



**STRATEGIC PLAN 2021-2025**

# **LUKANGA WATER SUPPLY AND SANITATION COMPANY LTD**



**Our theme:** "Resilience, Reliability and Efficiency for Business Growth"

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# FOREWORD

The 2021-2025 Strategic Plan for Lukanga Water Supply and Sanitation Company(LWgSC) Limited has been developed in the midst of a harsh economic and socio environment. The economic downturn and public health situation brought about by Covid-19 pose as major challenges in the pursuit of the corporate vision.

Notwithstanding the challenges obtaining currently, LgWSC is enthusiastic about its future, based on the 2021-2025 Strategic Plan. The strategic plan builds on past experiences espoused in the 2017-2020 Strategic Plan. The Commercial Utility has redefined its vision in line with its enhanced mandate and increased customer expectations. It has also enhanced its core values by recognizing the need for Professionalism, Accountability, Transparency and Respect vis-à-vis the changes in the business environment.

The fresh impetus provided in the new Strategic Plan provides the necessary fuel to drive LgWSC through the challenges ahead to a future full of promise. The strategic plan also reveals the mind-set of the Board of Directors and its Management team at LgWSC as per the new mission statement "To provide customers in Central Province with reliable, affordable and cost-reflective water supply and sanitation services in a sustainable and resilient manner."



**Jennifer Cholobesa Kasamanda**  
Acting Board Chairperson

It is also important to note the broad inclusiveness in the preparation of the plan - TEAM WORK AT PLAY. I therefore commend the Management and Staff of LgWSC for the resilience shown to come up with this plan

# ACKNOWLEDGEMENT

The 2021-2025 Strategic Plan is not only forward looking, but is also a product of great introspection. The Plan was preceded by a thorough review of our past performance against the Strategic Objectives in the 2017-2020 Plan. The overall performance of the Company during the period 2017-2020 was below average. Although disheartening, the grim picture provides the basis for improvement. The greatest challenge the Commercial Utility faced was in the improvement of water coverage; sanitation coverage and the water supply hours per day. It is thus clear that the Company performed badly in areas that required capital injection/ expenditure. The challenge will have to be addressed aggressively in the 2021-2025 Plan if we are to change course. LgWSC intends to raise K298,459,500.00 to finance various infrastructure related projects by 2025. The Company also seeks to maintain an average of 20 hours of water supply per day during the period 2021-2025.

We would like to thank Dynamic Concepts Ltd for facilitating the development process of this Strategic Plan.

We also extend our gratitude to our Parent Ministry – Ministry of Water Development, Sanitation and Environmental Protection (MWDSEP) for their encouragement and support. Our gratitude also goes to our cooperating partners-namely the (SNV) Netherlands Development Organization and the Bill & Melinda Gates Foundation (BMGF) - for their financial support towards the facilitation of the Strategic Plan.



**Yoram William Sinyangwe**  
Managing Director

We would also like to thank our regulator National Water Supply and Sanitation Council (NWASCO) for their guidance and support. We thank our gallant Staff who made the Strategic Planning process the success that it is.

The 2021-2025 Strategic Plan has been prepared under the theme "Resilience Reliability and Efficiency for Business Growth" The theme was driven by the company's ambitious plan to grow the business and reduce its inherent water losses.

We look forward to implementing the 2021-2025 Plan with resilience and enthusiasm.



# ABBREVIATIONS AND ACRONYMS

AfDB	Africa Development Bank
CBDM	Commercial and Business Development Manager
CE	Collection Efficiency
COVID -19	Corona Virus Disease 2019
CSR	Corporate Social Responsibility
CUs	Commercial Utilities
DCL	Dynamic Concepts Ltd
DE	Director of Engineering
EIZ	Engineering Institution of Zambia
ERP	Emergency Response Plan
FM	Financial Manager
FSM	Faecal Sludge Management
GFA	Gesellschaft fur Agrarprojekte in Uber see
GIZ	German International Agency
GRZ	Government of Republic of Zambia
HRM	Human Resources Manager
ICT	Information Communication Technology
KPIs	Key Performance Indicators
LgWSC	Lukanga Water Supply and Sanitation Company Ltd
MCS	Manager Customer Services
MD	Managing Director
M&E	Monitoring & Evaluation
MEAL	Monitoring, Evaluation, Accountability and Learning
Mgt	Management
MIS	Management Information System
N/A	Not Applicable
NRW	Non Revenue Water
NWASCO	National Water Supply and Sanitation Council
O&M	Operations and Management
PESTEL	Political, Economic, Social, Technological, Environmental and Legal
PRM	Public Relations Manager
R&D	Research & Development
SADC	Southern Africa Development Community
SDGs	Sustainable Development Goals
SDP	Staff Development Policy
SOs	Strategic Objectives
SP	Strategic Plan
SNV	Netherlands Development Organization
SWOT	Strength, Weaknesses, Opportunity and Threats
TIZ	Transparency International
TOM	Technical Operations Manager
UNZA	University of Zambia
WARMA	Water Resources Management Authority
WASH	Water Sanitation and Hygiene
WSS	Water Supply and Sanitation
ZEMA	Zambia Environmental Management Agency
ZWSEAWU	Zambia Water and Sanitation Engineering & Allied Workers Union

# DEFINITION OF KEY TERMS

Term	Meaning
Baseline	The existing metrics or situation of the quantitative or qualitative indicator in the planned activities that will be used as the basis for tracking and measuring progress.
Key Result Area	Grouping or a number of related activities or areas from which a main result is expected.
Institutional Governance	The style of organizational order which LgWSC will use during the implementation of the Strategic Plan in order to ensure unity of purpose towards achievement of the planned activities.
Mission	The fundamental purpose of LgWSC that describes the reason for its existence, what it does and how it does its business to achieve its vision.
Performance Indicator	A pointer that will be used to measure the attainment /achievement of strategic directions and objectives.
Outcome	A tangible result, product or service from the implementation of the strategic objectives.
Pre-conditions	Conditions which are internal in nature that will need to be put in place for effective implementation of LgWSC's Strategic Plan.
Driver/Responsible Officer	An individual within LgWSC leadership or management system who will be assigned and be held accountable for carrying out a prescribed objective or any of its activities for attainment of desired results.
Strategic Assumptions/ Risks/Critical Factors	Extenuating factors outside the control of LgWSC that need to be present for LgWSC to be able to effectively implement the Strategic Plan.
Strategic Direction	Area of focus which defines the direction LgWSC will take in order to realize the mission and vision as described for the period 2021-2025.
Strategic Plan	The compilation of situational analysis outcomes; all the strategic objectives and their respective desired outcomes, key activities, performance indicators, means of verification and respective time-lines; and budgetary information for organizational implementation.
Strategic Objective	A measurable statement of intent that will be implemented within a given time-frame
Key Activities	Broad and detailed actions that will be undertaken in order to realize the strategic objectives.
Key Performance Indicator or Target	A defined measure of performance towards which individual or group effort will be directed during the implementation of the Strategic Plan.
Theme	The approach/thrust/area of emphasis that will guide the operations and programmes of LgWSC during the Strategic Plan period.
Republic	Government of the Republic of Zambia.
Values	Used synonymously with LgWSC core and governing beliefs through which LgWSC will behave, make decisions, and relate with its clients and society at large during the implementation of the Strategic Plan.
Vision	A long-term projection of desired contribution that LgWSC would like to make in the Water Supply and Sanitation sector in Zambia and beyond



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# BOARD OF DIRECTORS 2018



Director Jennifer  
Cholobesa Kasanda  
Acting Board Chairperson



Director Dr. Judith  
Tembo



Director Chester  
Kasonde



Director Annie Kabwe  
Kafula Nelson



Director Alexander  
Patrick Chileshe



Director Beatrice  
Matakala Tembo



Director Alfred  
Mumba



Director Priscilla  
Kangwa - Banda



Eng. Yoram  
Sinyangwe (MD)



# EXECUTIVE SUMMARY

Lukanga Water Supply and Sanitation Company Limited (LgWSC) was incorporated as a private Company limited by shares under the Companies Act Cap 388 of the Laws of Zambia on 21st March 2006. The Company commenced operations on 1st February 2007 with the mandate and responsibility to provide water supply and sanitation services to the urban and peri-urban population in Central Province.

The dawn of the end of tenure of the 3rd Strategic Plan called for the review of past performance and articulation of the desired new future; hence there was the need for development of the new Strategic Plan to guide LgWSC into the new horizons of providing Water and Sanitation Service to its current and prospective clients.

A participatory process was adopted with the key stakeholders, from September to November 2020 to facilitate the review of the past performance of LgWSC (2017-2020); and to guide the integration of key findings from the review exercise into informing and enriching the design and development of this new Strategic Plan covering 2021-2025; with the following key elements:



## Our Vision

A dependable, innovative and commercially viable utility Company that provides quality water and sanitation services to all customers of Central Province in an equitable manner.



## Our Mission Statement

To provide customers in Central Province with reliable, affordable and cost-reflective water supply and sanitation services in a sustainable, equitable and resilient manner.



## Strategic Objectives:

1. To enhance good corporate governance, self-regulatory standards and leadership development to ensure accountability, transparency, equality, efficiency, responsiveness, sustainability, and maintain high levels of integrity by 2025.
2. To develop reliable, secure, and efficient information management systems and infrastructure that maximizes staff potential to foster innovation, customer care and decision making by December 2025.
3. To mobilise financial resources and to enhance collection efficiency to 100% in order to facilitate for investment, business growth and achieve viability by 2025.
4. To attract, develop and retain highly qualified, skilled, innovative, committed and motivated staff in order to improve staff efficiency from 0.67 to 0.55 by 2025.
5. To reduce Non Revenue Water from 50% to 40% by 2025.
6. To achieve and maintain 98% water quality compliance at an average of 20 hours water supply per day by 2025
7. To increase water coverage from 84% to 90% by 2025.
8. To increase access to safely managed sanitation and sanitation coverage from 55% to 85% by 2025.
9. To achieve and maintain a high level standard of customer care and stakeholder satisfaction by 2025.

The road map for the effective implementation of LgWSC 2021-2025 Strategic Plan is in-built in its LOGFRAME, which outlines the key activities, expected outcomes and impacts as presented herein.

# CHAPTER 1: INTRODUCTION



This is an introductory chapter to the Lukanga Water Supply and Sanitation Company Ltd (LgWSC) 2021-2025 Strategic Plan (SP). The chapter focuses on the background and institutional mandate of LgWSC; justification for the development of the SP; and participatory methodology that was adopted in facilitating the processes which led to the review of LgWSC's 2017-2020 SP and subsequent development of the 2021-2025 SP.

