



**SUMMARY OF PROCUREMENT PERFORMANCE
CONTRACT AUDIT REPORT FOR WEST POKOT
COUNTY ASSEMBLY FOR THE 2019-2020 FINANCIAL
YEAR**

October, 2020

This report is a product of Contract Audit(s) conducted by the Public Procurement Regulatory Authority (the Authority) pursuant to its mandate under the Public Procurement and Asset Disposal Act, 2015 (the Act). Part IV of the Act requires the Authority to ensure that the procurement procedures established under this Act are complied with. Specifically, Section 43 (2) of the Act bestows on the Authority the responsibility to conduct audits on contracts during tender preparation, contract execution and after contract completion.

In view of the above, contract audit of West Pokot County Assembly was conducted from 29th October, 2020 to 30th October, 2020. The audit covered 4 contracts signed during the period 1st July, 2019 to 30th June, 2020. The main objective of the audit was to determine the extent to which the Procuring Entity WPCA followed the procedures and rules established in the Act and the applicable regulations; circulars and directives issued by the Authority and other generally acceptable professional best practices, in conducting their procurement processes and contract management activities with reference to selected contracts. In addition, the audit helped to identify strengths and weaknesses, as well as risks inherent in the procurement and contract management system and propose measures to mitigate weaknesses and irregularities identified.

An entry meeting with the WPCA's management team was held on 29th October, 2020 to discuss the scope of the audit, the audit plan, the auditors' and WPCA's expectations, access to documentation and other administrative issues. The audit exercise involved examination of relevant procurement and contract management records from the selected contracts to verify their compliance with the Act, the attendant Regulations and other directives issued by the Authority and other relevant bodies from time to time. The auditors used qualitative and quantitative data collection methods including interviews, observation, confirmation, analysis and audit of records.

The audit was mainly limited / constrained by Productions of procurement document because the documents were incomplete with some documents missing like payment vouchers

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

Key findings based on procurement process

WPCA has an established procurement function headed by an Ag. Senior Procurement Officer and staffed with procurement professional in line with provision of Section 47 of PPDA, 2015. The entity does not have a documented internal procurement policy/manual and did not file mandatory reports with the Authority for year under review. In most case the entity was initiating their procurements through standard procurement requisition pursuant to Section 73 of the Act. Standard tender document issued to procuring entities by the Authority were being used and threshold for use of different procurement methods observed. In some instance, the entity was appointing tender

opening and evaluation committees. Professional opinions was issued by the head of procurement function in accordance with Section 87 of the Act and award made by relevant awarding authority. However, WPCA was inviting bidders outside the list of registered suppliers for case of procurement processed through RFQ method. Opening procedures were not adhered to contrary to the provision of Section 78 of the Act and independent evaluation of bids was not carried out.

Key Findings on Contract Management of the Contracts

The entity issued LPO/LSO to the successful bidders but did not enter into a contract agreement for items procured above Kshs 500,000 when using RFQ method of procurement. Further contract awards were not published neither were they reported to the Authority and monthly progress report were not prepared by the head of procurement. In most cases the entity appointed inspection and acceptance committee but there were instances where by the AO did not appoint the inspection committee.

Further the audit team noted that there is no proper documentation of post implementation of the contract therefore the entity is supposed to implement strategies to carrying out post implementation audit of the contract undertaken within a given financial year to ascertain whether entity is getting value for money used in the projects implemented in that financial year.

It is therefore prudent for WPCA to ensure that for any contracts undertaking and the contract management process should be fully complied with

Upon conclusion of the audit the overall compliance and risk, rating of the WPCA's procurement and contract management system was determined based on compliance and risk rating criteria defined in the Authority's Compliance Monitoring Manual. To this end, WPCA has attained a compliance level of **62%** which is a partial compliant with low risk level of **38%**.

The procuring entity should implement strategies to ensure that the gaps identified in this report are urgently addressed to ensure compliance with the procurement law. Detailed recommendations for addressing the weaknesses are captured in Section 2 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.