



**SUMMARY OF THE PUBLIC PROCUREMENT AND ASSET DISPOSAL
ASSESSMENT REPORT FOR MOMBASA COUNTY GOVERNMENT FOR 2017/2018
FINANCIAL YEAR**

MARCH, 2019

This report is a product of a Procurement and Asset Disposal Assessment conducted by the Public Procurement Regulatory Authority (the Authority) pursuant to its mandate under the Public Procurement and Asset Disposal Act, 2015 (the Act). Section 9 of the Act bestows on the Authority the responsibility to monitor the public procurement system and report on the overall functioning and recommend any actions required for improvement. Part IV of the Act, further requires the Authority to ensure that the procurement procedures established under this Act are complied with. Specifically, Section 43 of the Act gives the Authority powers to assess procurement and asset disposal records / systems as a way of monitoring compliance.

In view of the above, a procurement and disposal assessment of Mombasa County Government was conducted from 18th March, 2019 to 20th March, 2019. The assessment covered procurement and disposal proceedings for the period 1st July, 2017 to 30th June, 2018. The main objective of the assessment was to determine the extent to which the Procuring Entity CGM complied with the Act and the applicable regulations; circulars and directives issued by the Authority and other generally acceptable professional best practices, in conducting their procurement and disposal activities. The assessment also aimed at identifying strengths and weaknesses (if any), as well as risks inherent in the procurement system and propose remedial measures to address the weaknesses identified.

An Entry Meeting with the CGM's representatives was held on 18th March, 2019 to discuss the scope of the assessment, the assessors' and CGM's expectations, access to documentation and other issues relevant to the exercise. For purposes of assessing the procuring entity's compliance and risk levels, the assessors examined sampled contracts and focussed on two broad indicators namely: institutional arrangements, procurement and disposal processes. The sampling was done randomly but in a structured manner to include all item categories (i.e. goods, works, services and disposals) and procurement and disposal methods used during the period under assessment. The review used qualitative and quantitative data collection methods. The methods included interviews, observation, confirmation and examination of records.

The assessment was mainly limited / constrained by slow pace of production of document that were required to the facilitate the assessment.

The summary of the key findings based on the two broad indicators were as follows:

CGM had procurement function which was staffed with procurement professionals. The entity had all the necessary tender and quotation registers in place. They also had tender and quotation boxes in place. The entity also had good storage facilities with all items arranged well and stock ledger cards were tallying with the physical items in the store. The function was preparing stocktaking reports on quarterly basis. The entity had transaction

procurement files for each procurement undertaken. All procurement documents were well kept in a secure room. The entity had consolidated procurement plan with indication of some of the procurements being reserved for special groups. However, the reserved procurements were not aggregated in the procurement plan. The Entity had a draft internal procurement policy/ manual. There was no report that was submitted to the Authority nor had the entity published contracts awards in their website.

In most cases, the users initiated procurement process by use of purchase requisitions. The Accounting Officers, in most procurements, appointed adhoc evaluation and opening committees. The committees carried out their roles as stated in the PPADA. However, for the RFQ, the Accounting Officers were appointing tender processing committees instead of tender opening and evaluation committees. No individual evaluation was done. Only successful bidders were notified.

The CGM had not carried out any disposal activities within the financial year under review despite having obsolete items lying in the entity's compound.

Upon conclusion of the assessment the overall compliance and risk rating of the CGM's procurement and asset disposal system was determined based on compliance and risk rating criteria defined in the Authority's Compliance Monitoring Manual. To this end CGM has attained a compliance level of 75% which is marginally compliant and a moderate risk level of 25%.

The procuring entity should undertake urgent corrective measures to address the non-compliance issues identified in the report. The detailed findings and recommendations for addressing the weaknesses are captured in Section II of this report. The procuring entity should implement the recommendations within the specified timelines and update the Authority on the same for purposes of follow up.

