

ELITES NETWORK FOR SUSTAINABLE DEVELOPMENT



(ENetSuD)

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(Motto: Unity for Progress)

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Date: 5th January, 2021

His Excellency,
Alhaji AbdulRahman AbdulRazaq,
The Executive Governor of Kwara State,
Government House, Ilorin.

Through:
SSA to the Governor on Monitoring and Evaluation,
Room 27/28 Ministry of Finance and Planning,
GRA, Ilorin.

Dear Sir,

**SOCIAL AUDIT REPORT ON THE COMPREHENSIVE REHABILITATION /
CONSTRUCTION OF ADDITIONAL FACILITIES AT PATEGI SECONDARY SCHOOL,
PATEGI**

EXECUTIVE SUMMARY

1. BACKGROUND

Your Excellency may wish to recall our memos ENetSuD/KWSG/01/24 and ENetSuD/KWSG/01/25 dated 27th July, 2020 and 31st July, 2020 respectively on the Social Audit program initiated and proposed by your administration of Kwara State Government (KWSG), which has ENetSuD as the first CSO in the State to execute it in the public interest. In our memos, we requested for some financial and technical details on some projects including the Comprehensive Rehabilitation / Construction of Additional Facilities in Pategi Secondary School, Pategi. Following your kind approval, we received the Bill of Quantity (BoQ) from your focal person (SSA Monitoring and Evaluation) on the project (and others) on 31st August, 2020 via a memo SSA/MnE/ENetSuD/0001. I am pleased to submit the report of our Social Audit on Pategi Secondary School (which we carried out between 14th – 20th September, 2020) to Your Excellency for necessary actions.

2. SUMMARY OF THE BOQ

- A. The project is a cluster of 26 units (components) each of which has its BoQ.
- B. The contract sum of the project is **₦164,042,340**, out of which **₦6,480,928** was meant for General contingency, General Preliminary, and Monitoring, Inspection and Evaluation.

3. OUR FINDINGS

The findings of ENetSuD are divided into 2 parts: (i) the examination of the BoQ and (ii) the site evaluation of the works done by the contractor.

3.1. Examination of the BoQ

- A. The BoQ was poorly and unprofessionally prepared, suggesting that there was neither a competitive bidding of the contract, nor a thorough examination of the BoQ during the bidding exercise, if there was one.
- B. Only the Preliminaries, Contingencies, and the VAT should be added to the contract sum of each component. All other items including “*progress photographs, distance projects, vetting fee, monitoring, inspection and evaluation, withholding tax (WHT), and development levy*” are baseless and we have deducted them from the contract sum.
- C. A sum of Twenty-Five Million, Four Hundred and Ninety-Nine Thousand, Eight Hundred and Seventy Naira (**₦25,499,870**) was **inserted without justifiable cause** into the bills of 21 projects for “*progress photographs, distance projects, vetting fee, monitoring, inspection and evaluation, withholding tax (WHT), and development levy*” (see attached Table 1).
 - i. Progress photograph is normally supposed to have been incorporated into the amount provided for the Preliminary.
 - ii. The tax laws do not allow the inclusion of WHT to the Bill of contracts aside VAT. We are of the opinion that the contractor will normally pay WHT from his sum without billing it in the contract sum.
 - iii. Since the Ministry has its project monitoring department, which is funded from the budget, it is not ideal that the cost of monitoring and evaluation by the Ministry (their obligation) is included in the bill of the contractor. The legality of this practice needs to be queried.
- D. Another sum of Six Million, Four Hundred and Eighty Thousand, Nine Hundred and Twenty-Eight Naira (**₦6,480,928**) was inserted into the bill summary for “*General Contingency, General Preliminary, and Monitoring, Inspection and Evaluation*”. The contingency and preliminary have already been provided for in each of the components (which we also retained in items 3.1.B and Table 1), while the monitoring and evaluation is an odd item that should not be in the Bill of the contractor. Thus, they are not supposed to be added to the final contract sum in the bill summary.