## 1.1 BACKGROUND

Lukanga Water and Sanitation Company Limited (LgWSC) was incorporated as a private Company limited by shares under the Companies Act Cap 388 of the Laws of Zambia on 21st March 2006. The Company commenced operations on 1st February 2007 with the mandate and responsibility to provide water supply, sewerage and sanitation services to the urban and peri-urban population in Central Province.

LgWSC is currently wholly owned by all the Local Authorities in the Province with shares to be apportioned proportionally. The shareholding is yet to be finalised following the establishment of Chisamba, Ngabwe, Luano, Chitambo Districts and realignment of Itzhi-tezhi and Shibuyunji districts in the Province.

### 1.1.1 Mandate and objects of LgWSC

The Company is a joint venture involving the Councils and is a Private Company within the meaning of the Act for the provision of Water Supply and Sanitation services and any other matters incidental or ancillary thereto.

The "Company's" primary business is water supply and sanitation services in the Central Province of Zambia. Water supply and sanitation services are being performed as a commercially viable water supply and sanitation utility acting autonomously according to the regulation of the Companies Act of the Laws of Zambia. An additional business objective is entire cost recovery (operational costs, depreciation and provision for re-investment) which is being

achieved by adequate tariff policies and an efficient collection system, whereby all consumers are obliged to pay for services rendered, independent of their status. LgWSC is therefore mandated to provide water supply and sanitation services in twelve (12) centres in the Central Province of Zambia. The Company is currently operational in only eight (8) towns. These centres are spread over an area of 94,684 square kilometres.

The Company has presence in all towns with the exception of the four (04) realigned districts of Luano, Chitambo Ngabwe and Shibuyunji. The Company supplies the bulk of its water and sanitation services to the developed parts of the towns. However, the peri-urban areas constitute about 70% of the total urban population thereby making the areas a major source of business potential and improvement of access to services for LgWSC.

LUKANGA WATER SUPPLY AND SANITATION COMPANY LIMITED  
AREAS OF OPERATIONS





## 1.1.2 The Board and Governance of the Company

According to the Companies Act of the laws of Zambia the commercial utility is administered by a Board of Directors whose duties and scope are conducted according to the Companies Act, the Code of Conduct and Ethics and the Principles of Corporate Governance.

The Board of Directors consists of the following members appointed by the shareholders:-

- a) One Mayor or Chairperson from any of the participating Councils;
- b) One Town Clerk or Council Secretary nominated by fellow Town Clerks;
- c) One Provincial Local Government Officer;
- d) One representative from the Engineering Institution of Zambia (EIZ);
- e) Two representatives from the Private Sector drawn from within the area of operations;
- f) One Community representative from the Commercial Consumer Category;
- g) One Community representative from the Domestic Consumer Category;
- h) Two members to be appointed by the Minister of Water development, Sanitation and Environmental protection, one of whom is the Chairperson.

Key considerations regulating the operations of the Board include but are not limited to the following:

- a) Each director serves for a term of (3) three years from his/her date of appointment and is liable to retire at the end of his/her three year term from his/her date of appointment; and subject to a review of his/her performance at every annual general meeting he/she may seek re-appointment at the expiration of his/her three year term.
- b) And notwithstanding the above sub regulation, at the end of the three year term 50% of the Board of Directors are retired. The remaining 50% retire at the end of the first year of the second term.
- c) 30% of the Board members are expected to be women in accordance with the Southern African Development Community (SADC) protocol.

## 1.1.3 Board Committees and Terms of Reference

The Board of Directors of LgWSC has committees established as the Board deems fit. The Committees provide expert guidance and recommendations to the Board and Management in their respective competencies. Currently, there are four (4) Committees with core respective mandates as follows:

### 1.1.3.1 Staff Affairs Committee

This Committee inter alia:

- i.) Determines and agrees on the framework to recruit, remunerate, and determine contractual terms of the Managing Director and senior Management staff in line with the approved LgWSC Job Descriptions and Performance Management System (PMS).
- ii.) Guides on Union negotiations. .
- iii.) Sets and monitors general corporate staffing standards, human resource utilization, industrial relations,
- iv.) Determines targets and criteria for Performance Management.
- v.) Scrutinizes the LgWSC Organization Structure for optimal staffing and results.
- vi.) Determines and agrees on the Directors' remunerations for presentation to shareholders.

### 1.1.3.2 Finance Committee

This Committee inter alia:

- i.) Oversees the bottom-line of LgWSC's business through scrutinizing Management Accounts and Comprehensive Statements of Accounts or Balance Sheets for operational or investment decisions.
- ii.) Management's financial accountability for Company resources is reported to the full Board by this Committee.
- iii.) Specifically, the Committee ensures that:
  - (a) LgWSC is solvent.
  - (b) Resources and assets are optimized.
  - (c) LgWSC is growing.

### 1.1.3.3 Audit and Risk Management Committee

This Committee inter alia:

- i. Proactively evaluates, monitors, and raises the financial red flags in operations of LgWSC.
- ii. Cross-cutting controls of this Committee include:
  - a) Working Capital of LgWSC;
  - b) Indebtedness of LgWSC;
  - c) Growth and Investment;
  - d) Business Risks;
  - e) Environmental Risks

### 1.1.3.4 Technical Committee

This Committee is responsible for the following mandates:

- i. Formulation, Recommendation, Evaluation and Monitoring of best Engineering practices and policies for LgWSC to Management and the Board of the company
- ii. Providing strategic policy guidance to Management and the Board of LgWSC in the mobilization and implementation of major capital engineering projects for LgWSC
- iii. Quarterly review of the performance of the Engineering function of LgWSC by ascertaining;
  - (a.) Efficiency and Sustainability through implementation of NRW reduction strategies and compliance in relation to the benchmark provided for by the regulator NWASCO
  - (b.) Reviewing implementation of energy management strategies and the compliance as it relates to energy management strategy.
- iv. Review and Monitor the policies and activities as they relate to technical due diligence activities in connection with the operations, maintenance and project implementation.
- v. Reviewing the asset disposal policy and recommend to the LgWSC Board on assets to be disposed off.

### 1.1.4 Management and Organizational Structure

According to the Companies Act of the laws of Zambia, the Managing Director (MD) is appointed by the Board of Directors who has full autonomy in operating the commercial unit, especially, in the financial, commercial and human resource development affairs.

The Managing Director works closely with the support of the Management Team consisting of the leaders from the following main departments:

- i. Engineering
- ii. Human Resource and Administration
- iii. Commercial and Business Development
- iv. Finance
- v. Internal Audit
- vi. Public Relations
- vii. Procurement

### 1.1.5 Partners and Stakeholders

Even though being an autonomous entity, the Company has a number of relationships with other bodies, which may be regarded as partnerships in view of shared interests.

The main key partners and stakeholders include the following:

- i.) The Ministry of Water Development, Sanitation and Environmental Protection (MWDSEP): responsible for water supply, and sanitation services under the legislation through resource mobilisation and to ensure equitable and adequate access of the services by all citizens.
- ii.) Water Resources Management Authority (WARMA) is responsible for setting policy guidelines in the protection and development of water resources and Zambia Environmental Management Agency (ZEMA) is responsible for protection of the environment and control of pollution so as to provide for the health and welfare of persons, animals, plants and the environment.
- iii.) NWASCO the sector regulator ensuring the delivery of affordable, fair, and quality services on behalf of Government
- iv.) The Local Authorities in Central Province who are both the owners (shareholders) and beneficiaries of the services provided by the Company. As shareholders, they have the right to nominate the Board of Directors of the Company.
- v.) Zambia Water & Sanitation Engineering & Allied Workers Union (ZWASEAWU) who are the sole official representatives of the unionised work force.



vi. Various local and international co-operating partners such as DTF, WASAZA, Mulungushi University, UNZA, GIZ, SNV, GFA, AfWA, AfDB, Kabwe Chamber of Commerce and Industry, and others respectively, who provide support to LgWSC in various forms.

vii. Service Providers, Suppliers & Contractors: Providing various services, material inputs and works.

viii. The General Public who have interest in the performance of the water utility.

ix. Customers - though last but certainly not least who are the lifeblood of the organisation.

### 1.1.6 Justification for the Strategic Planning Exercise

The dawn of the end of tenure of the 3rd Strategic Plan called for the review of past performance and articulation of the desired new future; hence there was the need for development of the new SP to guide LgWSC into the new horizons of providing Water and Sanitation Service to its current and prospective clients.



The dynamics of the ever evolving WSS industries such as the current challenges and opportunities associated with COVID -19 pandemic necessitate that key stakeholders in this sector conduct their businesses on the basis of professionally developed strategic plans for a fairly long-term and the related annual plans of actions. Such a document also makes it predictable for the performance to be assessed and corrective measures enacted in a timely manner to mitigate against potential losses and risks that are true of today's competitive business environment.

This Strategic Plan presents a statement of principles, values, policies and objectives in accordance with the latest regulatory policy reforms and 7th National Development Plan that allow LgWSC adjust to rapid changes in the global market environment, technology, market opportunities and challenges.

This new Strategic Plan defines the future direction of the LgWSC's Board, management and other senior officers charged with the responsibility of accounting for, reviewing and determining long-term goals and objectives of the institution. It helps in the cultivation of a unity of purpose and effort to be shared by all employees, management and stakeholders.

Above all, this new Strategic Plan provides a means for the Board and various management team members to communicate and engage effectively with various stakeholders such as the Government, the Co-operating Partners, the WSS utility companies, the business world (companies), funding agencies, research institutions and other likeminded entities to bench-mark with in the regulation and implementation of WSS programs during the 2021-2025 strategy timeline.

## 1.2 METHODOLOGY

### 1.2.1 Participatory Process

A participatory process was adopted from September to October 2020 to facilitate the review of the past performance of LgWSC; and to guide the integration of key findings from the review exercise in order to enrich the design and development of the LgWSC's new SP covering 2021-2025.

The LgWSC Board, management, key partners and stakeholders critiqued the previous SP and related Annual Work Plans (AWP) and the outcomes thereof as fundamental bases for the design of the new SP.

The situational analysis and review of the external and internal environments, stakeholder analysis, resource analysis, and risk analysis of LgWSC were conducted in order to draw lessons and pointers for the formulation of the new vision, mission, goals, strategic objectives, key activities and Key Performance Indicators (KPIs) for LgWSC for the following five years.

