intended beneficiaries better services.

- The user department may not be guided on when to undertake the specific procurement activities if the timelines in the procurement plan are incomplete.

Management Response

The procurement plan was not fully implemented due to the shortfalls in the local revenue collection arising from government policy (Presidential) on public parks and the redevelopment of the Central Market.

Recommendations

- The Accounting Officer should ensure that the procurement plan is fully implemented by the end of the financial year and also ensure that realistic estimates are made during the planning phase. Early commencement of the procurement process to ensure full utilization of budgeted funds is important.
- The Head Procurement and Disposal Unit should update and ensure that the procurement plan is complete in accordance to the format provided by the Authority.

2.7 Records and reporting

2.7.1 Incomplete files

The following sixteen (16) procurement files worth UGX 1,243,764,566 were incomplete and the records mentioned here below were missing at the time of audit:

S/NO	Subject of Procurement	Contract value (UGX)	Missing documents
1.	Construction of a 3 classroom block at Rukindo Primary School	105,225,532	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan/contract management record
2.	Construction of a 3 classroom block at Rwebihuro Primary School	102,769,976	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan/contract management record
3.	Construction of a 2 classroom block at Rwariire Primary School	74,368,768	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan/contract management record
4.	Construction of a 2 classroom block at Nyamiyaga Primary School	75,014,036	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan
5.	Completion of a 2 unit staff house at Katebe Primary School- Kakiika Division	67,896,581	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan/contract management record
6.	Completion of a 2 unit staff house at Kyahi Primary School- Kakiika Division	67,363,812	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan/contract management record
7.	Completion of a 3 unit staff house at Rwebishuri Primary School- Kakiika Division	134,561,276	<ul style="list-style-type: none"> • Bidding document • Contract implementation plan/contract management record
8.	Supply of twin desks		<ul style="list-style-type: none"> • Bidding document
9.	Construction of a box culvert at lower cell- Kakoba	44,591,610	<ul style="list-style-type: none"> • Contract • Contract implementation

S/NO	Subject of Procurement	Contract value (UGX)	Missing documents
	Division		plan/contract management record
10.	Construction of 5 stance lined VIP latrine at Nkokonjeru Primary School	24,014,298	<ul style="list-style-type: none"> Contract implementation plan/contract management record
11.	Construction of 5 stance lined VIP latrine at Mbarara Mixed Primary School	23,561,543	<ul style="list-style-type: none"> Contract implementation plan/contract management record
12.	Construction of 5 stance lined VIP latrine at Rwariire Primary School	23,425,773	<ul style="list-style-type: none"> Contract implementation plan/contract management record
13.	Supply and installation of a 5000 litre water harvest tank at Nyamitanga Moslem Primary School in Nyamitanga Division	9,490,740	<ul style="list-style-type: none"> Bidding document Bid notice Contract implementation plan/contract management record
14.	Supply and delivery of a 10,000 litre water harvest tank at Kichwamba Primary School in Nyakayojo Division	5,546,000	<ul style="list-style-type: none"> Contract implementation plan/contract management record
15.	Fencing Biharwe Division Offices	48,549,802	<ul style="list-style-type: none"> Notice of best evaluated bidder Contract implementation plan/Contract management record
16.	Installation of solar street lighting along High Street and Kijungu Roads in Mbarara Municipality Phase III	1,064,584,800	<ul style="list-style-type: none"> Contract implementation plan/contract management record
Total		1,243,764,566	

Implication

Incomplete filing affects the audit trail.

Management Response

- Given the size of some of the bidding documents, it was impossible to have bidding documents on all the procurement action files. However, soft copies can be accessed for verification.
- Management has taken note of the advice, contract management records and other records highlighted above have been retrieved from the User Departments and are available for review.

Recommendation

- The Accounting Officer should ensure that the Procurement and Disposal Unit procurement action files are complete with all documents in accordance with Section 31 (o) of the PPDA Act 2003.

- Contract supervisors should ensure that progress reports and contract implementation plans are prepared and a copy is submitted to the Procurement and Disposal Unit for record keeping in accordance with Regulation 119 (10) (f) of the Councils (PPDA) Regulations, 2006.

2.8 Force Account

Mbarara Municipality planned to undertake Road works worth UGX 1,258,531,558 using force account mechanism. According to the accountability forwarded to Uganda Road Fund (URF) by the Entity, UGX 1,363,868,116 was received towards implementation of the works. The works to be done included routine manual maintenance of paved and unpaved Roads (33.9km), routine mechanized maintenance of paved and unpaved Roads (64.07km) and periodic maintenance of paved Roads (1.3km). The following exceptions were noted during the audit exercise;

- UGX 187,509,418 remained unspent by the end of the Financial Year 2018/2019 yet the state of some roads in the municipality is poor (see annex on physical verification). It's important to note that during the audit of financial year 2017/2018, the Entity still had unspent balances worth UGX 393,754,466.
- There was delayed implementation of works. Specifically, in the 2nd quarter works amounting to only UGX 8,742,000 were undertaken out of UGX 287,583,719 that was available to the Entity.
- The Entity made changes to the workplan without approval from URF. The Entity undertook routine mechanized maintenance on Banyu Road (0.75km) worth UGX 3,268,000 and Makenke Barracks Road (3.5km) worth UGX 6,602,800 without obtaining approval from URF to make changes to the workplan because the works were not part of the workplan approved by URF.