3.2. Site evaluation of the works done by the contractor

A. Using the same rate as approved in the BoQ and based on our re-assessment and re-evaluation of the works done on site by the contractor, various items worth Twenty-One Million, Five Hundred and Thirty Thousand, Eight Hundred and Seventy-Four Naira (**₦21,530,874**) were not executed in the site when we visited it. This is contrary to the provisions made for them in the BoQ. For detailed explanations of the items not done at the site by the contractor and their corresponding amounts, please refer to the attached full report and Table 2.

4. CONCLUSIONS

A. The contract sum of the project was inflated by at least Thirty-One Million, Nine Hundred and Eighty Thousand, Seventy Hundred and Ninety-Nine Naira (**₦31,980,799**) due to the insertion of irrelevant items (see attached Table 1).

B. Various items in the BoQ worth Twenty-One Million, Five Hundred and Thirty Thousand, Eight Hundred and Seventy-Four Naira (**₦21,530,874**) were not yet executed by the contractor (see attached Table 2).

5. PRAYERS

As a Civil Society Organization (CSO) that primarily promotes good governance, transparency and accountability through our #FollowKwaraMoney activities, we must support the government to ensure that Kwara money works for Kwarans. Based on our aforementioned findings, Your Excellency is kindly requested to consider and approve our recommendations as follow:

- 1) At least a sum of **₦31,980,799** should be deducted from the contract sum of the project to save cost.
- 2) Before the full payment of the revised contract sum (after the deduction of **₦31,980,799**), the contractor should be directed to return to the project site to execute all the remaining items worth at least **₦21,530,874** as contained in our comprehensive checklist, which we shall provide on request.
- 3) The procurement Law of the State needs to be revised to address some contractual flaws that we have consistently noted in different KWSG-funded projects. We shall be willing to help the government in this regard if called upon by Your Excellency.
- 4) All MDAs should carry out a thorough re-evaluation of their basic rates and revise them accordingly, as the rates approved for contracts seem to be higher than the standards.

While hoping that Your Excellency will swiftly act on our report, please be assured of our highest regards.



ALAGBONSI Abdullateef, Ph.D.

Coordinator

FULL REPORT OF THE ITEMS NOT EXECUTED BY THE CONTRACTOR

1. RENOVATION OF S.S. 1B/1C BLOCK OF HOME ECONOMICS LAB (**₦805,960 IS QUESTIONABLE**)

- i. None of the concrete works in items A-M was executed and the worth of the non-executed items is **₦519,000**.
- ii. There was no major replacement of the hardwoods in the roofing. About 80% of the old ones were re-used and they are estimated to be about **₦286,960**.
- iii. The following items, which were not mentioned in the BoQ, were found in the lab
 - a. Five (5) tables
 - b. Wash hand basin

2. RENOVATION OF INTROTECH LAB (**₦3,076,500 IS QUESTIONABLE**)

- i. 32 m² of block work was done on step instead of 80 m² provided in the BoQ. The cost of the shortage is **₦115,200**
- ii. About 50% of sawn-treated hardwoods (rafter, tie beam, wall plate, struts, king post, purlins, fascia board, and rod) previously existing in the building were re-used. The estimate of the shortage is **₦800,400**
- iii. We re-calculated the energy saving bulb with 1,200 (used in other bills) instead of **₦12,000** used under this component, and this saved **₦259,200**.
- iv. 26 nos ceiling fans were met at the site instead of 16 nos provided in the BoQ. When the cost of this excess (**₦85,000**) is deducted from those of other shortages in the electrical provision, a net shortage of **₦174,600** arrived at.
- v. Some quantities of windows' items (blades, frames, and grazing) worth **₦49,200** were missing at the site.
- vi. The worth of the finishing works that were not done is **₦1,937,100**.

