

Vote: 153 PPDA

QUARTER 1: Highlights of Vote Performance

VI: Summary of Issues in Budget Execution

This section provides an overview of Vote expenditure

(i) Snapshot of Vote Releases and Expenditures

Table V1.1 below summarises cumulative releases and expenditures by the end of the quarter:

Table V1.1: Overview of Vote Expenditures (UShs Billion)

(i) Excluding Arrears, Taxes	Approved Budget	Cashlimits by End	Released by End	Spent by End Sep	% Budget Released	% Budget Spent	% Releases Spent
Recurrent Wage	3.677	0.000	0.919	0.898	25.0%	24.4%	97.6%
Recurrent Non Wage	4.788	0.000	1.107	0.857	23.1%	17.9%	77.4%
Development GoU	2.220	0.000	0.000	0.000	0.0%	0.0%	N/A
Development Donor*	0.000	N/A	0.000	0.000	N/A	N/A	N/A
GoU Total	10.685	0.000	2.026	1.754	19.0%	16.4%	86.6%
Total GoU+Donor (MTEF)	10.685	N/A	2.026	1.754	19.0%	16.4%	86.6%
(ii) Arrears and Taxes Arrears	0.000	N/A	0.000	0.000	N/A	N/A	N/A
(ii) Arrears and Taxes Taxes**	0.038	N/A	0.000	0.000	0.0%	0.0%	N/A
Total Budget	10.723	0.000	2.026	1.754	18.9%	16.4%	86.6%
(iii) Non Tax Revenue	0.000	N/A	0.000	0.000	N/A	N/A	N/A
Grand Total	10.723	0.000	2.026	1.754	18.9%	16.4%	86.6%
Excluding Taxes, Arrears	10.685	0.000	2.026	1.754	19.0%	16.4%	86.6%

* Donor expenditure information available

** Non VAT on capital expenditure

The table below shows cumulative releases and expenditures to the Vote by Vote Function :

Table V1.2: Releases and Expenditure by Vote Function*

Billion Uganda Shillings	Approved Budget	Released	Spent	% Budget Released	% Budget Spent	% Releases Spent
VF: 1456 Regulation of the Procurement and Disposal System	10.69	2.03	1.75	19.0%	16.4%	86.6%
Total For Vote	10.69	2.03	1.75	19.0%	16.4%	86.6%

* Excluding Taxes and Arrears

(ii) Matters to note in budget execution

- Slow Implementation of the PPDA/URF Office Project: The pace at which the implementation of the project activities is moving resulted into poor absorption of project funds.
- Public Finance Management Act and the new deadlines: Previously, the Authority used December 31st deadline for submitting procurement audit reports to the Auditor General. However, with the new Act that requires the Auditor General to present its report to Parliament by December, the Authority will now be expected to submit its reports to the Auditor General by end of September which will require the procurement audit cycle to be adjusted.
- Delays in amendments to the Local Government PPDA Regulations

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The amended PPDA Act and the central Government PPDA Regulations came into force in March 2014. The amended Act applies to the Local Governments, however the Local Government Regulations have not been amended to bring them in line with the amended Act. This has resulted in Local Government Entities applying the central Government Regulations.

Table V1.3: High Unspent Balances and Over-Expenditure in the Domestic Budget (Ushs Bn)

<i>(i) Major unspent balances</i>
<i>(ii) Expenditures in excess of the original approved budget</i>
* Excluding Taxes and Arrears

V2: Performance Highlights

This section provides highlights of output performance, focusing on key outputs and actions implemented to improve section performance.