Management response

- The Entity experienced administration vacuums arising out of the several impromptu changes of Accounting Officers and Heads of Finance which was the main reason for delayed utilization of funds.
- The funds had been committed /encumbered to implement works on Koranorya Road, the plant and equipment from the Ministry of Works were not availed in time.
- The works on the identified roads arose out of emergency needs.

Physical verification of works under force account



Galt Road (0.58kms). The Entity spent UGX 32,852,800 on routine mechanized and manual maintenance of the above road. However, it was still in a poor condition as of 14th August 2019. **Management response** –The road highlighted above has served beyond the design life, it is planned to be constructed in the FY 2019/2020 under USMID sub-projects



Bishop Stretcher Road (0.54kms). The Entity spent UGX 11,200,400 on routine mechanized and manual maintenance of the above road. However, the road was in a poor condition as of 14th August 2019. **Management response** –The road highlighted above has served beyond the design life, it is planned to be constructed in the FY 2019/2020 under USMID sub-projects



Rwizi Road (Phase III 0.75kms) worth UGX 489,416,040. Picture taken on 14th August 2019 (FY 2019/2020).



The resealed Koranorya Road (0.5kms) worth UGX 340,802,175 as of 14th August 2019.



Buremba Road 3.5kms (Maintenance worth UGX 11,258,400) as of 14th August 2019.



Ntare Road 3.2kms (Maintenance worth UGX 9,938,000) as of 14th August 2019.

CHAPTER 3: PROCUREMENT PERFORMANCE INDICATORS

3.1 Compliance score

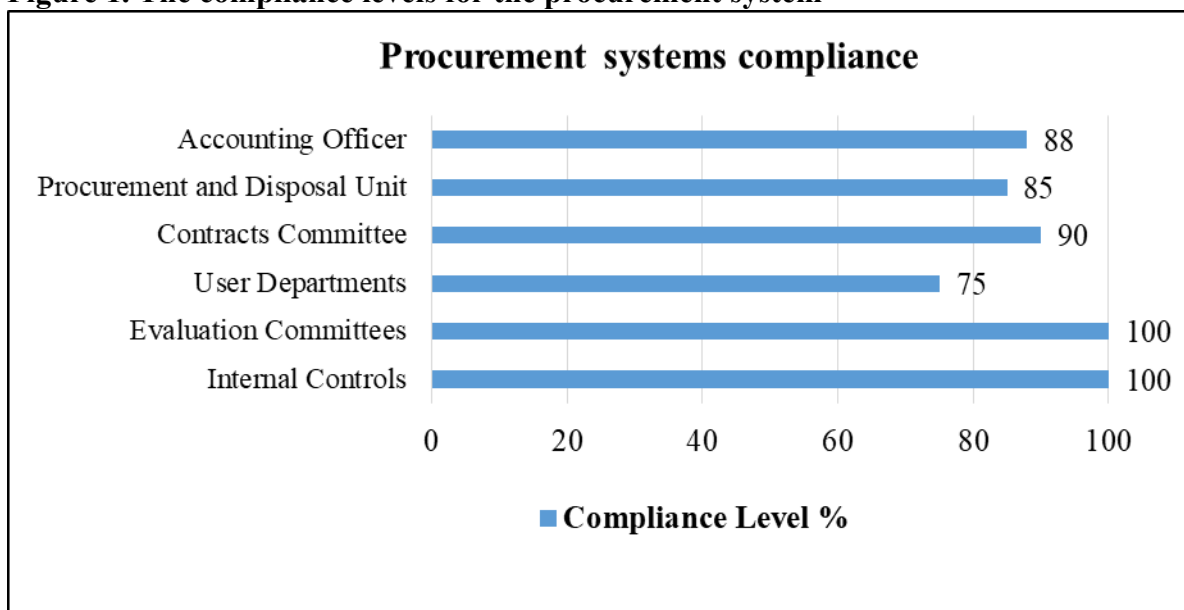
The compliance indicators for the Entity are summarized below:

3.1.1 Procurement System Compliance Level

The compliance levels for each dimension of the procurement system are shown in Figure 1. The overall compliance level for the procurement system was **90%**. Thus, the Entity's performance was **highly satisfactory** regarding the procurement system.

Figure 1 shows that the Entity had relatively higher compliance levels in the areas of Evaluation Committee and Internal Controls. However, it had lower compliance levels in the area of User Departments.