3. RENOVATION OF ADMINISTRATIVE BLOCK (JSS) - (**₦1,306,600 IS QUESTIONABLE**)

- i. None of the concrete work worth **₦455,000** was done
- ii. Block work worth **₦72,000** was not done, but **₦7,200** was captured in the BoQ and we adopt the error accordingly
- iii. Sawn-treated hardwoods were not provided as the old ones were used. The worth of the shortage is **₦331,100**
- iv. 7 nos doors (900 x 2,100 mm) worth **₦161,000** were not provided

- v. 96 m² and 57 m² of internal and external ceiling finishing were done instead of 162 m² and 81 m² respectively provided in the BoQ. This shortage worths **₦126,000**
- vi. Noggin and battens for internal and external finishings worth **₦163,500** were not done.
- vii. 94 m² of external wall finishing was done instead of 230 m². This shortage worths **₦54,400**

4. RENOVATION OF ADMINISTRATIVE BLOCK (SSS) - (₦1,336,680 IS QUESTIONABLE)

- i. 4 m³ of head course worth **₦116,000** was not done
- ii. 349 kg of reinforcement worth **₦139,600** was not done
- iii. 68 m² formwork to sides of head course worth **₦68,000** was not done
- iv. The sawn-treated woods used were existing ones on site. The worth of this shortage is **₦382,680**
- v. 9 nos of doors (900 x 2100 mm) were provided instead of 12 nos provided in the BoQ. The shortage of this is **₦69,000**
- vi. Some electrical items worth **₦29,000** were not complete as provided in the BoQ
- vii. 1 nos Twyford wash hand basin, 1 nos stainless still kitchen sink, and 2 nos shower tray were not provided. Their cost is **₦23,000**
- viii. 194 m² of ceiling finishing, 680 m of noggin, and 700 m of battens worth **₦442,600** were not provided

5. RENOVATION OF EXAMINATION HALL (₦746,620 IS QUESTIONABLE)

- i. The concrete works worth **₦383,500** were not executed
- ii. Steps and buttress wall in the block work worth **₦67,200** were not constructed as the ones found on site were previously-existing.
- iii. About 80% of the sawn treated hardwood (ayin) in items D-L of the BoQ were previously-existing ones that were re-used. The worth of this 80% hardwood is estimated as **₦304,720**.
- iv. 112 pairs of 8-blades double control security louvers were found on site instead of 10 pairs provided in the BoQ. The worth of the excess is (**₦102,000**), which we have deducted from the other excess amounts.
- v. 32 nos of BRC square mesh fabric were found on site instead of 18 nos provided in the BoQ. The worth of the excess is (**₦44,800**), which we have deducted from the other excess amounts.
- vi. 1 nos of 900 mm x 210 mm metal door was found on site instead of 7 nos provided in the BoQ. The worth of the shortage is **₦138,000**.

6. RENOVATION OF A BLOCK OF 4 CLASSROOMS (₦1,723,872 IS QUESTIONABLE)

- i. About 80% of the carpentry works (excluding the aluminum roofing) worth ₦1,723,872 was not done

7. RENOVATION OF COMPUTER ROOM (₦1,244,060 IS QUESTIONABLE)

- i. Old rafter, tie beam, wall plate, struts, king post, purlins, fascia board, and rod were retained. The cost of the shortage is ₦478,060
- ii. Old cement asbestos was retained. The cost of the shortage is ₦316,400
- iii. Old noggin, battens and other carpentry structures (except the Aluminum roofing) were retained. The cost of the shortage is ₦449,600

8. RENOVATION OF PHYSICS LABORATORY (₦1,267,752 IS QUESTIONABLE)

- i. The items A-M under the concrete work worth ₦160,000 were not executed.
- ii. 20m² of block works was executed instead of 40m². The worth of the shortage is ₦48,000
- iii. About 80% of the sawn treated hardwood (ayin) in items D-L of the BoQ were previously-existing ones that were re-used. The worth of this 80% hardwood is estimated as ₦660,752.
- iv. 56 pairs of 8-blades double control security louvers were found on site instead of 88 pairs provided in the BoQ. The worth of the shortage is ₦32,000.
- v. 244 nos of glazing louver glasses (5 x 150 mm) were found on site instead of 692 nos provided in the BoQ. The worth of the shortage is ₦210,600.
- vi. 14 nos of BRC square mesh fabric (1200 x 1200 mm) were found on site instead of 30 nos provided in the BoQ. The worth of the shortage is ₦51,200.
- vii. 5 nos of metal doors (900 x 2,100 mm) were found on site instead of 8 nos provided in the BoQ. The worth of the shortage is ₦69,000.