### 1.2.2 Data Collection Tools and Approaches

In collecting, analyzing and processing information required for the full situational analysis and the development of LgWSC's 2021-2025 SP, the following four methods were used:

#### 1. Literature Review

LgWSC Management provided the consultants with documents which were required; including the then LgWSC's 2017-2020 SP all impinging on the Institution's past performance and legal mandate. The consultants guided the review process associated with these literatures and made inferences and conclusions on performance as was deemed appropriate.

#### 2. Key Informant Interviews

One- on -one (formal and informal) interviews with some of LgWSC's stakeholders which included the Board, management, key partners and representatives of the associated Ministry of Local Government (MLG) and Ministry of Water Development, Sanitation and Environmental Protection (MWDSEP) were conducted.

The purpose for these consultative briefs was to clarify some of the key issues and also receive preliminary inputs that would be paramount to the review of past performance as well as the development of the new SP for LgWSC.

### 3. Interactive Planning Workshop

Interactive workshop was held with the LgWSC Board, management, key partners and stakeholders of LgWSC, including NWASCO, to systematically review the performance of LgWSC for the period 2017-2020, and discuss internal and external factors that affect performance of LgWSC.

### 4. Validation of New Strategic Plan

The draft strategic plan was validated by the key stakeholders during a day's Strategic Planning Validation workshop. The final Draft of the SP was developed thereafter and the comments and adjustments presented by the stakeholders were embedded in the document appropriately.

#### 1.2.3 Analytical Processes & Situational Analysis

A multi-stage approach was used to analyse the inputs, outputs and outcomes from the key stakeholders. Both internal and external variables, changes and trends in the world and Zambia in particular, which surrounded LgWSC and had influenced its historical performance, and / or were likely to have a significant impact on its performance over the next five (5) years of the new strategy, were considered.

The six (6) major steps and processes undertaken in executing a thorough situational analysis of LgWSC were as follows:

##### [Step 1: Review of LgWSC's SP 2017-2020](#)

The participatory review of LgWSC's 2017-2020 SP focused on seven (7) Strategic Objectives and their respective key activities; related Financial Performance as well as compliance to the Regulatory Policies that were applicable during the period under review. The analyses and deliberations were guided by the core operational mandates and practical considerations that were instrumental for LgWSC's performance during the period under review. Stakeholders were provided with ample opportunity for thorough assessments, the results of which are presented in Chapter 2 of this document, dedicated purely to the Review of LgWSC 2017-2020 SP.

##### [Step 2: SWOT Analysis](#)

A review of previous progress reports and other documents was followed up with formal assessment of Strengths, Weaknesses, Opportunities and Threats (SWOT) to bring out in a systematic way, the external and internal factors that impinge on the operations of LgWSC.

The SWOT analysis unpacked the internal strengths and weaknesses and examined the structures, processes and operations of LgWSC, the findings of which are presented in Chapter 3 of this document.

##### [Step 3: PESTEL Analysis](#)

To examine the external opportunities and threats posed by trends in macro level factors, the PESTEL Analysis (Political, Economic, Social, Technological, Environmental and Legal) was undertaken with due consideration to their positive and negative effects on LgWSC; the findings of which are presented in Chapter 3 of this document

##### [Step 4: Stakeholder Analysis](#)

The consultants considered stakeholders as being those people or institutions that stand to benefit or lose out from interventions by LgWSC. They have the potential to build or destroy the progress of the organisation. It was therefore necessary, in this plan, to take into account who the stakeholders are in LgWSC's context, and how LgWSC can use the stakeholders' power or resources to its advantage during the envisaged SP period.

The respective benefits that would accrue to each category of stakeholders were also considered and outlined accordingly. The main findings of the stakeholders' analysis are presented in Chapter 3 of this document.



### Step 5: Resource Analysis

The key resources associated with envisaged effective and efficient operations of LgWSC were identified and analysed. The status of each category of resources was discussed and presented accordingly in Chapter 3 of this document.

### Step 6: Analysis of Critical Issues and Risk Factors

Based on external and internal analysis, the critical strategic issues, risks and challenges facing LgWSC were identified, focusing on fundamental policy and concerns that define the most important situations and choices the organisation faced then and as well as what would be the like case during the strategy period 2021-2025.. The detailed findings on this analysis are presented in Chapter 3.

#### **1.2.4 Development of the SP**

With the above situational analyses successfully completed, the next phase was the review and development of LgWSC's new Vision, Mission Statement, Core Values, Strategic Objectives, Desired Outcomes and Plans of Actions through the deliberations by the stakeholders of LgWSC during the SP formulation workshop.

These main elements of the new SP were deeply rooted in the outcomes of the situational analysis described in chapter 3. The "Drivers" of the Strategic Objectives; Risks; and Assumptions were all identified and discussed in relation to their impact on the successful implementation of this Plan. KPIs for the M&E of the Plan were also identified and established appropriately as presented in Chapter 4 of this document.





## CHAPTER 2: REVIEW OF LgWSC 2017-2020 STRATEGIC PLAN



This chapter focuses on the outputs of the review of LgWSC's 2017-2020 SP on the basis of the eight Strategic Objectives (SOs) that were set for that period. The detailed analyses in the attainment of the respective goals and their guiding KPIs are provided alongside the overall performance in the stewardship of organizational finances during the period. Review of WSS sector policies, their linkages and integration in LgWSC's performance for the period 2017-2020, are also presented in this chapter.

### 2.1 STRATEGIC FOCUS OF LgWSC's 2017-2020 SP

LgWSC's 2017-2020 SP was based on and aligned to the following 7 key Strategic Objectives:

- i. To reduce NRW from 50% to 25% by 2020
- ii. To achieve and maintain 99% water quality compliance by 2020.
- iii. To improve Water Coverage to 32,000 water connections and 13,000 sewer connections by 2020.
- iv. To achieve and maintain an average of 24 hours of water supply per day.
- v. To achieve high level of sustainable Operational and Financial effectiveness, efficiency and viability by 2020.
- vi. To achieve high level of Customer Care and Stake holder satisfaction.
- vii. To add value to the Organization's internal structures, systems and processes.

### 2.2 HIGHLIGHTS OF LgWSC's PERFORMANCE FOR THE PERIOD 2017-2020

#### 2.2.1 Review methodology

An in-depth review of LgWSC's performance for the period 2017-2020 was undertaken using a participatory process involving the analysis and rating of the attainment of each of the key activities at the end of the term on the Ricket Scale Performance of 1-5 with 1= Poor Performance; 2= Average Performance; 3 = Good Performance; 4 = Very Good Performance; and 5 = Outstanding Performance of Excellence. The detailed explanations and ratings of LgWSC 2017-2020 performance against each activity are enclosed in Appendix 1 of this document.

## 2.2.2 Review Highlights

Guided stakeholders' discussions, analysis and rating of the performance of the individual activities under each of the objectives led to the following interpretation of the achievement of each of the overall Strategic Objectives under review.

The major highlights of LgWSC's performance for the period 2017- 2020 on the basis of each of the 2017-2020 Strategic Objectives are therefore as presented in Table 1 as follows:

[Table 1: Summary of Performance Review of LgWSC's Strategic Objectives for 2017-2020](#)

		<b>END TERM PERFORMANCE RATING</b> (Score scale of 1 Poor; -5 Excellent)	<b>PERFORMANCE VALUE</b>
1	To reduce NRW from 50% to 25% by 2020	$15/8 = 1.875 = 37.5\%$	Below Average
2	To achieve and maintain 99% water quality compliance by 2020.	$23/8 = 2.875 = 57.5\%$	Above Average
3	To improve Water Cover-age to 32,000 water connections and 13,000 sewer connections by 2020.	$26/24 = 1.08333 = 21.7\%$	Below Average
4	To achieve and maintain an average of 24 hours of water supply per day.	$5/4 = 1.25 = 25\%$	Below Average
5	To achieve high level of sustainable Operational and Financial effectiveness, efficiency and viability by 2020.	$22/7 = 1.29 = 25.8\%$	Below Average
6	To achieve high level of Customer Care and Stake holder satisfaction.	$32/14 = 2.286 = 45.7\%$	Average
7	To add value to the Organization's internal structures, systems and processes.	$20/8 = 2.5 = 50\%$	Average
<b>AVERAGE SCORE</b>		<b><math>143/83 = 1.72 = 34.5\%</math></b>	<b>Below Average</b>

It was observed that the overall cumulative performance across all the 7 Strategic Objectives was at a score of 34.5% which was 'Below Average' rating. Due consideration was made regarding some respective activities that needed to be carried over and therefore would be reflected in the new SP for the period 2021-2025.



## 2.3 REVIEW OF FINANCIAL PERFORMANCE FOR THE PERIOD 2017-2020

The financial review was fully done for the period 2017-2019. 2020 was only up-to 3rd quarter. Some activities were yet to be implemented at the time of the SP review exercise. There were the following three (3) major observations arising from the budgetary information which was provided for review purposes..

### 2.3.1 Funding Issues

The funding for the 2017-2020 Strategic Plan was based on a 70 % external funding and a 30% from internal sources. However, in the out-turn the total fund from external funders did not materialize to the full and thus delaying most of the planned projects.

### 2.3.2 Overall Financial Performance

The above observations and findings led the stakeholders to unanimously deduce and settle for an overall rating of 1 out of 5, representing Poor Financial Performance on the Ricket Scale with a score of 1= Poor Performance and 5 = Outstanding Performance of Excellence.

The above aggregated average score of 1 (Poor Financial Performance) for the period under review relates to specific references on expected levels of funding which were expected towards the 7 Strategic Objectives as were outlined for implementation during the 2017-2020 strategy time-line as indicated in Table 2 here below.

Table 2: Review of Financial Performance by Strategic Objective for the period 2017-2019

FINANCIAL PERFORMANCE					
Year	2017	2018	2019	2020	Total
SP Budget	64,484,426.00	70,551,624.00	69,892,291.00	60,267,261	266,836,602
Total Revenue with capital grants	43,538,456.66	54,434,569.00	56,891,942.82	69,380,027.71	224,244,996.19
Total Company Expenditure	8,810,000.00	9,800,000	10,500,000	6,500,000	35,610,000
Variance SP budget and CU Expenditure	86%	86%	85%	89	86%
Variance SP budget and CU total revenue	80%	82%	82%	91	84%
Score ( 1-5)	1	1	1	1	1

## 2.4 Review Of Sector Policy Integration For The Period 2017-2020

The review of the policies focused on the local/national policies as these tended to be drawn from Global/ international policies. It was noted that the LgWSC 2017-2020 strategic plan had indirectly embedded some significant compliance targets as regards the implementation of specific policies and guidelines in the WSS sector. The key outcomes were therefore deduced as regards the performance of LgWSC with specific reference to WSS policy matters during the period under review as indicated in Table 3 below.