Table V2.1: Key Vote Output Indicators and Expenditures*

<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Vote Function: 1456 Regulation of the Procurement and Disposal System			
Output: 145601	Procurement Audit and Monitoring		
<i>Description of Performance:</i>	An increase in the numbers of audits and followup activities conducted due to recruitment of more staff by the Authority, conducting all the GoU funded audits inhouse and opening up of regional offices.	34 procurement and disposal audits conducted. Follow up activities to establish the status of implementation of Audit and Investigation recommendations conducted in 18 Entities	Information on Contracts rated satisfactory can only be obtained after the Audit process has been completed and the Audit reports Issued
<i>Performance Indicators:</i>			
Proportion of procurement audits and investigation recommendations implemented	82	57	
Percentage of contracts by value rated satisfactory	50	0	
Number of procurement investigations conducted	60	9	
Number of procurement audits conducted	102	34	
Number of follow-ups undertaken on procurement audits and investigations recommendations	120	18	
<i>Output Cost:</i>	UShs Bn: 1.611	UShs Bn: 1.287	% Budget Spent: 79.9%
Output: 145603	Legal and Advisory services		
<i>Description of Performance:</i>	Increase in the inspections due to more staff recruited by the Authority and a combined team of compliance checks and PPMS verifications and the opening up of regional offices	No inspections were conducted during the Quarter.	The inspections are conducted concurrently with PPMS verifications which can only be undertaken when a considerable amount of data has been inputted into the PPMS system
<i>Performance Indicators:</i>			
Number of entities rated satisfactory	40	0	

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<i>Vote, Vote Function Key Output</i>	Approved Budget and Planned outputs	Cumulative Expenditure and Performance	Status and Reasons for any Variation from Plans
Level of adherence to service standards (Number of MDAs inspected)		120	0
<i>Output Cost:</i>	UShs Bn:	1.157	UShs Bn: 0.030 % Budget Spent: 2.6%
Vote Function Cost	UShs Bn:	10.685	UShs Bn: 1.754 % Budget Spent: 16.4%
Cost of Vote Services:	UShs Bn:	10.685	UShs Bn: 1.754 % Budget Spent: 16.4%

* Excluding Taxes and Arrears

a) Procurement Audits

In accordance with Section 7 (j) of the PPDA Act 2003, the Authority planned to conduct 30 procurement audits. The Authority launched audits in 34 Entities during the Quarter and the Audit processes are at various stages of the audit process and the reports will be issued during the second Quarter.

b) Investigations

In accordance with Section 8 (c) of the PPDA Act 2003, the Authority received 19 requests for investigation during the Quarter. The Authority completed nine investigations and issued reports while 10 investigations are still ongoing and will be completed within the second Quarter of the Financial Year 2015/16.

c) Follow Ups on Audit and Investigation Recommendations

The Authority derives its mandate to conduct follow up activities from Section 7(i) of the PPDA Act, 2003. The Authority conducted follow up activities on recommendations issued by the Authority in 18 Entities. Out of the 208 recommendations followed up, 120 recommendations representing 57% were implemented and 88 recommendations representing 43 % were not implemented by the Entities. The majority of the recommendations that were not implemented are related to improvement of the evaluation process.

d) Application for Administrative Reviews

The Authority derives its mandate to conduct administrative reviews from Sections 8 (e) and 91 of the PPDA Act, 2003 and the PPDA (Administrative Review) Regulations, 2014. During the quarter under review, a total of twenty (21) applications for Administrative Review were handled by the Authority. Out of these, four (4) were upheld and seventeen (17) were rejected.

e) Accreditations for Alternative Procurement Systems

The Authority derives its mandate to handle applications by Entities for accreditation for alternative systems under Section 40 (a) of the PPDA Act, 2003 and under Regulation 11 of the PPDA Regulations, 2014. The Authority handled three (3) applications for Accreditation of an alternative procurement system.

f) Suspension of Providers

The Authority derives its mandate to suspend providers under Section 94 of the PPDA Act, 2003 and Regulation 12 of the PPDA Regulations, 2014. During this period, the Complaints Review Committee of the Board of Directors considered three (3) recommendations to suspend providers on various grounds. The Authority completed investigations for suspension of fifteen (15) providers which are due to be heard by the Board of Directors.

g) Amendments to the PPDA Regulations

A technical Working Group comprising of officials from Ministry of Local Government, Wakiso District Local Government, Mukono District Local Government, PPDA, and Ministry of Justice and constitutional affairs was set up to review the Local Government (PPDA) Regulations with a purpose of harmonising them with the PPDA

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Regulations.