9. REHABILITATION / COMPLETION OF GENERATOR HOUSE

- i. The bill is a lump sum of ₦800,000 and its breakdown is not known. Thus, there is no basis to verify what is not stated in the bill.

10. 3 BEDROOM FLAT (STAFF QUARTERS)

11. RENOVATION OF 4 NOS BLOCK OF 4 BEDROOMS

- i. Even though the Bill for this component is very confusing, the worth of items on site is more than the provisions in the BoQ by ₦143,800

12. RENOVATION OF A BLOCK OF SINGLE ROOMS

- i. What was contained in the BoQ is different from what was met on site. Even though we queried the Bill for this component, we did not re-evaluate it and thus, we are not raising any financial matter concerning it

13. CONSTRUCTION OF LANDSCAPING (₦900,000 IS QUESTIONABLE)

- i. Among all the works provided under the landscaping component, only the construction of kerbs was done.
- ii. The worth of other items not done is ₦900,000.

14. CONSTRUCTION OF BLOCKWORK DRAINAGE, CHANNELS AND CULVERTS (₦205,400 IS QUESTIONABLE)

- i. The worth of items that were not executed under this component is ₦205,400

15. CONSTRUCTION OF BLOCKWORK FENCE (₦670,900 IS QUESTIONABLE)

- i. Various items worth ₦670,900 were not executed on site

16. PROVISION OF ELECTRIFICATION LIGHTS WITHIN THE SCHOOL

- i. We accept the sum provided in this component since they are lump sum and not easy to re-assess.
- ii. However, the basement for the poles erected were not too good to support such poles and the poles were not straightly erected

17. SUPPLY OF FURNITURE TO COMPUTER ROOM AND LABS

- i. The bill is blank and cannot be re-evaluated. Thus, we are not raising any financial issue on the ₦3,800,000 sum for this component since we are not able to ascertain the level of execution.

18. CONSTRUCTION OF DRAINAGE CHANNELS (₦1,678,500 IS QUESTIONABLE)

- i. The project was not executed. Thus, the shortage of the non-execution is ₦1,678,500

19. PROVISION OF 6-SPACE CAR PARK (AN EXCESS OF ₦276,000 WAS SPENT)

- i. 16 thick hollow mild steel pipes were provided instead of 10 nos provided in the BoQ. The worth of the excess is ₦42,000
- ii. About 120 m² of the aluminum roof were used instead of 30 m² provided in the BoQ. The worth of the excess is ₦234,000

20. CONSTRUCTION OF 4 COMPARTMENT TOILETS (₦84,000 IS QUESTIONABLE)

- i. 35 m² of VIP soak away pit was constructed instead of 65 m² provided in the BoQ. This shortage worths ₦84,000.

21. PROVISION OF SPORTS FACILITIES (~~₦530,000 IS QUESTIONABLE~~)

- i. No new sports facilities were provided. Existing poles were repainted. The cost of the shortage is ₦530,000

22. PROVISION OF MOTORIZED BOREHOLE WITH GENERATOR AND PLASTIC TANK (~~₦1,470,000 IS QUESTIONABLE~~)

- i. 5000 watts' stabilizer worth ₦120,000 was not supplied
- ii. Powerhouse worth ₦350,000 was not done
- iii. Reticulation worth ₦1,000,000 was not done
- iv. Plastic tank of 2,000 liters was supplied instead of 5,000 liters specified in the BoQ
- v. Old 3.5 KVA generator was supplied instead of 8 KVA specified in the BoQ

