



PPRA

PUBLIC PROCUREMENT
REGULATORY AUTHORITY

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

FEBRUARY, 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 Narok County Government was conducted from 18th to 20th February, 2019. The assessment covered procurement and disposal proceedings for the period 1st July, 2017 to 30th June, 2017. The main objective of the assessment was to determine the extent to which the Procuring Entity (PE) 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 PE's representatives was held on 18th February, 2019 to discuss the scope of the assessment, the assessors' and PE'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 by the slow pace of document retrieval.

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

The County Government had a well-established Procurement Function and maintained approved departmental procurement plans. The plans were in the format issued by IFMIS and lacked the timing of activities in the procurement process. The entity also had a disposal committee appointed by the CEC Finance. Items due for disposal in the store e.g. used toners but they have not been considered by the committee. The Procurement Function maintained individual procurement files and submitted mandatory reports to the Authority. There is a Draft Procurement and Asset Disposal Policy aligned with the new Procurement Law awaiting the gazettelement of the new regulations.

A tender and quotation box is set up by the procuring entity located in a secure and accessible place with two padlocks and two keys. Keys for the tender box are kept by officers in the procurement and finance departments. There is a secure room for storing tender documents

controlled by an officer in the procurement unit with a register maintained for recording movement of files. Not fitted with lights or CCTV Cameras

A secure facility is maintained by the procuring entity for storing goods. Store cards are used to issue and receive items into the store. Goods are taken on Charge before being issued in the stores ledger. Records are updated on time as they are issued as noted by some of the sampled items e.g. letter heads for Governor had the physical and ledger balances tallying. The store facility is controlled by an officer of the procurement unit. It's fitted with lights and grill doors with no CCTV cameras.

The County Government planned for most of its procurements based on the procurement plan availed. Purchase requisitions were used by the procuring entity to initiate most of its procurements. Standard tender document issued by the Authority was used by the procuring entity for its procurements, contained all the parts and well customized. In most of the documents issued by the procuring entity the evaluation criteria were stated. The choice of procurement methods applied by the procuring entity was appropriate for most of its procurements.

Bidders were invited by the procuring entity through tender notices posted in the daily newspapers for open tenders or invitation to tender sent to bidders chosen to participate in case of alternative procurement methods. The number of days allowed for preparation of tenders was adequate for most of the procurements i.e. at least fourteen days were allowed for tender preparation.

Tender opening committees were appointed in writing by the procuring entity for most of the procurements processed during the financial year underassessment. The requisite number of at least three members was appointed. Tender evaluation committees were appointed in writing by the accounting officer for the procurements processed by the procuring entity. The requisite number of at least three members was appointed. Before, members were appointed into the evaluation committee the head of procurement function recommended to the accounting officer names of persons to be appointed into every evaluation committee.

Evaluation was carried out through preliminary and technical evaluation stages. Bidders who met all the requirements in the preliminary stage proceeded to technical evaluation stage. At this stage bids were considered against technical requirements and assigned scores where bidders qualified based on set pass mark. Most of the tenders were evaluated independently by members of the evaluation committee prior to sharing out their analysis based on the individual score sheets provided. The evaluation committee after carrying evaluation of tenders prepared evaluation reports complete with a recommendation and signed by all the members. Tender evaluation was completed in a timely manner and took less than thirty days as required by the Act. Professional opinion and secretariat comments for most of the tenders were prepared by head of the procurement function.

The tender evaluation committees for the procuring entity based their recommendation for award on the award criteria specified in the tender document. Award of tenders was done by the accounting officer of the relevant department. The outcome of each tender was communicated to bidders using notification letters. Unsuccessful bidders were given reasons for their failure and the name of the successful bidder without the amount.

Written contract between the successful bidder and the accounting officers of the relevant department were prepared. Most of the contract documents annexed contents of the contract as required under section 135 of the Act. The procuring entity entered into written contracts for most tenders after fourteen days from the date of notification. Performance security was furnished with the procuring entity by successful bidders after most contracts had been signed.

Mandatory reports were submitted by the procuring entity for most of the contract awards processed by the procuring entity. It was however noted the procuring entity did not make use of its website or notice boards to publish its contract awards.

Inspection and acceptance committees were not appointed by the procuring entity to inspect and receive items/works on behalf of the procuring entity. In the case of works the procuring entity used County Engineer and Chief Officer Roads to inspect and receive/reject on its behalf based on the certificates of completion provided. Based on invoices provided and certificate of payment based on work done issued by the county Engineer the procuring entity paid most of the bidders in accordance with the contractual obligations. Individual procurement files were maintained by the procuring entity with most of the records, sequentially filed but not easily accessible.

Upon conclusion of the assessment the overall compliance and risk rating of the PE'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 Narok County Government has attained a compliance level of **80 %** which is an indication of **partial compliance**.

The procuring entity should ensure inspection and acceptance committee is used to receive/reject items on behalf of the procuring entity, number of pages in each of the bids submitted is recorded in the tender opening minutes and register and making use of the procuring entities website and notice board to publish contract awards. The detailed recommendations for addressing the weaknesses are captured in Section Four 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.