Figure 1. The compliance levels for the procurement system

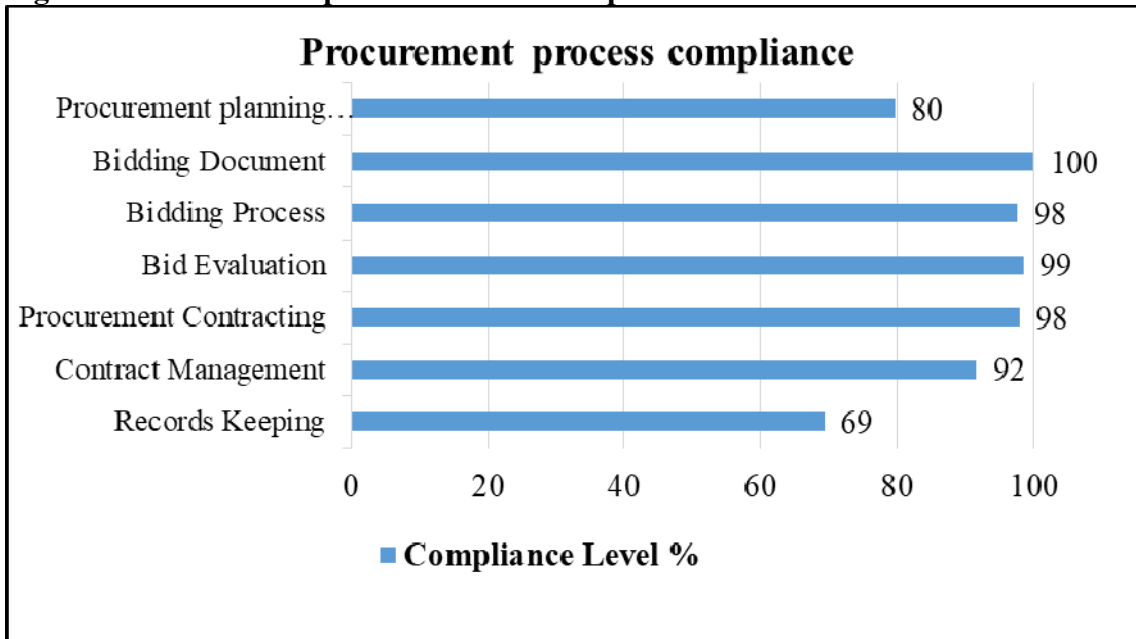


3.1.2 Procurement process compliance level

The compliance levels for each stage in the procurement process are shown in **Figure 2**. The overall compliance level for procurement processes was **90.7%**. Thus, the Entity's performance was rated **highly satisfactory** regarding procurement processes.

Figure 2 shows that the Entity had high compliance levels in the areas of bidding process, bidding document, procurement contracting, and bid evaluation. However, it had lower compliance levels in the areas of procurement planning, initiation and record keeping.

Figure 2. Procurement process levels of compliance

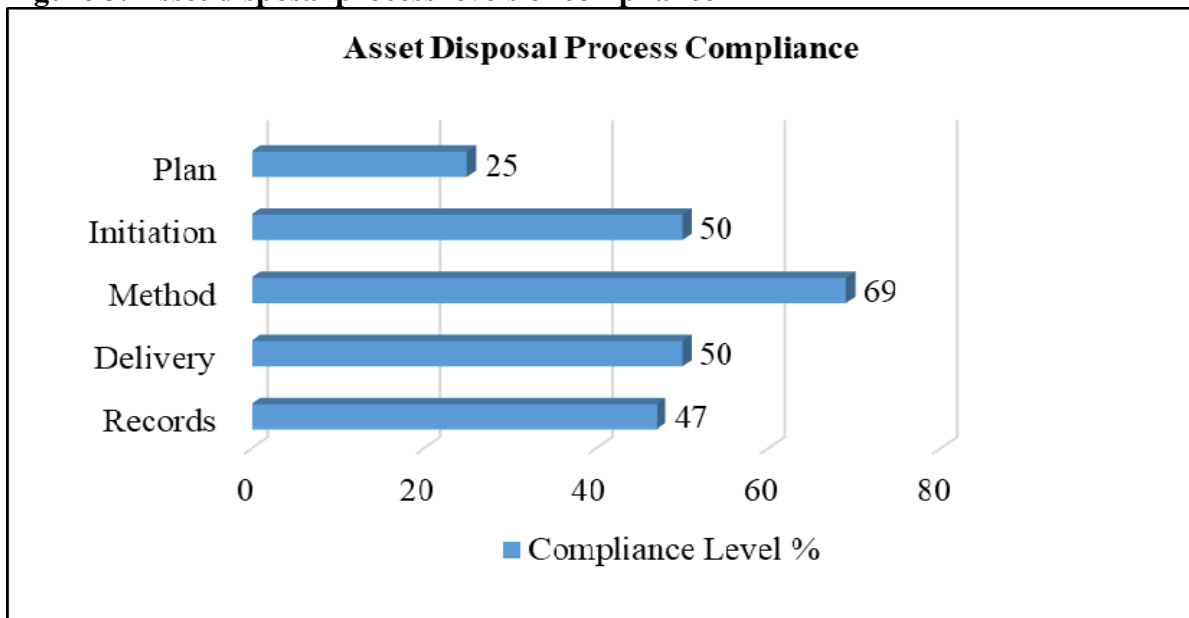


3.1.3 Disposal process compliance level

The compliance levels for each stage in the disposal process are shown in **Figure 3**. The overall compliance level for disposal processes was **48.2%**. Thus, the Entity’s performance was rated **unsatisfactory** regarding disposal processes.

Figure 3 shows that the Entity had a higher compliance level in the area of disposal method. However, it had low compliance levels in the areas of disposal planning and record keeping.

Figure 3. Asset disposal process levels of compliance



3.1.4 Weighted compliance score

The weighted compliance score for the procurement processes, procurement system and asset disposal process is shown in **figure 4**. The overall compliance score was 82% which is a **satisfactory performance**.