Finalization of the pending Standard Bidding Documents and Guidelines is on-going. The Authority is still consulting various stakeholders before issuance of these SBDs and the Guidelines.

h) Common User Items

In collaboration with the Makerere University School of Statistics and Planning, the list and average prices of Common User Items survey were reviewed and updated. The list is an indicative guide to the stakeholders in the public procurement system on the market prices of commonly procured items. The updated list has been uploaded onto the PPDA website.

i) Register of Providers (RoP)

The Authority derives its mandate to maintain a Register of Providers from Section 7(1) (h) of the PPDA Act, 2003. The Register of Providers (ROP) offers reliable and updated information to Entities and the general public on the competencies of Providers. In Q1, 436 new providers were registered on the ROP while 335 existing providers renewed their subscription profiles for the calendar year 2015. A total of UGX 101,787,500 was generated from the ROP during Q1.

j) Monitoring Compliance with the PPDA Act

One hundred thirty nine (139) procurement plans were received by the Authority during quarter one. Of these, 49 plans were received from Central Government Entities and 90 from Local Government Entities. With regard to procurement and disposal reports, the Authority received 90 monthly reports from Central Government PDEs. By the time of reporting, only one Local Government PDE had submitted its procurement report for quarter one as the deadline for receipt of these reports was still days away. A total of 46 reports and plans were reviewed in the quarter.

From the review of reports, it was noted that many of the PDEs are still not reporting on the disposals carried out. The Authority has written to the PDEs urging them to report on the disposals carried out. With regards to the procurement plans, the Authority noted that a number of the plans reviewed were not in the right format. For the plans published for the public, many PDEs are not revealing their estimated prices. It was also noted from the review of the reports that a number of PDEs were not strictly following their plans for example in regards to time for requisition among others. This may lead to delays in procurement with its resultant consequences such as delayed service delivery. The Authority wrote to these PDEs to follow their plans.

k) Government Procurement Portal (GPP)

The Government Procurement Portal is an integrated system that contains the Procurement Performance Measurement system, the Tender Portal and the Register of Providers.

During the quarter, the Authority rolled out the Government Procurement Portal to a total of 89 PDEs. The Government Portal will ease access of bidders to bid opportunities as it will create a one stop centre where bid opportunities can be accessed. The portal also captures information on procurement that the Entities can use for their reporting requirements to the Authority.

The Authority finalised the annual procurement performance measurement system report as well as 159 Entity specific reports. The report shows an improvement in performance across a number of indicators such as: time taken to complete a procurement process; procurements implemented according to budget; contracts awarded to local providers. It should be noted that though there is improvement, performance is still below the desired targets. The performance regarding record keeping is still poor. The record on the contract implementation plan remains elusive and accounts for the poor performance on record keeping. The Authority will going forward emphasise contract management in its capacity building and compliance monitoring activities.

l) Capacity Building

The Authority derives its mandate to build the procurement and disposal capacity in Uganda from Section 6(e)

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of the PPDA Act, 2003. The Authority conducted training for 17 auditors from High Spend Entities and induction for Contracts Committee members from 11 Central Government Entities.

m) PPDA Home Development

The design consultant M/S Eco Shelter and Environmental Consultants submitted the preliminary designs to the project management committee for review. The designs were also discussed by the joint committee of the boards of URF and PPDA

n) Court Cases

During this period, the Department handled seven (7) court cases. Five (5) cases were ongoing matters earlier filed against the Authority while two (2) of the cases were new cases filed against the Authority. All seven (7) cases are still on-going.

o) PPDA Appeals Tribunal

During this period, the Authority handled five (5) applications to the PPDA Appeals Tribunal. They arose from various administrative review decisions of the Authority. The Tribunal set aside all the decisions of the Authority and the Authority has initiated Appeals arising from four (4) of the applications.