[Table 3: Review of LgWSC 2017 -2020 Performance on WSS Policy Implementation](#)

	STRATEGIC GUIDELINES & ASSOCIATED TARGETS	REFLECTION OF THE POLICY TARGETS IN LgWSC 2017-2020 STRATEGIC OBJECTIVES	END TERM PERFORMANCE RATING (Score scale of 1 Poor-5 Excellent)	COMMENT: END TERM OBSERVATIONS AND COMMENTS ON MEASURES UNDERTAKEN BY LgWSC AND STAKEHOLDERS
1	GRZ Vision 2030 <u>Policy Target:</u> Universal coverage W&S	SO 3: Improve water coverage to 32,000 water connections and 13,000 sewer connections by 2020	2.5	Focus was too much on water when sanitation is lagging far behind
2	National water policy 2010 <u>Policy Target:</u> Provision of adequate and quality WSS, Cost effective, environmental protection	SO 2: To achieve and maintain 99% water quality compliance by 2020	4	Activities targeted at addressing water quality as well as the water resource outlined in the SP.
3	7 <sup>th</sup> National Development Plan <u>Policy Target</u> > Access to WSS > Alternative financing > R&D	SO 3: Improve water coverage by 32,000 water connections and 13,000 sewer connections by 2020	3	Well elaborate activities/ projects outlined in the plan
		SO5: To achieve high level of sustainable operational and financial effectiveness, efficiency and viability by 2020	1	Issues to do with alternative financing, and R&D not addressed
4	National Water Supply and Sanitation Capacity Building Strategy (2015 – 2020) <u>Policy Target:</u> Develop capacity required for the implementation of sector	SO 7: to add value to the organization's internal structures systems and processes	1	No activities to address capacity building, training and skills development
5	The Urban and Regional Act No. 3 of 2015; <u>Policy Target:</u> Engage stakeholders in town planning	No objective	0	No deliberate objective/activities to address issues of planning and development
6	The Public Health Act, CAP 295, Vol. 17 of the Laws of Zambia <u>Policy Target:</u> Increase access to sustainable water and sanitation services	SO 2: To achieve and maintain 99% water quality compliance by 2020	4	Activities aimed at addressing water quality monitoring in place
7	National Urban and Peri-Urban Sanitation Strategy (2015-2030) <u>Policy Target:</u> Provide costs effective sanitation services	SO 2: To achieve and maintain 99% water quality compliance by 2020	2	Cost effective element has not been addressed

8	WSS ACT No. 28 of 1997 <u>Policy Target:</u> Service provision of WSS	SO 3: Improve water coverage to 32,000 water connections and 13,000 sewer connections by 2020	3	Urban onsite sanitation and RWSS not addressed
		SO 4: Achieve and maintain 24 hours water supply		
9	The Environmental Management Act No. 12 of 2011 <u>Policy Target:</u> Environmental safety/protection of the environment from contamination	SO 2: To achieve and maintain 99% water quality compliance by 2020	3	Issues to do with environmental protection were addressed. However there was no activity to address FSM
10	Open Defecation Free (ODF) Zambia Strategy (2018-2030) <u>Policy Target</u> Universal coverage for sanitation	SO 3: Improve water coverage to 32,000 water connections and 13,000 sewer connections by 2020	2.5	Focus was only on sewer systems which cover minority of the population
Aggregated Average Performance on Policy Articulation and Implementation			26/11 = 2.36	Average Performance of 47.3%





## CHAPTER 3: SITUATIONAL ANALYSIS



This chapter focuses on the findings of the situational and contextualized analyses of LgWSC. Due attention was given to LgWSC's performance for the past 4 years; SWOT emphasis on Strengths and Opportunities; PESTEL (External Factors); Resource Analysis; and Stakeholder Analyses; as well as the analyses of Risk and Critical Issues that would impact on LgWSC's performance during the new strategy time-lines.

### 3.1 ANALYTICAL PROCESS AND SITUATIONAL ANALYSIS

The various facets and results from the analytical model adopted used to conduct LgWSC's situational analyses are presented below, in a multi-stage approach.

Both internal and external changes and trends globally and in Zambia surrounding LgWSC that had influenced its historical performance, and were likely to have a significant impact on it over the next 5 years under consideration were taken into account.

#### 3.1.1 SWOT Analysis

A review of previous progress reports and other documents was followed up with formal assessment of Strengths, Weaknesses, Opportunities and Threats (SWOT) to bring out in a systematic way, the external and internal factors that impinge on the operations of LgWSC. The SWOT analysis unpacked the internal strengths and weaknesses and examined the structures, processes and operations of LgWSC.

The areas of focus included personnel and staffing, physical facilities, equipment, use of technology, location, financial status, management, Board governance, special programs, products and services, markets and market position. The analyses were focused on the core mandates, operations, practices and performance of LgWSC. Staff representatives were also provided with an opportunity for self-assessment on all core mandate areas and performance indicators.

The findings of SWOT analysis are presented in Table 4 below:

[Table 4: LgWSC SWOT Analysis Framework](#)

INTERNAL FACTORS	
STRENGTHS	WEAKNESSES
<ol style="list-style-type: none"> <li>1. Wider centrally located geographical coverage which has 12 districts with ease of access to 9 provinces</li> <li>2. Adequate water resources of ground and surface water.</li> <li>3. Skilled man power.</li> <li>4. Established organization structure with active Board of Directors</li> <li>5. Robust performance management system in place.</li> <li>6. Other sources of income from tangible assets such as the LgWSC Digital Meter Reading intellectual property.</li> <li>7. Strong market share in WSS in the region.</li> </ol>	<ol style="list-style-type: none"> <li>1. Inability to mobilise adequate financial resources to facilitate business expansion.</li> <li>2. Inadequate ICT infrastructure.</li> <li>3. Inadequate staffing levels.</li> <li>4. High non-revenue water.</li> <li>5. Low collection efficiency due to a high number of government institutions not paying.</li> <li>6. Inadequate pumping infrastructure to guarantee 24hrs supply per day.</li> <li>7. Over aged staff mainly in the core engineering section.</li> <li>8. No procedure for regular reviews.</li> </ol>
EXTERNAL FACTORS	
OPPORTUNITIES	THREATS
<ol style="list-style-type: none"> <li>1. Very high potential to invest in new infrastructure for increasing the customer base in line with GRZ vision 2030 and the seventh national development plan.</li> <li>2. Potential to reduce energy costs by investing in solar energy bore-hole pumps.</li> <li>3. Investment in newly created districts.</li> <li>4. Venture into new business of packaging water but not at the expense of core business of supplying water to the customers.</li> <li>5. Increased sanitation coverage by implementing on-site sanitation and expansion of sewer network.</li> <li>6. Increase cash flow and collection efficiency by installations of more prepaid meters.</li> <li>7. Cordial working relationship and goodwill with GRZ</li> </ol>	<ol style="list-style-type: none"> <li>1. Encroachment on land where Lukanga has its installations.</li> <li>2. Competition from drilling companies.</li> <li>3. Dilapidated network infrastructure.</li> <li>4. Increasing energy costs due to high electricity tariffs.</li> <li>5. Increasing operational costs due to depreciation of the kwacha as a number of operation inputs are imported such as chemicals and meters.</li> </ol>

### 3.1.2 PESTEL Analysis

To examine the external opportunities and threats posed by trends in macro level factors, the PESTEL Analysis was undertaken under the categories and findings presented in Table 5 as follows:

Table 5: LgWSC PESTEL Analysis Framework

Analytical Aspect	Positive Factors	Negative Factors
Political	<ol style="list-style-type: none"> <li>1. Political will to develop the water and sanitation sector e.g. dedicated Ministry for WASH;</li> <li>2. The Vision 2030 and the 7NDP alignment with the SDGs;</li> <li>3. Good bilateral ties with cooperating partners;</li> </ol>	<ol style="list-style-type: none"> <li>1. The discrepancy between budget allocation, budget disbursement and expenditure;</li> <li>2. Political interference in operations</li> <li>3. Poor coordination between LgSWC and KMC</li> </ol>
Economic	<ol style="list-style-type: none"> <li>1. Job creation;</li> <li>2. Revenue generation;</li> <li>3. Sustained economic growth (offers conducive environment for business);</li> <li>4. The WASH budget has been increasing strategically;</li> </ol>	<ol style="list-style-type: none"> <li>1. Currency fluctuations (Might have a bearing on procurement from the international market);</li> <li>2. High inflation rates;</li> <li>3. Low economic activities in Central Province;</li> <li>4. Defaulting clients;</li> <li>5. Bad debt;</li> <li>6. Delayed payment of water bills by Government institutions</li> <li>7. Monopoly (Lack of competition);</li> </ol>
Social	<ol style="list-style-type: none"> <li>1. Population increase implies increased demand and clients for WSS services.</li> <li>2. Reduced disease burden (healthy abled bodied population);</li> </ol>	<ol style="list-style-type: none"> <li>1. Population increase might overwhelm the capacity of the institution to cope with the levels of demand for WSS services;</li> <li>2. Vandalism;</li> <li>3. Illegal connections;</li> <li>4. Development control by Planning Authority (e.g. encroachments on well fields and water bodies)</li> </ol>
Technological	<ol style="list-style-type: none"> <li>1. Available state-of-the-art technology on the market (WTP and STP)</li> <li>2. Availability of technology for Supply Side and Demand Side management (open source) e.g. QGIS;</li> <li>3. Availability of alternative energy (solar, wind)</li> </ol>	<ol style="list-style-type: none"> <li>1. Power rationing (load shedding);</li> <li>2. Obsolete equipment;</li> <li>3. Expensive acquisition and maintenance of some technologies</li> </ol>
Environmental	<ol style="list-style-type: none"> <li>1. Availability of groundwater and freshwater resources and land;</li> </ol>	<ol style="list-style-type: none"> <li>1. Human-induced factors (pollution of water bodies);</li> <li>2. Climate-induced factors (climate change)</li> <li>3. Depleting water resources</li> </ol>
Legal	<ol style="list-style-type: none"> <li>1. Availability of laws and policies for WASH development</li> </ol>	<ol style="list-style-type: none"> <li>1. Lack of enforcement (e.g. increasing disregard for laws governing water resources safeguards)</li> <li>2. Lacunas in laws</li> </ol>