Figure 4. Compliance scores

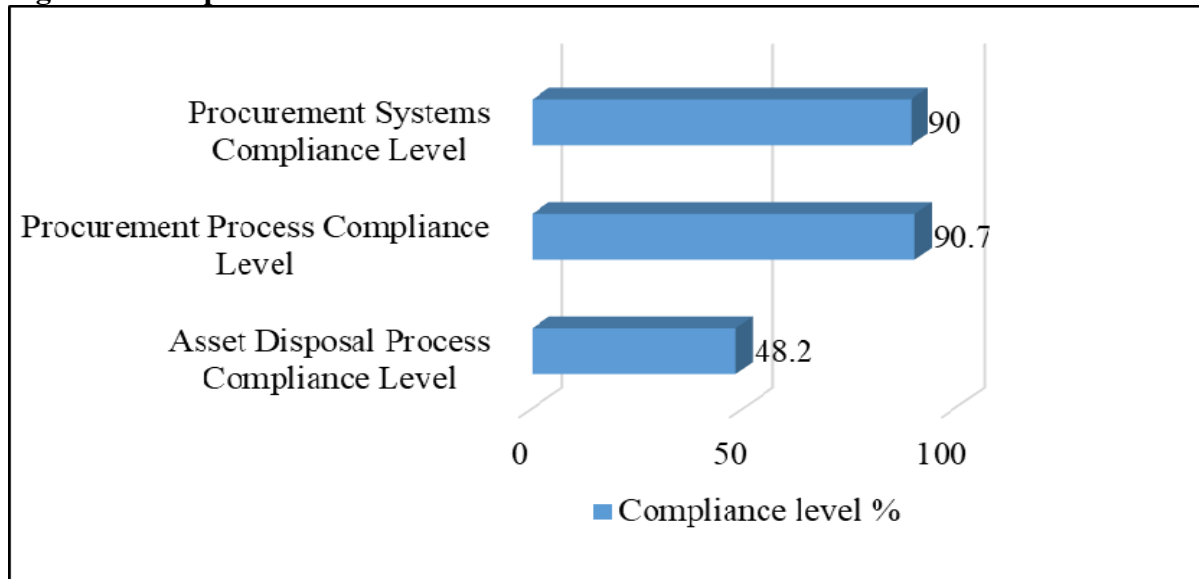


Table 2: Compliance scores

No.	Compliance indicators	Average score (%)	Weights	Score (%)
1.	Procurement process	90.7	0.5	45.4
2.	Procurement system	90	0.3	27
3.	Asset Disposal Process Compliance Level	48.2	0.2	9.6
Compliance score				82
Weighted Compliance score				82

3.2 Performance Score

The performance indicators for the Entity are summarized below:

No.	PERFORMANCE INDICATOR	Score (%)
1.	Procure Ratio: [Actual procurement time divided by planned procurement time in days]	92
2.	Completion Ratio: [Actual completion time divided by contractual completion time in days.]	86
3.	Payment Ratio: [Actual payment time divided by contractual payment time in days.]	100
4.	Number of Received Bids: [If the number of received bids is 3 or more, the score is 100%; if the number of received bids is less than 3, the score is 0%]	35

No.	PERFORMANCE INDICATOR	Score (%)
5.	Bid Responsive Rate: [The number of bids that pass technical evaluation as a percentage of the number of received bids]	82
6.	Plan Ratio: [The total value of the awarded contract divided by the cost estimate in the procurement plan inclusive of VAT.]	100
7.	Procurement planAbsorption Rate: [The actual value of the procurement spend(total procurements reported to PPDA) as a percentage of the procurement plan]	36.7
8.	Cost Ratio: [The actual final contract amount paid divided by the original contract amount.]	100
	Average Performance Indicator	79

The above indicators are summarised here below:

3.2.1 Efficacy (Procure Ratio). This measured the ability to provide goods or services in accordance with the planned timelines. The audit revealed that only **92%** of the sampled procurements were conducted with the planned timelines. Therefore, **8%** of the twenty (20) procurements sampled were not conducted in accordance with the planned timelines.

3.2.2 Efficiency (Completion Ratio). This analyzed the time required to execute tasks to avoid slow implementation of the contracts. The Entity completed **86%** of sampled procurements within the contractual time and did not complete **14%** of the twenty (20) procurements within the contractual completion time. This was affected by lack of contract management records to ascertain the status of some projects.

3.2.3 Effectiveness (Payment Ratio): This assessed the time taken to pay contractors such that contract implementation is not delayed more especially advance payments and contracts that are paid cumulatively. The Entity made timely payment in all the procurements sampled.

3.2.4 Competition (Number of Bids Received)

The Entity received less than three (3) bids in **65%** of the twenty (20) procurements sampled. This is an indication of low bidder participation.

3.2.5 The number of bids that passed technical evaluation (Bid Responsive Rate)

The Entity received **82%** compliant and responsive bids and did not receive compliant and responsive bids in **18%** of the twenty (20) procurements sampled. This indicated that most bidders that participated in the procurement process were competent and capable of meeting the Entity's specifications and requirements.

3.2.6 The variance between the total value of the awarded contract and the cost estimate in the procurement plan (Plan Ratio)

The audit revealed that all the sampled procurements were awarded within the cost estimate in the procurement plan. The Entity carried out proper market assessments of prices prior to commencement of the procurement processes.

