

ABSTARCT:

The reform of public procurement has the aim of cutting spend in Government's procurement budgets. While value for money has been recognized as one of the public procurement principles/pillars, there is still evidence that, it has not been fully captured by the most of PEs in Tanzania regardless of PPA being in place. In achieving VFM procurement, the public sector should consider delivery of goods and services as a facilities management issue. Furthermore, business practice suggests that SCM is a linkage between PPA processes and VFM due to its flexibility in environment changes.

This paper attempts to explore and discuss issues related to value for money procurement in public sector and also to form a basis for discussion and analyse the concept of SCM context and its importance in public procurement.

From the study it was found out that, there is a significant relationship between effective and efficient SCM and VFM in public procurement. It is substantially, an expression that VFM for public procurement can be achieved if the SCM is well coordinated within the members of the SC in the firm as well as beyond the firm SC.

It was also found out that that those firms that are operating through competing in SC are the success one

However, from the study the results indicated that there are a number of problems that affecting VFM achievements in AUWSA. The researcher found it worthwhile to conclude that, the problems are likely to erode any effort injected in the achieving VFM procurement so as to deliver good services to AUWSA customers.

