



Uganda Red Cross Society

LOGISTICS DEPARTMENT UG 171

ANNUAL REPORT FOR THE YEAR 2008

OVERVIEW

The report covers the implementation period January – December 2008. The report covers activities carried out by the Logistics department in the areas of Warehousing, transport and procurement, under the URCS strategic objective 5 to “Enhance organisational development in areas of policies and systems, human resources, finance, logistics and audit for efficient and effective service delivery”

Transport

The objective of the transport section was to Provide a constant readiness of an adequate and roadworthy vehicle fleet with professional and security conscious drivers for all URCS operations.

Achievements

- The unit ensured uninterrupted provision of transport for all URCS programs and projects to implement the different activities. Relief items, staff and volunteers were transported to different implementation areas.
- The unit ensured and monitored repair processes, as well as ensuring standard regularity of maintenance of vehicles. All the 43 URCS vehicles including trucks were maintained in good mechanical condition
- A contract was secured to carry out secondary transportation of food items for WFP in Kitgum.
- 20 light vehicles were based in the field. 5 trucks were used to deliver items to various locations in the field. Two ambulances were used for emergency and rescue missions, and 16 vehicles were used for various activities at Headquarters. The total number of vehicles is 43.
- 32 drivers were paid salaries and allowances and handled the vehicles in various locations. Two new drivers were recruited for Pader and Gulu.
- Transport Management system reports were generated together with the Federation web based fleet wave reports for the leased vehicles to track fuel consumption, individual vehicle performance and running costs.
- Vehicle documents were printed. Individual vehicle files as well as driver files were maintained to ensure proper fleet management
- 4 new Land cruisers were procured and added to the vehicle fleet. These included 3 Toyota Land cruiser hardtops and one saloon car.
- The Ag Transport Officer attended a one week Logistics ERU training in Helsinki, Finland.
- The Ag Transport officer attended a one week 4WD specialist off road training in Dakar, Senegal, organised by the IFRC regional logistics Unit in conjunction with Toyota Gilbrata stock holding

- The Regional Fleet co-ordinator, Nenad Gobeljic visited the transport unit for one week . Areas of improvement were identified and are being worked on.
- All drivers attended a 2days theoretical 4WD specialised driving training .This was intended to increase their driving skills and to make driving more comfortable and secure for both drivers and staff.

Warehousing

The logistics department provided safe and accountable ware housing system and storage practice for all URCS stocks

Achievements

- Several items for URCS programmes and operations were received and proper storage ensured.
- Stock transfers to regional warehouses were received in good quality and correct quantities.
- Despatches to Field stations and other implementation areas were properly handled and timely delivered.
- Security of all ware houses was ensured. There were no thefts during the period.

Programme management

- Secondary sortation, collateral and individual dispatches were done for several items and various field stations upon approved requisition.
- Cleaning of the warehouse drainage was done
- Ware house documents were printed and used.
- Proper filing was done to facilitate commodity tracking
- Field visits to regional warehouses and implementation centres was done to ensure proper adherence to systems as well as giving technical support to focal persons and project staff.

Procurement

The department procured goods and services for all URCS programmes and projects in a cost effective and efficient manner taking into consideration value for money.

Achievements

- Procurement worth 7.3 billion was carried out during the quarter.
- Requests for procurements were handled in a timely manner leading to timely implementation of activities.
- New procurement guidelines were printed and disseminated
- Prequalification exercise was completed and approved by the Governing Board. Programmes were consulted to ensure that all goods and services for 2009 were catered for during the exercise.
- Procurement updates were issued weekly to user departments and the Secretary General.