3.2.7 The actual value of the procurement spend as a percentage of the procurement budget (Procurement Plan Absorption Rate)

The audit revealed that there was a **36.7%** budget absorption rate with a budget variance of UGX 16,344,838,281.

3.2.8 Final contract cost on completion as compared to the total contract award price inclusive VAT (Cost Ratio). The audit revealed that in all the sampled procurements, the actual final contract amount was equal to the original contract amount.

3.3 Overall procurement performance

The overall procurement performance score was the sum of the two weighted indicators as summarized below:

No.	Compliance Indicator	Score %	Weight	Weighted Score
1.	Average Compliance Indicator Score	82	0.4	32.8
2.	Average Performance Indicator Score	79	0.6	47.4
Entity's Weighted Procurement Performance Score				80.2

From the above analysis, the audit team noted that, the Entity had a weighted average performance of **80.2%** in FY 2018/19 which was **satisfactory** performance.

Performance rating

No.	Compliance Level (%)	Compliance Rating
	90-100	Highly Satisfactory
	60-89	Satisfactory
	30-59	Unsatisfactory
	0-29	Highly Unsatisfactory

CHAPTER 4: RECOMMENDED ACTION PLAN

Mbarara Municipal Council should implement the following recommendations within the timeframe given in order to improve its performance in Procurement and Disposal.

Procurement process and system

Origin	Recommended Action	Target Date
Accounting Officer	<p>The Accounting Officer should ensure that:</p> <ul style="list-style-type: none">• All revenues sources that are awarded in the Financial Year and the running contracts from the previous financial years are reported quarterly clearly reflecting the amounts collected for each contract in compliance with Regulation 7(1) of the PPDA Local Government Regulations 2006.• All recommendations by the Authority are shared with all User Departments of the Entity and institute a mechanism to ensure full implementation in accordance with Regulation 14(k) of the Local Government (PPDA) Regulations 2006.• The Accounting Officer should ensure that confirmation of funding is undertaken in an efficient manner in accordance with Regulation 14 (j) of the Local Government (PPDA) Regulations, 2006.	February 2020
Procurement and Disposal Unit	<p>The Procurement and Disposal Unit should ensure that:</p> <ul style="list-style-type: none">• All procurement transactions (including frame work agreements and micro procurements) are reported to the Authority in accordance with Regulation 7 of the Local Government (PPDA) Regulations, 2006.• They conduct supplier appraisals of providers and develop strategies maximize competition in accordance with Section 46 of the PPDA Act 2003.• All procurement records should be kept in accordance with Regulation 46 of the Local Governments (PPDA) Regulations 2006.• Percentage based contracts clearly define the total cost from which the percentage is to be calculated in accordance with Regulation 95 of the Local Government (PPDA) Regulations 2006.• Disposal is undertaken in accordance with Regulation 122 and 125 of the Local Government (PPDA) Regulations 2006.	February 2020
User Departments	<p>User Departments should initiate procurements in accordance with the planned timelines in the procurement plan in order to enable full absorption of the budgeted funds.</p>	February 2020
Contracts Committee	<p>The Contracts Committee should perform their functions and roles as stipulated under Regulation 17 and 18 of the</p>	February 2020

Origin	Recommended Action	Target Date
Procurement Planning	<p data-bbox="408 262 1011 297">Local Government (PPDA) Regulations, 2006.</p> <ul data-bbox="408 322 1198 544" style="list-style-type: none"> <li data-bbox="408 322 1198 427">• The Accounting Officer should ensure that the procurement plan is fully implemented by the end of the Financial Year 2018/2019. <li data-bbox="408 434 1198 544">• The Accounting Officer should ensure that the Entity's procurement plan is up to date as required under Regulation 58(4) of the PPDA Act 2003. 	February 2020
Record Keeping	<ul data-bbox="408 562 1198 936" style="list-style-type: none"> <li data-bbox="408 562 1198 752">• The Accounting Officer should ensure that the Procurement and Disposal Unit procurement action files are complete with all documents in accordance with Section 31 (o) of the PPDA Act 2003 and Regulation 46 of the Local Government (PPDA) Regulations. <li data-bbox="408 759 1198 936">• The Head PDU should ensure that micro procurements are reported to the Contracts Committee on a monthly basis by the holder of the delegated authority in accordance with Regulation 41 of the Local Government (PPDA) Regulations, 2006. 	February 2020