### 3.1.3 Resource Analysis

Comprehensive analysis of LGWSC's resource status was guided by the following frameworks as presented in Table 6 and Table 7 below:

Table 6: Categorization of LgWSC Resources

CATEGORY	Sub-categories	Units	Sub-units
Human Resources	<ul style="list-style-type: none"> <li>□ Board of Directors</li> <li>□ Senior Management</li> <li>□ Middle Management</li> <li>□ Support</li> </ul>	<ul style="list-style-type: none"> <li>□ Board of Directors</li> <li>□ Finance Department</li> <li>□ Commercial and Business Development Department</li> <li>□ Human Resource and Administration Department</li> <li>□ Internal Audit</li> <li>□ Public Relations</li> <li>□ Procurement Unit</li> </ul>	<ul style="list-style-type: none"> <li>□ District Units</li> </ul>
Monetary Resources	<ul style="list-style-type: none"> <li>□ Revenue</li> </ul>	<ul style="list-style-type: none"> <li>□ User fees</li> <li>□ License Fees</li> <li>□ Government Grant</li> <li>□ Cooperating Partners</li> </ul>	
	<ul style="list-style-type: none"> <li>□ Investment</li> </ul>	<ul style="list-style-type: none"> <li>□ SNV, GRZ, ADB</li> </ul>	
Infrastructure Resources	LgWSC Building Premises in Chisamba, Chibombo, Kabwe, Kapiri Mposhi, Mkushi, Mumbwa, Serenje		

Table 7: LgWSC Resource Analysis

Resources	Current Status			
	Weak	Sufficient	Strong	Comments/Observations
THE ORGANIZATION				
<b>A. Tangible Resources</b>				
A1. Physical Resources				
1.1 Property, Facilities, Location			X	Properties owned but no title
1.2 ICT Infrastructure – Hardware, Software, Networking		X		Still need some software upgrade
1.3 Office space, Tools, Equipment, Plant and Machinery		X		Plants still require standby facilities
A2. Monetary Resources				
2.1 Operational Funds	X			Poor collections
2.2 Capital and Investment Funds	X			Weak Resource Mobilization
2.3 Internally Generated Revenue		X		Utility nonetheless needs to increase its database
2.4 Donor Revenue	X			Acknowledge efforts made but can do more.
2.5 Government grants	X			Government projects stalled. Nonetheless from 2020 government funding has improved
2.6 Networking Revenue				N/A
2.7 Resource mobilization capacity or potential	A			Carry out an introspection and improve
B. Intangible Resources				
<b>B1. Human Resources</b>				
1.1 General education levels (staff and management)			X	General education levels are good
1.2 Specialist skills (management and staff)		X		Room for improvement
1.3 Relevant experience (management and staff)			X	Management and staff have relevant experience
1.4 In-service staff training opportunities		X		Room for improvement
1.5 Staff Creativity and Innovation		X		Room for improvement
1.6 Staff Attitudes, Motivation and Commitment	X			Room for Improvement
<b>B2. Relational Resources</b>				
2.1 Relationship with potential Customers and Clients - Accreditation			X	Good relationship with customers
2.2 Relationship with Service Providers – Firms and employers		X		Need for Improvement
2.3 Contractual Relationships ( MoUs and Agreements) e.g. Employers			X	Solid contractual relations with partners and employees

Table 7: LgWSC Resource Analysis

2.4 Reputation and Image		X		Room for Improvement
2.5 Internal Trust (Staff, Management and Board)		X		Calm industrial relations
2.6 Strategic Conversation and Dialogue – AGMs		X		Good strategic conversation and AGMs
2.7 Benevolent Fund for members				N/A
<b>B3. Structural Resources</b>				
3.1 Laws and Mandate			X	Regulated sector
3.2 Processes and tacit routines			X	Adequate
3.3 Codified Information and Manuals		X		Need for Improvement
3.4 Organizational structure and link to operational plan		X		Need for Improvement
3.5 Corporate Governance - Board Structure and Procedures		X		Lack of representation of Local Authorities
3.6 Management Approaches – flexible initiatives, efficiency of meetings	X			Flexible initiatives and efficient meetings
3.7 Organizational culture and values		X		Need for Improvement
3.8 Compliance to Acts		X		Need for Improvement
3.9 Teamwork		X		Need for Improvement
3.10 Decision Making Processes		X		Need for Improvement
3.11 Performance evaluation system (staff, management and board)		X		Need for Improvement



### 3.1.4 Stakeholder Analysis

Stakeholder analysis is necessary to identify the key stakeholders that have an impact on the organisation in order to use their influence to establish goals, targets, gain their support and make them aware of intended objectives.

Major stakeholders were identified and grouped in main categories as per Table 8; with their expectations as per Table 9; and the mapping of their interests and powers as presented in Table 10 as follows:

Table 8: Categories of LgWSC's Key Stakeholders

Stakeholders		Examples
1	POLICY MAKERS	Ministry of Local Government Ministry of Water Development, Sanitation and Environmental Protection Ministry of Energy Ministry of Health Ministry of Lands and Natural Resources Local Authorities Board of Directors Ministry of Finance and National Planning Ministry of Justice
3	CONSUMERS	General Public/Domestic Commercial Institutions Government Departments & Institutions Churches Institutions other religious institutions.
4	REGULATORS	National Water Supply and Sanitation Council (NWASCO) Zambia Public Procurement Authority (ZPPA) Water Resources Management Authority (WARMA) Zambia Environmental Management Agency (ZEMA) Zambia Compulsory Standards Agency (ZCSA) Competition and Consumer Protection Commission (CCPC)
5	COOPERATING PARTNERS	SNV-Zambia, GIZ, JICA, Habitat for humanity, UNICEF, Water Aid, Bill and Melinda Gates Foundation, World Bank, African Development Bank and Development Bank of Zambia.
	SHAREHOLDERS	Local Authorities Kabwe Town Council , Chibombo Town Council, Serenje Town Council, Itezhi – Tezhi Town Council, Mumbwa Town Council ,Kapiri Mposhi Town Council, Mkushi Town Council, Chisamba Town Council, Ngabwe Town Council, Luano Town Council, Chitambo Town Council and Shibuyunji Town Council
	OTHERS	Members of Parliament District Administration Provincial Administration Civic Leaders ZESCO Office of the Auditor General Civil Society Organizations including Transparency International Zambia (TIZ) Zambia Statistical Agency Professional Bodies such as EIZ, ZICA, ZIHR, ZIPS, IoDZ etc. Ministry of Agriculture Ministry of Livestock and Fisheries Media: Print and Digital Traditional Leaders

Table 9: LgWSC's Stakeholder Power, Controls, Expectations and Implications.

Stakeholder	Power and Resources they control that can benefit LgWSC	Services/Results they expect from LgWSC
POLICY MAKERS	<input type="checkbox"/> Financing <input type="checkbox"/> Policy Formulation <input type="checkbox"/> Appointment of Board of directors	<input type="checkbox"/> Efficient Service provision for WSS <input type="checkbox"/> Customer satisfaction <input type="checkbox"/> Reports <input type="checkbox"/> Affordability of service
CONSUMERS	<input type="checkbox"/> Payment for services <input type="checkbox"/> Report faults <input type="checkbox"/> Sensitization	<input type="checkbox"/> Good services <input type="checkbox"/> Efficient complaint management <input type="checkbox"/> Timely information dissemination
REGULATORS	<input type="checkbox"/> Enforcement/Compliance to the WSS act/standards	<input type="checkbox"/> Adherence to SLG's and SLA's
COOPERATING PARTNERS	<input type="checkbox"/> Financing <input type="checkbox"/> Technical Support <input type="checkbox"/> Monitoring and Evaluation <input type="checkbox"/> Influence new programs in the sector	<input type="checkbox"/> Accountability of Funds <input type="checkbox"/> Regular reporting <input type="checkbox"/> Improvement of service provision
SHAREHOLDERS	<input type="checkbox"/> Resource Mobilization <input type="checkbox"/> Policy Influence	<input type="checkbox"/> Prudent use of resources <input type="checkbox"/> Improved and extended service provision <input type="checkbox"/> Declaration of dividends

Table10: LgWSC Stakeholder Power and Interest Matrix

<u>High Power/Low Interest</u> <u>KEEP SATISFIED</u> > Media houses (Print and Digital) KNC Radio, KNC TV, ZANIS, Power FM, ZNBC, SPICE FM, CLOUD FM, RADIO MARANATHA, PHOSTON FM, TIMES OF ZAMBIA, DAILY MAIL, MUVI TV, ZAMBIA DAILY NATION, DIAMOND TV, CBC TV, MILLENNIUM RADIO, RADIO PHOENIX, Q FM, HOT FM, RADIO 1,2 & 4	<u>High Power/High Interest</u> <u>EXCEED THEIR EXPECTATIONS</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> Regulators</li> <li><input type="checkbox"/> Political leaders (Area members of parliament, ward development executive committee members, Local Councilors,</li> <li><input type="checkbox"/> Water watch group</li> <li><input type="checkbox"/> Local Authorities</li> <li><input type="checkbox"/> Traditional Leaders( Chiefs)</li> </ul>
<u>Low Power/Low Interest</u> <u>MONITOR</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> Community Based Organisations</li> <li><input type="checkbox"/> Non- Governmental Organisations</li> <li><input type="checkbox"/> Civil society</li> </ul>	<u>Low Power/High Interest</u> <u>KEEP INFORMED</u> <ul style="list-style-type: none"> <li><input type="checkbox"/> Consumers/ customers (domestic, Commercial, Institutions, Churches).</li> <li><input type="checkbox"/> Cooperating Partners (SNV-Zambia, GIZ, JICA, Habitat for humanity, UNICEF, Water Aid, Bill and Melinda Gates Foundation, World Bank, African Development Bank and Development Bank of Zambia)</li> <li><input type="checkbox"/> Suppliers</li> <li><input type="checkbox"/> Feacal Sludge Emptiers</li> <li><input type="checkbox"/> Transparency International Zambia (TIZ)</li> </ul>



Table 11: LgWSC Risk Analysis and Mitigation Strategies

RISK		IMPACT ON LgWSC (High/Medium/Low)	MITIGATION STRATEGY
1	Failure of Pump and Machinery	High	☐ Procurement of Standby equipment
2	Compliance Risk	Medium	☐ Debt swap on statutory obligation
3	Litigation Risk	Medium	☐ Arbitration and conflict resolution management
4	Exchange rate risk	High	☐ Fixed contracts with suppliers;  ☐ Hedging techniques on borrowings; Maintain a dollar account.
5	Reputation risk	Low	☐ Maintain good customer service
6	Pandemics	High	☐ Implement risk mitigation plan





## CHAPTER 4: LgWSC 2021-2025 STRATEGIC PLAN

This chapter presents LgWSC's new SP for 2021-2025 in its entirety. This includes the specific details on LgWSC's Mandate, Vision, Mission Statement, and Core Values; Strategic Objectives; Logical Framework which outlines the specifics of Action Plans, Performance Indicators, and Means of Verification, the time lines as well as the Concept of "Driver" for accountability in the delivery of each strategic objective.