23. RENOVATION OF A BLOCK OF 4 ROOMS WITH 4 OFFICE LABORATORIES

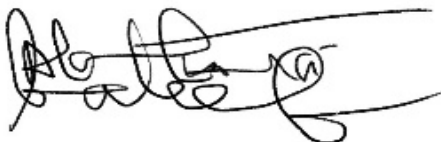
- i. This component was satisfactorily executed

24. TOILETS (12 NOS)

- ii. Bill not provided
- iii. Project not executed
- iv. This component was not assessed by us, and it does not reflect in our financial analysis

25. KERBS 240 M LENGTH

- i. Apart from the kerbs under the landscaping bill, no additional kerbs were done
- ii. Bill not provided
- iii. Project not executed
- iv. This component was not assessed by us, and it does not reflect in our financial analysis



ALAGBONSI Abdullateef, Ph.D.

Coordinator

TABLE 1: SUMMARY OF ENetSuD's RE-EXAMINATION OF THE BOQ OF PATIGI SECONDARY SCHOOL, PATIGI

		COST OF BILLED WORKS AS CONTAINED IN THE BOQ (₦)	PRELIMINARY AS CONTAINED IN THE BOQ (₦)	CONTINGENCY AS CONTAINED IN THE BOQ (₦)	5% VAT RE-CALCULATED BY ENetSuD (₦)	CONTRACT SUM RE-CALCULATED BY ENetSuD (₦)	CONTRACT SUM APPROVED IN THE BOQ BY THE MINISTRY (₦)
1	Renovation of SS 1B/1C Block of Home Economics Lab	4,248,100.00	150,000.00	180,000.00	228,905.00	4,807,005.00	5,693,053.00
2	Renovation of Intro Tech (JSS Block)	15,344,000.00	180,000.00	250,000.00	788,700.00	16,562,700.00	18,434,820.00
3	Renovation of Block of Administrative Block (JSS)	3,619,300.00	110,000.00	120,000.00	192,465.00	4,041,765.00	4,801,709.00
4	Renovation of Administrative Block (SSS)	4,329,180.00	100,000.00	120,000.00	227,459.00	4,776,639.00	5,558,865.00
5	Renovation of Examination Hall	4,239,300.00	80,000.00	180,000.00	224,965.00	4,724,265.00	5,558,809.00
6	Renovation of a Blocks of 4 Classrooms	6,729,840.00	120,000.00	150,000.00	349,992.00	7,349,832.00	8,310,969.00
7	Renovation of Computer Room	3,987,360.00	130,000.00	150,000.00	213,368.00	4,480,728.00	5,353,216.00
8	Renovation of Physics Lab	7,139,940.00	110,000.00	150,000.00	369,997.00	7,769,937.00	8,656,934.00
9	Renovation / Completion of Generator House	800,000.00	100,000.00	80,000.00	49,000.00	1,029,000.00	1,514,200.00
10	3 Bedroom Flat (Staff Quarters)	4,903,830.00	-	350,000.00	262,691.50	5,516,521.50	6,724,858.00
11	Renovation of 4 nos Blocks of 4 Bedroom Bungalow	19,374,180.00	-	752,274.00	1,006,322.70	21,132,776.70	31,826,309.00
12	Renovation of Block of Single Rooms	2,409,400.00	150,000.00	160,000.00	135,970.00	2,855,370.00	3,479,722.00
13	Construction of Landscaping	1,500,000.00	-	-	-	1,500,000.00	1,500,000.00
14	Construction of Blockwork Drainage, Channels and Culverts	2,426,150.00	65,277.00	68,541.00	127,998.40	2,687,966.40	3,046,583.00
15	Construction of Blockwork Fence	2,365,050.00	120,000.00	110,000.00	129,752.50	1,724,802.00	2,361,806.00
16	Provision of Electrification Light within the School	386,100.00	120,000.00	110,000.00	30,805.00	646,905.00	1,221,643.00
17	Supply of Furniture to Computer Room and Labs	3,800,000.00	-	-	-	3,800,000.00	3,800,000.00
18	Construction of Drainage Channels	1,678,500.00	200,000.00	150,000.00	101,425.00	2,129,925.00	2,828,955.00
19	Provision of 6-space Car Park	194,960.00	10,000.00	10,000.00	10,748.00	225,708.00	305,600.00
20	Construction of Proposed 4 Compartment Toilets	2,564,580.00	-	100,000.00	133,229.00	2,797,809.00	3,400,825.00
21	Provision of Sport Facilities	530,000.00	115,000.00	120,000.00	38,250.00	803,250.00	1,254,300.00
22	Provision of Electrically-Driven Motorized Borehole	3,962,000.00	100,000.00	100,000.00	208,100.00	4,370,100.00	5,019,460.00
23	Renovation of a Block of 4 Rooms with 4 Office Laboratories	11,831,490.00	591,574.50	621,153.23	652,210.89	13,696,428.62	14,284,668.00
	Roofing and Painting of Library/SS3 Block	1,971,020.00	-	-	-	1,971,020.00	1,971,020.00
24	Toilets (12 nos)	8,310,969.00	-	-	-	8,310,969.00	8,310,969.00
25	Kerbs 240 m length	2,350,000.00	-	-	-	2,350,000.00	2,350,000.00
	SUBTOTAL	120,995,249.00	2,551,851.50	4,031,968.23	5,482,353.99	132,061,422.22	157,561,293.00
	REPEATED PRELIMINARY, CONTINGENCY AND M&E					0	6,480,928.00
	CONTRACT SUM (SUBTOTAL + REPEATED PRELIMINARY, CONTINGENCY AND M&E)					132,061,422.22	164,042,221.00
	COST OF ITEMS ADDED TO THE BILLS WITHOUT JUSTIFICATION (₦157,561,293 - ₦132,061,422)					25,499,870.78	
	TOTAL INFLATED AMOUNT IN THE CONTRACT SUM (₦25,499,870 + ₦164,042,221)					31,980,798.78	