ANNEXES

Annex 1: Sample list

No.	Subject of procurement	Method of Procurement	Provider	Contract Amount (UGX)	Rating	Ranking
1.	Periodic maintenance (Resealing) Koranorya Road (0.5kms)	Force account	Municipal Engineer	350,571,552	95	Highly satisfactory
2.	Installation of solar street lighting along High Street and Kijungu Roads in Mbarara Municipality Phase III	Open Domestic Bidding	KENVIC ENTERPRISES LTD	1,064,548,800	75	Satisfactory
3.	Rwizi lane works 0.75km	Force account	Municipal Engineer	487,500,000	95	Highly satisfactory
4.	Upgrade of Kyarwabuganda Health Centre II to Health Centre III	Open Domestic Bidding	KWED CONSTRUCTION LTD	540,531,906	98	Highly satisfactory
5.	Construction of a 3 classroom block at Rukindo Primary School	Open Domestic Bidding	TWIMKA ENTERPRISES (U) LTD	105,225,532	69.5	Satisfactory
6.	Construction of a 3 classroom block at Rwebihuro Primary School	Open Domestic Bidding	BITEREKO HARDWARE & BUILDING CONSTRUCTION LTD	102,769,976	93.7	Highly satisfactory
7.	Construction of a 2 classroom block at Rwariire Primary School	Open Domestic Bidding	TWINKA ENTERPRISES (U) LTD	74,368,768	93.3	Highly satisfactory
8.	Construction of a 2 classroom block at Nyamiyaga Primary School	Open Domestic Bidding	BITEREKO HARDWARE & BUILDING	75,014,036	97.3	Highly satisfactory

No.	Subject of procurement	Method of Procurement	Provider	Contract Amount (UGX)	Rating	Ranking
			CONSTRUCTION LTD			
9.	Completion of a 2 unit staff house at Katebe Primary School- Kakiika Division	Open Domestic Bidding	JB KABUYANDA LTD	67,896,581	78.9	Satisfactory
10.	Completion of a 2 unit staff house at Kyahi Primary School- Kakiika Division	Open Domestic Bidding	KATARCH CONSTRUCTION AND GENERAL SUPPLY LTD	67,363,812	84.6	Satisfactory
11.	Completion of a 3 unit staff house at Rwebishuri Primary School- Kakiika Division	Open Domestic Bidding	WOODFIX TECHNICAL SERVICES LTD	134,561,276	73.7	Satisfactory
12.	Disposal of eucalyptus trees at Nyakayojo Division offices in Nyakayojo Division	Open Domestic Bidding	WOODFIX TECHNICAL SERVICES LTD	15,126,550	48.2	Unsatisfactory
13	Construction of a box culvert at lower cell- Kakoba Division	Selective Domestic Bidding	MSTICHEL & ABEL – K SUPPLIES LTD	44,591,610	61.4	Satisfactory
14	Construction of 5 stance lined VIP latrine at Nkokonjeru Primary School	Selective Domestic Bidding	SANGA CONSTRUCTION LTD	24,014,298	79.5	Satisfactory
15	Construction of 5 stance lined VIP latrine at Mbarara Mixed Primary School	Selective Domestic Bidding	RWAKA SERVICES LTD	23,561,543	74	Satisfactory
16	Construction of 5 stance lined VIP latrine at Rwariire Primary School	Selective Domestic Bidding	EXCEL SUPPLIES AND TECHNICAL SERVICES LTD	23,425,773	74	Satisfactory

No.	Subject of procurement	Method of Procurement	Provider	Contract Amount (UGX)	Rating	Ranking
17	Supply and installation of a 5000 litre water harvest tank at Nyamitanga Moslem Primary School in Nyamitanga Division	Selective Domestic Bidding	MSTICHEL & ABEL – K SUPPLIES LTD	9,490,740	74	Satisfactory
18	Supply and delivery of a 10,000 litre water harvest tank at Kichwamba Primary School in Nyakayojo Division	Selective Domestic Bidding	MSTICHEL & ABEL – K SUPPLIES LTD	5,546,000	74	Satisfactory
19	Supply of 3-Seater twin desks for primary schools in divisions	Selective Domestic Bidding	WOODFIX TECHNICAL SERVICES LTD	112,290,802	62	Satisfactory
20	Fencing Biharwe Division Offices	Selective Domestic Bidding	MSTICHEL & ABEL – K SUPPLIES LTD	48,549,802	84.6	Satisfactory
Total				3,376,949,357		

Summary of case compliance rating

No	Performance Score (%)	Performance Rating	Number	Value(UGX)
1	90-100	Highly Satisfactory	6	1,630,756,238
2	60-89	Satisfactory	13	1,731,066,569
3	30-59	Unsatisfactory	1	15,126,550
4	0-29	Highly Unsatisfactory	0	0
Total			20	3,376,949,357

Annex 2. List of persons met during entry meeting

No.	Name	Title Position
1.	Lilian Kobusingye	Town Clerk
2.	Richard. B. Mugisha	Deputy Town Clerk
3.	Brenda Asiimwe	Senior Assistant Town Clerk – Kamukuzi Division
4.	Nelson Muhangi	Senior Assistant Town Clerk – Biharwe Division
5.	Shaban Wasuba	Senior Assistant Town Clerk -Kakiika
6.	Masamba Jackline	Principal Human Resource Officer
7.	Edgar Atwine	Senior Procurement Officer
8.	Emmanuel Byamugisha	Procurement Officer
9.	Francis Tumwebaze	MEO/ Member CC
10.	Moses Amanyire	Senior Veterinary Officer
11.	Patrick Kanamugira	Senior Planner
12.	Herbert Tumwebaze	Environment Officer
13.	Joan Kyatuka	Head of Finance- Kakoba Division
14.	Carol Warugaba	Principal Planner/ Member CC
15.	Francis Tumwebaze	Principal Education Officer/ Member CC
16.	Hillary Mugisha	Principal Executive Engineer