Table V2.2: Implementing Actions to Improve Vote Performance

Planned Actions:	Actual Actions:	Reasons for Variation
Vote: 153 PPDA		
Vote Function: 14 56 Regulation of the Procurement and Disposal System		
Capacity building activities will be undertaken for stakeholders especially on the Amended Act and contract management.	Capacity building activities undertaken for stakeholders especially on the Amended Act and contract management.	No variations
Continued engagement of accounting officers on emphasis to equip PDUs	The Authority continues to engage the accounting officers of various Entities during different forums to provide working tools and adequate storage space for the PDUs	No variations
Increase staff numbers and open regional offices	Recruitment Process for 15 additional staff being undertaken to strengthen the Authority.	No variations

V3: Details of Releases and Expenditure

This section provides a comprehensive summary of the outputs delivered by the Vote and further details of Vote expenditures by Vote Function and Expenditure Item.

Table V3.1: GoU Releases and Expenditure by Output*

Billion Uganda Shillings	Approved Budget	Released	Spent	% GoU Budget Released	% GoU Budget Spent	% GoU Releases Spent
VF:1456 Regulation of the Procurement and Disposal System	10.69	2.03	1.75	19.0%	16.4%	86.6%
<i>Class: Outputs Provided</i>	8.47	2.03	1.75	23.9%	20.7%	86.6%
145601 Procurement Audits and Investigations	1.61	1.31	1.29	81.5%	79.9%	98.0%
145602 Stakeholder sensitisation in Proc. & Disp systems	0.71	0.10	0.05	13.5%	7.5%	55.8%
145603 Monitoring Compliance with the PPDA Law	1.16	0.05	0.03	4.1%	2.6%	62.0%
145604 PPDA Support services	3.25	0.28	0.18	8.7%	5.6%	64.0%
145605 PPDA strategic partnerships and Corporate relations	1.74	0.29	0.20	16.4%	11.6%	70.8%
<i>Class: Capital Purchases</i>	2.22	0.00	0.00	0.0%	0.0%	N/A
145672 Government Buildings and Administrative Infrastructure	1.90	0.00	0.00	0.0%	0.0%	N/A

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145676	Purchase of Office and ICT Equipment, including Software	0.32	0.00	0.00	0.0%	0.0%	N/A
145678	Purchase of Office and Residential Furniture and Fittings	0.00	0.00	0.00	0.0%	0.0%	N/A
Total For Vote		10.69	2.03	1.75	19.0%	16.4%	86.6%