TABLE 2: COST OF ITEMS NOT EXECUTED BY THE CONTRACTOR IN EACH COMPONENT

ENetSuD's SOCIAL AUDIT OF PATIGI SECONDARY SCHOOL REHABILITATION PROJECT		
	PROJECT COMPONENTS	COST OF ITEMS NOT EXECUTED (₦)
1	Renovation of SS 1B/1C Block of Home Economics Lab	805,960.00
2	Renovation of Intro Tech (JSS Block)	3,076,500
3	Renovation of Block of Administrative Block (JSS)	1,306,600
4	Renovation of Administrative Block (SSS)	1,336,680
5	Renovation of Examination Hall	746,620
6	Renovation of a Blocks of 4 Classrooms	1,723,872
7	Renovation of Computer Room	1,244,060
8	Renovation of Physics Lab	1,267,752
9	Renovation / Completion of Generator House	0
10	3 Bedroom Flat (Staff Quarters)	4,903,830
11	Renovation of 4 nos Blocks of 4 Bedroom Bungalow	-143,800
12	Renovation of Block of Single Rooms	0
13	Construction of Landscaping	900,000
14	Construction of Blockwork Drainage, Channels and Culverts	205,400
15	Construction of Blockwork Fence	670,900
16	Provision of Electrification Light within the School	0
17	Supply of Furniture to Computer Room and Labs	0
18	Construction of Dranage Channels	1,678,500
19	Provision of 6-space Car Park	-276000
20	Construction of Proposed 4 Compartment Toilets	84000
21	Provision of Sport Facilities	530,000
22	Provision of Electrically-Driven Motorized Borehole	1,470,000
23	Renovation of a Block of 4 Rooms with 4 Office Laboratories	0
25	Toilets (12 NOS)	0
25	240 meters length kerbs	0
	TOTAL COST OF ITEMS NOT EXECUTED AS EVALUATED BY ENetSuD	21,530,874.00