Annex 3. List of staff in the Procurement and Disposal Unit

No.	Name	Job Title	Academic Qualification	Years of experience
1.	Edgar Atwine Rwabutwagu	SPO	Bachelors of Procurement and Logistics Management and Post Graduate in Procurement	14 years
2.	Emmanuel Byamugisha	PO	Bachelors of Commerce and MCIPS (UK)	11years

Annex 4. List of the Contracts Committee members


No.	Name	Job Title	Committee Position	Appointment Date
1.	James Agaba	Principal Commercial Officer	Chairperson	3/7/2018
2.	Jocelyn Kiconco	Community Development Officer	Member	1/11/2016
3.	Tumwebaze Francis	Principal Education Officer	Member	3/7/2018
4.	Carol Warugaba	Physical Planner	Member	1/11/2016
5.	Aggrey Atukwasa	Assistant Engineering Officer	Member	1/11/2016

Annex 5. List of User Departments

No.	Title of User Department	Job Title of Head of Department	Name of Head of Department
1.	Health	Principal Medical Officer of	Dr. Longino K.

No.	Title of User Department	Job Title of Head of Department	Name of Head of Department
		Health	Mugisha
2.	Engineering and Works	Principal Executive Engineer	Eng. Mugisha Hillary
3.	Finance	Principal Treasurer	Richard Kerere Mutungi
4.	Administration	Deputy Town Clerk	Richard Mugisha
5.	Education	Principal Education Officer	Francis Benin Tumwebaze

Annex 6: Physical Verification

Entity: Mbarara Municipal Council	Provider: KWED CONSTRUCTION LTD
Contract: Upgrade of Kyarwabuganda Health Centre II to Health Centre III	Contract Value: UGX 540,531,906 Contract Date: 19 th March 2019 Contractual completion date: 25 th September 2019 Actual contract completion:
Procurement Reference Number: MOH-UGIFT/Wrks/2018-2019/00001-20 LOT 4	Scope of Work (As per Bills of Quantities): Maternity ward, four (4) stance VIP latrine, placenta pit, medical waste pit and landscaping
Status of Work: Works at 85%	
Exceptions Noted:	
Physical verification	
	
The front and rear sections of the Health Centre. Picture taken on 15 th August 2019.	

Entity: Mbarara Municipal Council	Provider: TWINKA ENTERPRISES (U) LTD
Contract: Construction of a 2 classroom block at Rwariire Primary School	Contract Value: UGX 74,368,768 Contract Date: 5 th April 2019 Contractual Completion date: 12 th August 2019 Actual contract completion:
Procurement Reference Number: Mbar761/Wrks/2018-2019/000016	Contract Manager: Mr. Atukwasa Aggrey
Scope of Work (As per Bills of Quantities): Preliminaries, substructure construction, construction of building frame, walling, roof structure, windows, doors, floor finishes, wall finishes, roof finishes, lightening protection and electrical installations, fixtures and environmental and social safeguards	
Status of Work: Completed	

Exceptions Noted:**Physical verification**


The front and rear sections of the Classroom block. Picture taken on 15th August 2019.

Entity: Mbarara Municipal Council	Provider: EXCEL SUPPLIES AND TECHNICAL SERVICES LTD
Contract: Construction of 5 stance lined VIP latrine at Rwariire Primary School	Contract Value: UGX 23,425,773 Contract Date: 5th April 2019 Contractual Completion date: 12 th June 2019 Actual contract completion:
Procurement Reference Number: Mbar761/Wrks/2018-2019/00012	Contract Manager: The Municipal Engineer
Scope of Work (As per Bills of Quantities): Preliminaries, pit, substructure construction, walling, roof structure, doors, floor finishes, wall finishes and roof finishes. Status of Work: Completed	
Exceptions Noted: The design of the toilet did not include Gender, Equity and Social Inclusion (GESI) as they could only serve one gender. However, People With Disabilities (PWDs) were considered because a separate room and ramp were provided for.	

Physical verification

The front and rear sections of the Toilet. Picture taken on 15th August 2019.

Entity: Mbarara Municipal Council	Provider: MSTICHEL & ABEL – K SUPPLIES LTD
Contract: Supply and installation of a 5000 litre water harvest tank at Nyamitanga Moslem Primary School	Contract Value: UGX 9,490,740 Contract Date: 5th April 2019 Contractual Completion date: 12 th June 2019

in Nyamitanga Division	Actual contract completion:
Procurement Reference Number: Mbar761/Wrks/2018-2019/00022	Contract Manager: Mr. Binshaba Albert- Plumber
Scope of Work (As per Bills of Quantities): Purchase of 5000 litre tank, concrete support structure and drainage.	
Status of Work: Completed	
Exceptions Noted: Cracks were identified in the drainage and concrete supporting the tap	
Physical verification	
	
Sections of the tank. Picture taken on 15 th August 2019.	

Entity: Mbarara Municipal Council	Provider: RWAKA SERVICES LTD
Contract: Construction of 5 stance lined VIP latrine at Mbarara Mixed Primary School	Contract Value: UGX 23,561,543 Contract Date: 5th April 2019 Contractual Completion date: 12 th June 2019 Actual contract completion:
Procurement Reference Number: Mbar761/Wrks/2018-2019/00007	Contract Manager: Mr. Tuguragara Ramathan. Assistant Engineering Officer
Scope of Work (As per Bills of Quantities): Preliminaries, pit, substructure construction, walling, roof structure, doors, floor finishes, wall finishes and roof finishes.	
Status of Work: Completed	
Exceptions Noted: The design of the toilet did not include Gender, Equity and Social Inclusion (GESI) as they could only serve one gender. However, People With Disabilities (PWDs) were considered because a separate room and ramp were provided for.	