* Excluding Taxes and Arrears

Table V3.2: 2015/16 GoU Expenditure by Item

<i>Billion Uganda Shillings</i>	Approved Budget	Releases	Expenditure	% Budget Released	% Budget Spent	% Releases Spent
Output Class: Outputs Provided	8.47	2.03	1.75	23.9%	20.7%	86.6%
211102 Contract Staff Salaries (Incl. Casuals, Temporary)	3.68	0.92	0.90	25.0%	24.4%	97.6%
211103 Allowances	0.20	0.07	0.06	33.0%	30.1%	91.4%
212101 Social Security Contributions	0.47	0.12	0.11	25.4%	24.3%	95.8%
213001 Medical expenses (To employees)	0.13	0.01	0.01	10.3%	10.3%	100.0%
213002 Incapacity, death benefits and funeral expenses	0.01	0.00	0.00	76.8%	0.0%	0.0%
213004 Gratuity Expenses	0.94	0.25	0.23	27.0%	24.3%	90.2%
221001 Advertising and Public Relations	0.11	0.01	0.00	8.2%	4.0%	48.7%
221002 Workshops and Seminars	0.19	0.06	0.04	32.8%	22.7%	69.1%
221003 Staff Training	0.08	0.04	0.01	57.6%	11.9%	20.7%
221004 Recruitment Expenses	0.04	0.01	0.00	23.6%	6.3%	26.6%
221006 Commissions and related charges	0.05	0.03	0.03	61.1%	51.9%	85.0%
221007 Books, Periodicals & Newspapers	0.03	0.00	0.00	16.0%	1.2%	7.7%
221009 Welfare and Entertainment	0.24	0.04	0.02	16.5%	10.0%	60.6%
221011 Printing, Stationery, Photocopying and Binding	0.14	0.02	0.01	15.7%	7.1%	45.1%
221012 Small Office Equipment	0.01	0.00	0.00	0.0%	0.0%	N/A
221016 IFMS Recurrent costs	0.01	0.00	0.00	0.0%	0.0%	N/A
221017 Subscriptions	0.04	0.02	0.01	41.5%	19.7%	47.5%
222002 Postage and Courier	0.04	0.01	0.00	15.0%	0.0%	0.0%
222003 Information and communications technology (ICT)	0.15	0.02	0.01	13.5%	4.0%	29.4%
223002 Rates	0.00	0.00	0.00	0.0%	0.0%	N/A
223003 Rent – (Produced Assets) to private entities	0.50	0.08	0.08	16.6%	16.0%	96.4%
223004 Guard and Security services	0.04	0.01	0.00	19.4%	2.6%	13.3%
223005 Electricity	0.07	0.01	0.01	11.7%	11.7%	100.0%
223006 Water	0.01	0.00	0.00	33.3%	1.4%	4.3%
224004 Cleaning and Sanitation	0.04	0.01	0.00	28.6%	1.3%	4.6%
224005 Uniforms, Beddings and Protective Gear	0.00	0.00	0.00	0.0%	0.0%	N/A
225001 Consultancy Services- Short term	0.01	0.00	0.00	0.0%	0.0%	N/A
225002 Consultancy Services- Long-term	0.17	0.04	0.00	22.8%	1.9%	8.2%
226001 Insurances	0.09	0.01	0.01	15.0%	11.6%	77.0%
226002 Licenses	0.03	0.00	0.00	3.2%	3.2%	100.0%
227001 Travel inland	0.40	0.08	0.08	19.9%	19.1%	96.2%
227002 Travel abroad	0.27	0.10	0.10	38.3%	38.3%	100.0%
227004 Fuel, Lubricants and Oils	0.12	0.00	0.00	0.0%	0.0%	N/A
228001 Maintenance - Civil	0.00	0.00	0.00	78.7%	1.5%	1.9%
228002 Maintenance - Vehicles	0.13	0.03	0.02	23.5%	18.6%	79.4%
228003 Maintenance – Machinery, Equipment & Furniture	0.06	0.00	0.00	8.4%	0.7%	7.8%
Output Class: Capital Purchases	2.26	0.00	0.00	0.0%	0.0%	N/A
312101 Non-Residential Buildings	1.90	0.00	0.00	0.0%	0.0%	N/A
312202 Machinery and Equipment	0.32	0.00	0.00	0.0%	0.0%	N/A
312203 Furniture & Fixtures	0.00	0.00	0.00	0.0%	0.0%	N/A
312204 Taxes on Machinery, Furniture & Vehicles	0.04	0.00	0.00	0.0%	0.0%	N/A
Grand Total:	10.72	2.03	1.75	18.9%	16.4%	86.6%
Total Excluding Taxes and Arrears:	10.69	2.03	1.75	19.0%	16.4%	86.6%

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Table V3.3: GoU Releases and Expenditure by Project and Programme*

<i>Billion Uganda Shillings</i>	Approved Budget	Released	Spent	<i>% GoU Budget Released</i>	<i>% GoU Budget Spent</i>	<i>% GoU Releases Spent</i>
VF:1456 Regulation of the Procurement and Disposal System	10.69	2.03	1.75	19.0%	16.4%	86.6%
<i>Recurrent Programmes</i>						
01 Headquarters	8.47	2.03	1.75	23.9%	20.7%	86.6%
<i>Development Projects</i>						
1225 Support to PPDA	2.22	0.00	0.00	0.0%	0.0%	N/A
Total For Vote	10.69	2.03	1.75	19.0%	16.4%	86.6%

* Excluding Taxes and Arrears

Table V3.4: Donor Releases and Expenditure by Project and Programme*