### 4.1 MANDATE OF LgWSC

LgWSC is mandated under section 11 of the Water Supply and Sanitation Act No 28 of 1997 to provide water supply and sanitation services in the Central Province of Zambia

Further, following the change in the conditions of the licensing agreement in April 2019 by its regulator NWASCO, LgWSC has integrated Onsite Sanitation and Faecal Sludge Management within its overall business strategy. This is in recognition that some households in the urban areas will not have sewer lines in the medium to long-term due to technical and socio-economic considerations.

#### 4.1.1 Our Vision



A dependable, innovative and commercially viable utility Company that provides quality water and sanitation services to all customers of Central Province in an equitable manner.

#### 4.1.2 Our Mission Statement



To provide customers in Central Province with reliable, affordable and cost-reflective water supply and sanitation services in a sustainable, equitable and resilient manner.

### 4.1.3 Our Core Values

The core values governing LgWSC's 2021-2025 SP are dubbed RESPECTII, with related value propositions explained as per Table 12 below:

Table 12: LgWSC Core Values

Value Concept	Meaning/Operationalization of the Value Concept
<b>Integrity &amp; Professionalism</b>	Know and do what is right in an unbiased, conflict of interest and/ or influence free service delivery.
<b>People centeredness</b>	Our strength, highly skilled, motivated, innovative, team of workers who are ready to provide service to all the customers that we cherish and are the reason we exist.
<b>Teamwork</b>	Together everyone achieves more work.
<b>Excellence</b>	Everything we do should be of outstanding quality
<b>Resilience</b>	Responsive system that withstands and absorbs changes in the operating environment.
<b>Accountability</b>	To be accountable to our stakeholders on all our mandates.
<b>Transparency</b>	Openness to all stakeholders on service delivery.
<b>Respect</b>	Treat others the way you would want to be treated.
<b>Confidentiality</b>	Sensitive information should not be disclosed to third parties.

## 4.2 LgWSC 2021-2025 STRATEGIC OBJECTIVES

Nine (9) Strategic Objectives for the 2021-2025 strategy have been developed. These are presented in Table 13 here below, and as follows:

Table 13: LgWSC 2021-2025 Strategic Objectives

BUSINESS PERSPECTIVES	NEW STRATEGIC OBJECTIVES FOR 2021-2025
Governance & Administration	1. To enhance good corporate governance, self-regulatory standards and leadership development to ensure accountability, transparency, equality, efficiency, responsiveness, sustainability, and maintain high levels of integrity by 2025.
Customer & Organizational Growth	2. To increase water coverage from 84% to 90% by 2025. 3. To increase access to safely managed sanitation and sanitation coverage from 55% to 85% by 2025. 4. To achieve and maintain a high level standard of customer care and stakeholder satisfaction by 2025.
Finance	5. To mobilise financial resources and to enhance collection efficiency to 100% in order to facilitate for investment, business growth and achieve viability by 2025.
Human Resource	6. To attract, develop and retain highly qualified, skilled, innovative, committed and motivated staff in order to improve staff efficiency from 0.67 to 0.55 by 2025.
Technical and Internal Processes	7. To reduce NRW from 50% to 40% by 2025. 8. To achieve and maintain 98% water quality compliance at an average of 20 hours water supply per day by 2025.
Information Technology, Research and Development	9. To develop reliable, secure, and efficient information management systems and infrastructure that maximizes staff potential to foster innovation, customer care and decision making by December 2025.

#### 4.2.1 LgWSC 2021-2025 Expected Outcomes and Plans of Action

The detailed logical frameworks for each of the Strategic Objectives for 2021-2025 are presented in the next section of this document. The Expected Outcomes, key activities, KPIs, Means of Verification as well as the Drivers and respective timelines for delivery are all outlined for every Strategic Objective under consideration.





#### 4.3 LgWSC 2021-2025 Strategic Objectives and Logframes

*Strategic Objective 1: To enhance good corporate governance, self-regulatory standards and leadership development to ensure accountability, transparency, equality, efficiency, responsiveness, sustainability, and maintain high levels of integrity by 2025*

[illegible]

*Strategic Objective 2: To increase water coverage from 84% to 90% by 2025.*

Expected Outcome/s	Reference: SWOT/PESTEL// Previous SP etc.	Key Activities	Key Performance Indicators	Means of Verification	Critical Assumption	Driver	Time Frame					
							21	22	23	24	25	Budget
Achieve 6% increase in water coverage	Previous SP roll over	Connect 10,000 households to water supply Serenje -1354 Kapiri-Hilltop 800 Chibombo 300 Chisamba 200 John C 200 Shibuyunji 300	2000 connections per done per year	NWASCO information System; MIS, Mgt. reports	Households are willing to be connected. Availability of funds to expand the network	TOM						25,000,000
	Previous SP roll over	Install 10,000 meters on new connections complete with accessories	2000 metered connections done per year	NWASCO information System; MIS, Mgt. reports	Procurement of 10000 meters	TOM						50,000,000
	SWOT	Conduct a baseline survey for rural water supply	No. of surveys done	Baseline report	Availability of funding	CBDM						3,000,000
<b>SUB - TOTAL</b>												<b>78,000,000</b>

*Strategic Objective 3: To increase access to safely managed sanitation and sanitation coverage from 55% to 85% by 2025.*

Expected Outcome/s	Reference: SWOT/PESTEL//Previous SP etc.	Key Activities	Key Performance Indicators	Means of Verification	Critical Assumption	Driver	Time Frame					
							21	22	23	24	25	Budget
30% increase in Sanitation Coverage and Safe Sanitation	Previous SP	Connect 1000 households to sewer network Nkrumah -500 Luangwa 300 Kabwe Central Hospital -1	200 connections done per year	NIS/MIS	Availability of Funds	TOM						7,000,000
	SWOT	Comprehensive survey to capture numbers and location of septic tanks and pit latrines in all the Districts.	Survey done	Baseline report	Availability of funding	CBDM						300,000
	SWOT	Upgradation of an improved sanitation facilities in Kabwe —Train masons, create awareness and create revolving funds	No of improved facilities	NIS/MIS	Successful SNV/LgWSC partnership	CBDM						45,000
	SWOT	Implement functional Faecal Sludge Management (FSM) system	No. of toilets emptied	NIS/MIS/Management reports	Community buy in	CBDM						2,500,000
SUB- TOTAL												9,845,000



*Strategic Objective 4: .To achieve and maintain a high level standard of customer care and stakeholder satisfaction by 2025.*

Expected Outcome/s	Reference: SWOT/PESTEL//Previous SP etc.	Key Activities	Key Performance Indicators	Means of Verification	Critical Assumption	Driver	Time Frame					
							21	22	23	24	25	Budget
Improved customer care	Previous SP	Implement comprehensive complaints management and customer care systems that ensure accurate recording tracking resolving and feedback	No. of District implementing front office module	Reports generated	Function front office module	MCS						150,000
Accurate and timely information	Previous SP	Provide timely, relevant and accurate information on the company operations	No. of radio programmes/Printed brochures/Functional website	Management reports/Recordings	Availability of funds	PRM						150,000
Stakeholder satisfaction	Previous SP	Develop and maintain positive relation with media and other stake holders	No. of stakeholder meeting/Media briefings	Management reports/Recordings	Availability of funds	PRM						500,000
Increased compliance on bill payments		To hold quarterly community engagement meetings on the payment of the bills	Increase in number of <a href="#">compliance</a> in bill payments	Payment vouchers	Willingness of the members of community to participate in the meetings	CBDM						100,000
Company Visibility	Previous SP	Improve corporate visibility of the company	Install digital signage at all pay points	Site visit	Availability of funds	PRM						20,000
Improved Complaint resolution	Previous SP	Meet service level guarantee made to customers	% of compliance	MIS/Management	Availability of funds	MCS						250,000
<b>SUB - TOTAL</b>												1,170,000

*Strategic Objective 5: To mobilise financial resources and to enhance collection efficiency to 100% in order to facilitate for investment, business growth and achieve viability by 2025.*

Expected Outcome/s	Reference: SWOT/PESTEL//P revious SP etc.	Key Activities	Key Performance Indicators	Means of Verification	Critical Assumption	Driver	Time Frame					
							21	22	23	24	25	Budget
Investment proposals funded	SWOT	Constitute resource mobilization team	Appointment of staff with terms of reference	Appointment letters	Willingness by Management to create the team	HRM						300,000
	SWOT	Develop an investment master plan	Masterplan developed	The Masterplan Document	Availability of required skills	FM						300,000
	SWOT	Develop Bankable proposals	6 Proposals	Report	Availability of required skills	FM						500,000
	SWOT	Develop a business model for On-site sanitation and Faecal Sludge Management	Business model developed	Report	Support from partners	CBDM						300,000
Increased revenue collection	Previous SP	Replacement of post-paid meters with 4000 prepaid meters by 2025	Number of pre-paid meters installed	Metering reports	Financial resources	FM						10,000,000
	Previous SP	Implement E-payment options	Number of customers using E-payments	% of customers using E-payment	Agreement with e-payment implementers	CBDM						150,000
Increased O&M cost coverage from 94% to 100 by 2025		Implement Austerity measures	% of O&M cost coverage by collection	Management reports	Willingness by management to undertake activity	FM						150,000
<b>SUB - TOTAL</b>												<b>11,700,000</b>