Statement of Affairs:

a) Statement of affairs	Ugshs.	b) Cash request	Ugshs.
Accumulated fund		Forecast expenditure next quarter	519,300,624
Opening balance at 01.01.08	53,162,559.2	Forecast expenditure for first month of following quarter January 2009	173,100,208
Total receipts	2,123,994,324.54	Cash at bank	
Total Payments	1,698,215,560	Cash request	298,639,190
Closing balance at 31.12.08	372,616,205.34	Requested transfer in USD	153,542
Cash at bank	16,937,871	Annual programme budget =	1,895,397,603
Cash at hand	1,635,500	Expenditure to date as a % of annual budget	89.59
Other	352,245,024		
Closing balance	370,010,407.47		

Progress in implementation of work plan

Goal/ Objective/Activities	Performance indicator	Planned outcome for the quarter	Actual out come for the quarter	Comments including any explanations of variance
<p>1.0 Transport</p>				
<p>Goal: Have efficient and effective Logistics systems that meet the service delivery needs of the URCS to the most vulnerable.</p>				
<p>Objective: Providing a constant readiness of an adequate and road worthy vehicle fleet with professional and security conscious drivers for all URCS operations</p>				
<p>Out put 1.1 Timely provision of transport for staff programmes and projects</p>	<p>Number of programmes and projects provided with transport</p>			
<p>(code)Activity 4910 Carry out strategic, tactical and interactive vehicle routing and scheduling</p> <p><u>Activity 2</u> Generate TMS reports that are indicative of warning indicators on individual vehicle performance</p>	<ul style="list-style-type: none"> • Programmes and projects provided with adequate and appropriate vehicles • TMS and fleet wave reports generated in time and mechanical and administrative corrective action taken 	<ul style="list-style-type: none"> • All programmes and projects provided with appropriate transport • To Generate TMS and fleet wave reports monthly 	<ul style="list-style-type: none"> • 22 light vehicles were positioned in the field, 5 trucks carried out surface deliveries to field distribution points, 6 saloon cars carried out interactive schedules, while 10 vehicles were used for operation purposes. • TMS and fleet wave reports were generated monthly and corrective action taken where necessary • All fleet wave reports for the leased vehicles were submitted not later than the 15th day of the next month. 	

<p><u>Activity 2</u> Pay in time vehicle lease fees</p> <p><u>Activity 3</u> Have all vehicles comprehensively insured</p> <p><u>Activity 4</u> Carry out scheduled vehicle preventive maintenance</p> <p><u>Activity 5</u> Fuel all vehicles</p> <p><u>Activity 6</u> Bill programmes and projects for mileage covered in all pool vehicles</p> <p><u>Activity 6</u> Print vehicle documents</p>	<ul style="list-style-type: none"> Rental charges remitted to Regional Logistics Unit Dubai All vehicles to receive comprehensive insurance Number of vehicles maintained. Number of vehicles receiving fuel Vehicles to receive fuel All programmes to pay for mileage Documentation in place 	<ul style="list-style-type: none"> Lease paid for 8 leased vehicles 43 vehicles to be comprehensively insured 43 vehicles to receive preventive maintenance 43 vehicles to receive fuel Funds received from programs to meet Logistics costs Vehicle request forms, vehicle log books, vehicle repair orders in place 	<ul style="list-style-type: none"> Rental fees were paid for all the 8 leased vehicles up to December. 35URCS vehicles received comprehensive insurance cover while 8 leased vehicles received local third party insurance, and Geneva comprehensive insurance. 35 URCS vehicles received scheduled preventive maintenance from Auto tech and electrical limited two leased Scania trucks were serviced and repaired in Skenya Ltd, while 6 leased light vehicles were serviced and maintained in Toyota Uganda Ltd. 212,407 litres of diesel dispensed A total bill of .2,077,202,497.Shs was submitted to accounts. Vehicle request forms, vehicle log books, vehicle repair orders were used. 156 vehicle request forms were registered. 101 VROs issued. 	<p>Some programmes do still owe pool some funds for mileage.</p>
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<p><u>Activity 5</u> Meet all personnel and administration costs for logistics department</p>	<ul style="list-style-type: none"> • Number of staff receiving salaries and allowances 	<ul style="list-style-type: none"> • 39 Logistics personnel to receive salaries and allowances 	<ul style="list-style-type: none"> • 39 Logistics personnel received salaries and allowances 	
<p>2.0 Warehousing Goal: Have efficient and effective Logistics systems that meet the service delivery needs of the URCS to the most vulnerable.</p>				
<p><u>Specific objective 2</u> Provide safe and accountable warehousing system and storage practice for all URCS stocks</p>				
<p>Out put 2.1 Items received as per URCS procedures</p>	<p>System for receiving bulk, small and collateral items in place</p>			
<p>Activity 1 Receive items for storage</p>	<p>Food, non food items, consumables and capital items in storage</p>	<ul style="list-style-type: none"> • Delivery notes to be used • Goods received notes to be issued upon verification of deliveries • Test check to be done on all weighable items 	<ul style="list-style-type: none"> • Delivery notes, Goods received notes, Bin cards were used • Verification and off loading supervision practice were adequate • Test check was done on all weighable receipts 	
<p>Activity 2 Implement good storage practice</p>	<p>Floor plan in place Stock rotation practice LIFO and FIFO adherence</p>	<ul style="list-style-type: none"> • Bin cards to be used • Stock taking to be done • Observe expiry dates for all items • Carry out pest control and waste disposal 	<ul style="list-style-type: none"> • Bin card were used • Stock taking was done • Floor plan was maintained to ensure proper storage for different items and programmes • Shelf life of items in storage was adhered to • Fumigation was done. 	
<p>Activity 3 Despatch items to</p>	<p>Quantity of items despatched</p>	<ul style="list-style-type: none"> • All stores requisitions to be authorised • Way bills to be used 	<ul style="list-style-type: none"> • Approved requisitions in place • Way bills were used for all dispatches. 	