Physical verification



The front and rear sections of the Toilet. Picture taken on 15th August 2019.



Entity: Mbarara Municipal Council	Provider: SANGA CONSTRUCTION LTD
Contract: Construction of 5 stance lined VIP latrine at Nkokonjeru Primary School	Contract Value: UGX 24,014,298 Contract Date: 5th April 2019 Contractual Completion date: 12 th June 2019 Actual contract completion: 14 th June 2019
Procurement Reference Number: Mbar761/Wrks/2018-2019/00006	Contract Manager: Mr. Tuguragara Ramathan. Assistant Engineering Officer
Scope of Work (As per Bills of Quantities): Preliminaries, pit, substructure construction, walling, roof structure, doors, floor finishes, wall finishes and roof finishes.	
Status of Work: Completed	
Exceptions Noted: The design of the toilet did not include Gender, Equity and Social Inclusion (GESI) as they could only serve one gender. However, People With Disabilities (PWDs) were considered because a separate room and ramp were provided for.	

Physical verification



The front and rear sections of the Toilet. Picture taken on 15th August 2019.

Entity: Mbarara Municipal Council	Provider: WOODFIX TECHNICAL SERVICES LTD
Contract: Completion of a 3 unit staff house at Rwebishuri Primary School-Kakiika Division	Contract Value: UGX 134,561,276 Contract Date: 5th April 2019 Contractual Completion date: 12 th August 2019 Actual contract completion:
Procurement Reference Number:	Contract Manager: Mr Baryaija Sebastian- Senior

Mbar761/Wrks/2018-2019/000021	Assistant Engineering Officer
Scope of Work (As per Bills of Quantities): Preliminaries, substructure construction, construction of building frame, walling, roof structure, windows, doors, floor finishes, toilets, wall finishes, roof finishes, lightening protection, electrical installations and fixtures.	
Status of Work: Works at 90%	
Exceptions Noted: Works were incomplete	
Physical verification	
	
The front and rear sections of the Staff House. Picture taken on 21 st August 2019.	

Entity: Mbarara Municipal Council	Provider: TWIMKA ENTERPRISES (U) LTD
Contract: Construction of a 3 classroom block at Rukindo Primary School	Contract Value: UGX 105,225,532 Contract Date: 5th April 2019 Contractual Completion date: 12 th August 2019 Actual contract completion:
Procurement Reference Number: Mbar761/Wrks/2018-2019/000014	Contract Manager: Mr. Atukwasa Aggrey
Scope of Work (As per Bills of Quantities): Preliminaries, substructure construction, construction of building frame, walling, roof structure, windows, doors, floor finishes, wall finishes, roof finishes, lightening protection and electrical installations, fixtures and environmental and social safeguards.	
Status of Work: Completed	
Exceptions Noted:	

Physical verification



The front and rear sections of the classroom block. Picture taken on 21st August 2019.

Entity: Mbarara Municipal Council	Provider: KENVIC ENTERPRISES LTD
Contract: Installation of solar street lighting along High Street and Kijungu Roads in Mbarara Municipality Phase III	Contract Value: UGX 1,064,548,800 Contract Date: 3 rd December 2018 Contractual Completion date: 3 rd January 2019 Actual contract completion:
Procurement Reference Number: Mbar761/Wrks/2018-2019/00001	Contract Manager: Mr Baryaija Sebastian- Senior Assistant Engineering Officer
Scope of Work (As per Bills of Quantities): Install street lighting- 9m steel road lighting column, complete with single side entry bracket, galvornished finish and fitted with spikes 4 metres above the ground. The unit also includes: one LED luminaire (60W/4500lm), two PV panels (90W/17V) complete with connectors, one GEL battery system of capacity 250AH (installed on the pole), and one solar charge controller.	
Status of Work: Completed	
Exceptions Noted:	
Physical verification	



Solar street lights along High Street and Kijungu Road on 21st August 2019.

Entity: Mbarara Municipal Council	Provider: MUNICIPAL ENGINEER
Contract: Periodic maintenance (Resealing) Koranorya Road (0.5kms)	Contract Value: UGX 350,571,552 Actual contract completion:
Procurement Reference Number:	Contract Manager:
Scope of Work (As per Bills of Quantities): Leveling, drainage works and upgrade to paved road.	
Status of Work: 100%	
Exceptions Noted:	

Physical verification



The starting point for Koranorya Road (0.5kms) as of 14th August 2019

Entity: Mbarara Municipal Council	Provider: MUNICIPAL ENGINEER
Contract: Rwizi lane works 0.75km	Contract Value: UGX 487,500,000 Actual contract completion:
Procurement Reference Number:	Contract Manager:
Scope of Work (As per Bills of Quantities): Leveling, drainage works and upgrade to paved road.	
Status of Work: 98%	
Exceptions Noted:	

Physical verification



To the left the starting point and to the right, the end point of Rwizi lane Road as of 14th August 2019