*Strategic Objective 6: To attract, develop and retain highly qualified, skilled, innovative, committed and motivated staff in order to improve staff efficiency from 0.67 to .55 by 2025.*

Expected Outcome/s	Reference: SWOT/PESTEL//Previous SP etc.	Key Activities	Key Performance Indicators	Means of Verification	Critical Assumption	Driver	Time Frame					
							21	22	23	24	25	Budget
Attract highly qualified staff and retain a motivated and committed workforce	9. Inadequate staffing levels.	Carryout Workforce Planning	Adequate staffing Levels identified	Report	Availability of funds	HRAM						20,000
		Employ relevant and qualified staff to fill vacant positions	Adequate staffing in the company	Filled established Structure.	Appropriate talent can be found on the labour market	HRAM						190,000
		Review conditions of service to make them more competitive and favorable	Reviewed conditions	Signed collective Agreements	Improved business leading ability to pay.	HRAM						165,000
		Implement the SHE policy by strengthen occupational health and safety initiatives.	Availability of Insurance Scheme Availability of safety equipment	Evidence of premium remitted Presence of safety equipment	Availability of funds	HRAM						3,400000
To develop capacity in Staff	9. Inability to mobilize adequate financial resources to facilitate business expansion.	Conduct staff skills inventory	Complete skills inventory and training plan	Report	Availability of funds	HRAM						20,000
		Implement the Staff Development Policy (SDP)	Number of trained staff	Training Report	Availability of funds							680,000
		Introduce In-service Capacity building trainings in various relevant skills.	Number of capacity building Workshops and seminars held in company in a year. Number of staff attending capacity building workshops and seminars outside LgWSC in a year. Number of academic & non-academic staff promoted.	-Records of capacity building workshops and seminars held in campus in a year. -Reports on number of staff attending capacity building workshops and seminars outside LgWSC in a year. -Evidence of promotion/graduation	-Good will of stakeholders -Availability of time to participate in the capacity building programs	HRAM						
Improved performance	9.No procedure for regular reviews or M & E.	Enhance the Performance Management System	Improved	Monitoring reports and individual evaluation records	There will be periodical reviews	HRAM						170,000
SUB - TOTAL												4,645000

*Strategic Objective 7: To reduce NRW from 50% to 40% by 2025.*

Expected Outcomes	Reference: SWOT/PESTEL/ Previous SP etc.	Activities	Performance Indicator	Means of verification	Critical Assumptions	Driver	Time Frame					
							21	22	23	24	25	Budget
1. Strengthen the water demand management Section for improved GIS and water demand management.		Replace 50Km old and dilapidated rising mains and distribution networks.	20% per year	Engineering Quarterly Reports	Finances to be made available	DE						78,500,000
	Previous SP	Install 50 pressure reducing valves for effective network repairs and pressure management.	50 Pressure Regulating valves	Engineering Quarterly Reports	Finances to be made available	DE						750,000
	Previous SP	300 balancing gate valves on water networks for effective network repairs and pressure management.	300 balancing gate valves	Engineering Quarterly Reports	Finances to be made available	DE						4,500,000
	Previous SP	To procure 6 Meter testing equipment	6 Meter Testing	Engineering Quarterly Reports	Finances to be made available	DE						300,000
	Previous SP	To procure 3 water loss detection and monitoring equipment	3 Water loss detection equipment	Engineering Quarterly Reports	Finances to be made available	DE						75,000
	Previous SP	To procure 19 data loggers.	19 data loggers	Engineering Quarterly Reports	Finances to be made available	DE						285,000
2: To improve metering ratio from 85% to 100% by 2025 through the procurement and installation of meters at all consumption points.	Previous SP	Procure and install 16000 meters	3200 meters per year	Engineering Quarterly Reports	Finances to be made available	DE						37,500,000
3: To procure and install 25 functional bulk meters at all production points.	Previous SP	Procure and install 23 bulk meters at all production points	23 bulk meter	Engineering Quarterly Reports	Finances to be made available	DE						345,000
SUB - TOTAL												123,255,000

*Strategic Objective 8: To achieve and maintain 98% water quality compliance at an average of 20 hours water supply per day by 2025.*

Expected Outcomes	Reference: SWOT/PESTEL/Previous SP etc.	Activities	Performance Indicator	Means of verification	Critical Assumptions	Driver	Time Frame					
							21	22	23	24	25	Budget
1. Improve Equipment availability to 95%.	Previous SP	Maintenance minimum stock level of all equipment repair materials.	<i>maintain minimum stock level for all equipment</i>	Periodical stock take report	<i>Finances to be made available</i>	DE						2,500,000
	Previous SP	To replace 20 aged and broken-down pumping Equipment.	<i>No of equipment replaced</i>	Engineering Quarterly Reports	<i>Finances to be made available</i>	DE						1,000,000
	Previous SP	To implement the alternative energy 5-year plan approved by the Board to mitigate load shedding	<i>No of solar boreholes</i>	Engineering Quarterly Reports	<i>Subject to availability of funds</i>	DE						48500000
	Previous SP	Ensure regular planned maintenance on all equipment is done	<i>% of planned maintenance compliance</i>	Engineering Quarterly Reports	<i>Subject to availability of funds</i>	DE			X			1,200,000
2. To increase annual water production to meet demand	Previous SP/SWOT	To drill and equip 6 new boreholes in Serenje, Mumbwa, and Chisamba.	6 new boreholes	Engineering Quarterly Reports	<i>Subject to availability of funds</i>	DE						900,000
	Previous SP	To rehabilitate and re-commission Kohima tower and borehole system in Kabwe.	<i>Kohima Tower rehabilitated and commissioned</i>	Engineering Quarterly Reports	<i>Subject to availability of funds</i>	DE						250,000

[illegible]



*Strategic Objective 9: To develop reliable, secure, and efficient information management systems and infrastructure that maximizes staff potential to foster innovation, customer care and decision making by December 2025.*

Expected Outcome/s	Reference: SWOT/PESTE L//Previous SP etc.	Key Activities	Key Performance Indicators	Means of Verification	Critical Assumption	Driver	Time Frame					
							21	2 2	2 3	2 4	2 5	Budget
Improved and secured Systems.	SWOT	Create a comprehensive IT security system to help address the challenges with information security and network security.	Secured information & Network	Configuration of security settings, Antivirus installation.	Trained staff	Head of IT						150,000
Business continuity		Operationalise a disaster recovery plan.	Disaster Recovery site in place	Operationalize and periodically test the IT disaster recovery plan.	Readily available resources in place	Head of IT						1,000,000
User alertness on security, Improved System usage by users	Previous strategic plan roll over	Educate staff about information security issues through various training modalities and opportunities.	Number of staff Trained	List of staff Trained	Availability of resources	Head of IT						100,000
Improved ICT procedures and compliance towards the ICT policy	Previous strategic plan roll over	Review the ICT policy by the ICT Steering Committee based on accepted best practices and standards that will be the basis of managing and mitigating cyber-security threats.	Revised ICT Policy	Amended ICT Policy Document	Commitment from management to review the document	Head of IT/						50,000
Improved infrastructure and prolonged lifespan	SWOT	Procure, implement and maintain hardware and software essential for institutional information security	Improved and secured systems	Procured and installed security Systems	Readily available resource	Head of IT/						200,000

[illegible]



## CHAPTER 5: INSTITUTIONAL GOVERNANCE AND IMPLEMENTATION STRUCTURE FOR 2021-2025 STRATEGIC PLAN



This Chapter focuses on the expectations that relate to effective institutional governance and implementation structure for the newly developed SP. Specific perspectives presented relate to Governance structure; Road map for implementation of the new SP; Financing and Human Resource; Sustainability; Risk Mitigation; and M&E.

### 5.1 GOVERNANCE STRUCTURE

The required institutional, governance, incentives and accountability systems and structures to effectively implement the SP is the primary responsibility of the LgWSC Board and Management team members. The approved comprehensive LgWSC Organisation Structure that will guide this process is indicated in Appendix 2 of this document.

In order to ensure proper accountability and practice of Corporate Governance principles in and through the structures of LgWSC, its Board Directors and Management Teams, it is advisable that Corporate Governance and Transformational Leadership training be conducted as proposed in this SP. This process will invigorate the performance of the associated Board Committees as well as the CU's Management team members at all the levels, thereby resulting into a highly enhanced accountability, effectiveness and efficiency in the delivery of the services during the 2021-2025 Strategy time-lines.

### 5.2 ROAD MAP FOR IMPLEMENTATION OF THE NEW STRATEGIC PLAN

The road map for the effective implementation of LgWSC SP is in-built in its LOGFRAME, which outlines the key activities, expected outcomes and impacts.

Each of the Strategy 'Drivers' who are assigned respective Action Plans (as indicated in the LOGFRAME) will be responsible for preparing the Review Report for the Review Meetings relying on the respective KPIs which have been clearly indicated in LOGFRAME of the SP document.

## 5.3 FINANCING THE STRATEGIC PLAN

The estimated total budget for implementing LgWSC's 2021-2025 SP is K 298,459,500.00. This budget is proposed to be financed 25% using internally generated resources and 75% from cooperating partners.

A summary of the financial plan reflecting the cost of implementing each Strategic Objective is as per Table 14 below:

Table 14: Estimated cost of implementing LgWSC 2021-2025 Strategic Objectives

BUSINESS PERSPECTIVES	NEW STRATEGIC OBJECTIVES FOR 2021-2025	ESTIMATED IMPLEMENTATION COST (ZMW)	PROPOSED SOURCES OF FUNDING
Governance & Administration	1. To enhance good corporate governance, self-regulatory standards and leadership development to ensure accountability, transparency, equality, efficiency, responsiveness, sustainability, and maintain high levels of integrity by 2025.	6,700,000	<input type="checkbox"/> User fees <input type="checkbox"/> Cooperating partners <input type="checkbox"/> Government grants
Customer & Organizational Growth	2. To increase water coverage from 84% to 90% by 2025. 3. To increase access to safely managed sanitation and sanitation coverage from 55% to 70% by 2025. 4. To achieve and maintain a high-level standard of customer care and stakeholder satisfaction by 2025.	89,015,000	<input type="checkbox"/> User fees <input type="checkbox"/> Cooperating partners <input type="checkbox"/> Government grants
Finance	5. To mobilise financial resources and to enhance collection efficiency to 100% in order to facilitate for investment, business growth and achieve viability by 2025.	11,700,000	<input type="checkbox"/> User fees <input type="checkbox"/> Cooperating partners <input type="checkbox"/> Government grants
Human Resource	6. To attract, develop and retain highly qualified, skilled, innovative, committed and motivated staff in order to improve staff efficiency from 0.67 to 0.55 by 2025.	4,645,000	<input type="checkbox"/> User fees <input type="checkbox"/> Cooperating partners
Technical and Internal Processes	7. To reduce NRW from 50% to 40% by 2025. 8. To achieve and maintain 98% water quality compliance at an average of 20 hours water supply per day by 2025.	182,149,500	<input type="checkbox"/> User fees <input type="checkbox"/> Cooperating partners <input type="checkbox"/> Government grants
Information Technology, Research and Development	9. To develop reliable, secure, and efficient information management systems and infrastructure that maximizes staff potential to foster innovation, customer care and decision making by December 2025.	4,250,000	<input type="checkbox"/> User fees <input type="checkbox"/> Cooperating partners

It is incumbent upon the LgWSC Board and Management to work tirelessly and in concert with appropriate stakeholders to mobilize and generate the required resources to operationalize this SP. LgWSC already has some significant internal sources of funding which need strengthening by complementing with new sources of funding as provided for in one of the strategic objectives in this SP.