EDPs and field distribution points		<ul style="list-style-type: none"> • Correct entries to be made on bin cards • Stock taking to be done 	<ul style="list-style-type: none"> • Bin card entries were verified • Stock taking reports were reconciled 	
3.0 Procurement				
Goal: Have efficient and effective Logistics systems that meet the service delivery needs of the URCS to the most vulnerable.				
<u>Specific objective 3</u>				
To Procure goods and services in a cost effective and efficient manner taking into consideration value for money				
Out put 3.1 Quality, items procured in the right quantities at a competitive price				
Activity 1 Ensure regular meeting to handle contracts	Meeting of tender held as and when necessary	<ul style="list-style-type: none"> • Hold at least one meeting per week 	<ul style="list-style-type: none"> • 52 meetings held during the year. 	
Activity 2 Procure goods and services	Contracts and LPOs were issued in time	<ul style="list-style-type: none"> • Contracts and LPOs were timely issued 	<ul style="list-style-type: none"> • Procurements amounting to 7.3 billion were carried out. 	

Challenges

Transport

- Timely billing has been a problem with field based vehicles resulting into late payments to pool
- Fuel prices skyrocketed during the year against a static recharge rate
- Inadequate office space posed great challenges to conducive working environment and filing

Warehouse

- Flooding of the warehouse compound is causing structural problems to the warehouse fence and structures.

Procurement

- Late delivery by some suppliers, hence causing delay in activity implementation

Proposed solutions

- Prepayment system should be instituted to ensure that all programmes pay pool for mileage
- Revise the mileage rate to cater for the increasing fuel prices and pool costs
- Networking of the logistics department with all warehouses
- Strictly follow deadlines for procurement of goods and services
- Disseminate procurement guidelines

Conclusion

The department ensured that all systems and procedures for the three units under Logistics were adhered to. This ensured proper service delivery in terms of timeliness, quantity, quality for the different URCS programmes, as well as ensuring proper commodity tracking for all goods that were procured, stored, and transported to the different implementation areas.

Reported by Geoffrey Serunjogi, Head of Department, Logistics

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Approved by: DR. Bildard Baguma, Acting Deputy Secretary General, Head of Programmes and Operations

.....Date.....

Approved by: Mr. Michael Richard Nataka, Secretary General, UGANDA RED CROSS SOCIETY

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