## 5.4 HUMAN RESOURCE

The Human Resource Department of LgWSC is expected to hold internal briefing sessions for different categories of staff of LgWSC to explain to them - in detail its new Vision, Mission Statement, Values as well as the 14 Strategic Objectives for the period 2021-2025.

Furthermore, it is incumbent upon individual Heads of Departments to ensure that members of staff under their respective Departments understand what role they must play in implementing the aims of the SP. This will guarantee a complete "buy-in" from all personnel in accordance to the organizational policy provisions such as Code of Ethics, Whistle-blower Policies, etc.

## 5.5 SUSTAINABILITY AND RISK MITIGATION

Sustainability is simply understood to be the ability to maintain reasonable levels of internally generated resources supplemented by some external inflows so that the required services are delivered by an institution. This should be a matter of primary concern to LgWSC. Strategies of how LgWSC plans to improve its sustainability in the long-run have been highlighted under the Finance Perspective within this SP. Additional funding mechanisms should be explored as and when deemed appropriate within and beyond the provisions of this SP.

LgWSC leadership will also seek to implement the 2021-2025 SP with an awareness of the prevailing competitive ratings and ensure adherence to the various risk mitigation strategies as outlined in Table 11 within the body of this SP.

## 5.6 MONITORING AND EVALUATION OF THE STRATEGIC PLAN

Constant or regular critical review of the SP is recognized as being important in ensuring that it is on track towards achieving the objectives set and the implementation pathway. Should it be found that the SP is off course; LgWSC shall establish the reasons why and thereby take appropriate corrective measures.

LgWSC's 2021-2025 SP will be translated into Annual Implementation Plans for each of the 5 years covered during this strategy time-line. The appropriate M&E Framework and associated Baseline indicators and strategy targets will be developed through the engagement of external consultants or by LgWSC's own MEAL personnel from within; in order to accelerate effective and efficient implementation of the SP.

Monitoring will be done as often as possible whereas Mid - Term Evaluation will be done half way the LgWSC 2021-2025 SP implementation time-line. The findings from the M&E activities will be infused back to ensure the appropriate, effective, efficient and continued implementation of the Plans of Action throughout the Strategy period.

Constant reviews of LgWSC's SP will also be necessary, given the dynamism and fluidity of the macro-environment in which LgWSC operates; as well as the need to seek to establish continued validity and relevance of the critical assumptions made during the development of this 2021-2025 SP.

Immediate action on the following undertakings would there be critical towards the effective implementation of this new strategic plan:

- i.) Need to establish Monitoring, Evaluation and Learning (MEAL) unit within the CU.
- ii.) Need for the development of Annual Strategy Implementation Plan with robust Key Performance Indicators embedded in the Monitoring and Evaluation Plan for the new Strategic Plan before and during its implementation.
- iii.) Need to carry out both Mid-Term and End Evaluation of the new Strategic Plan.

Monitoring and Evaluation (MEAL) personnel would co-ordinate the related M&E meetings and compile the appropriate review and an evaluation Report on behalf of the Managing Director who is the overall 'Driver' of LgWSC's 2021-2025 SP.

Engagement of external consultants who facilitated the development of this strategic plan could also be an immediate stop-gap measure towards the development of the M&E Plan for the 5 years under consideration; as well as conducting the Mid-Term and End-Term Evaluation of the 2021-2025 Strategic Plan.







## APPENDIX 1: Detailed Performance Review of LgWSC's Strategic Objectives for 2017-2020

Strategic Objective	Goals (Associated Key Activities)	(Score scale of 1 Poor-5 Excellent)	Performance Value (%)	Comments: Brief Justifications for Rating/Scores
<b>STRATEGIC OBJECTIVE 1:</b> TO REDUCE NRW FROM 50% TO 25% BY 2020.	1.1 Replace 67Km old and dilapidated rising mains and distribution networks.	3	Good	Water coverage is at 85%
	1.2. Install 50 pressure reducing and 300 balancing gate valves (GV) on water networks for effective network repairs and pressure management.	0	Poor	Activity was not undertaken due to limited cash flow
	1.3. To procure 6 Meter testing equipment and 3 water loss detection and monitoring equipment and 19 data loggers	0	Poor	Activity was not undertaken due to limited cash flow
	1.4. Metering	4	Very Good	The metering ratio is at 85%
	1.5. Procure and Install 25 Bulk meters	1	Below Average	4 bulk meters were bought and 2 have been installed
	1.6. Data base clean up.	4	Very Good	Out of 29,200 connections, 24,820 has been cleaned up
	1.7. Automation of Meter reading.	1	Below Average	Poor resource mobilization
	1.8. Consistent inspections for illegal connections, bypasses and other commercial losses	2	Average	Inspection team is in place
<b>STRATEGIC OBJECTIVE 2:</b> TO ACHIEVE AND MAINTAIN 99% WATER QUALITY COMPLIANCE BY 2020.	2.1. To procure and install 20 new chemical dosing pumps complete with tanks and accessories.	3	Good	LgWSC won NWASCO award for water quality
	2.2 To procure 10 water testing equipment for use in all districts	5	Excellent	Achieved
	2.3 To upgrade the existing Water Quality Lab to be able to carry out the full range of tests.	1	Below Average	Lack of resource mobilization.
	2.4 Procure filter media for Kabwe, Mkushi and Serenje WTPs.	4	Very Good	Done well considering the size of Kabwe being the major District
	2.5 Signage and beacon placement.	3	Good	Due to vandalism and very poor support from Local Authorities
	2.6 Acquisition of Title for all LgWSC well fields	1	Below Average	Due to very poor support from Local Authorities
	2.7 Stakeholder engagement.	3	Good	Partially done
	2.8 Planting trees in all well fields.	3	Good	Partially done
<b>STRATEGIC OBJECTIVE 3:</b> TO IMPROVE WATER COVERAGE TO 32,000 WATER CONNECTIONS AND 13,000 SEWER CONNECTIONS BY 2020.	3.1.1 To simplify connection procedures and employ dedicated new connection staff to improve connection efficiency.	4	Very Good	-Increase in staff engagement -Water connection decentralized - 60% by company buying a challenge
	3.1.2 To identify new areas of potential business, design and produce bankable proposals,	3	Good	-Funding was an issue -No infrastructure in the new districts



## APPENDIX 1: Detailed Performance Review of LgWSC's Strategic Objectives for 2017-2020

	source funding and implement new network expansion projects.			
	3.1.3To procure and install 8,000 meters on new connections complete with accessories.	3	Good	-500 meters procured. -Lack of funding for sourcing of meters -Other meters were used for unmetered and aged meters
	3.1.4 To expand the distribution network by 48 Km.	5	Excellent	-Expanded the network by 75KM -Main line placed successfully in new areas
	3.1.5To upgrade 7 water production plants in all districts in order to be able to meet additional demand	0	Poor	- Activity was not undertaken due to limited cash flow
	3.1.6To complete new Serenje town water project and connect 1,354 household	0	Poor	-No funding
	3.1.7To undertake Hilltop and Riverside Water supply project and connect 800.	0		-No activity -No funding
	3.1.8To complete Chibombo Water supply project and connect 300 households.	2	Average	One borehole collapsed: less than 300 connections done
	3.1.9To undertake Chisamba William Water Supply project and connect 200 households.	0	Poor	- Activity was not undertaken due to limited cash flow
	3.1.10To undertake John Chinena Water Supply project and connect 200.	0	Poor	- Activity was not undertaken due to limited cash flow
	3.1.11To undertake Kabwe water supply expansion project and connect 4,000	1	Below Average	Boreholes flushed; contractor awarded
	3.1.12Develop alternative surface water source for Mukonchi WSS.	0	Poor	- Activity was not undertaken due to limited cash flow
	3.1.13Develop new water supply (and sanitation) systems in new districts and sub-centres and make 300 connections:	0	Poor	- Activity was not undertaken due to limited cash flow
	3.1.14Operationalize takeover of Itezhi-tezhi and Implement Phase II & III of the WSS Project.	3	Good	Partially handover from council operated system and the rest is under ZESCO which needs policy direction for complete take over
	3.1.15 Rehabilitate Mulungushi Dam WTP to 60% capacity to mitigate the rapidly increasing Kabwe water demand and to serve as a fallback plant.	0	Poor	- Activity was not undertaken due to limited cash flow
	3.1.16Rehabilitate Ibolelo WTP in Serenje to improve production capacity to 100% from 1,200m3 to 2,400m3 per day and water quality by mitigating Iron content causing	0	Poor	- Activity was not undertaken due to limited cash flow



## APPENDIX 1: Detailed Performance Review of LgWSC's Strategic Objectives for 2017-2020

	erratic supply and colour respectively.			
	3.2.1. Complete Chisamba, Kapiri and Kabwe Sanitation Project by connecting 700 properties and make 1,100 sewer connections in various other areas.	3	Good	Insufficient funds, lack of MOUs with Local Authorities (LAs) for integrated planning and resource mobilising
	3.2.2. Rehabilitate Serenje Sewerage system Collector Mains & Sewage Ponds.	0	Poor	Activity was not undertaken due to limited cash flow
	3.2.3. Desilting and reinforcing embankments on all sewage maturation ponds in Kabwe, Kapiri Mposhi and BNC.	0	Poor	Activity was not undertaken due to limited cash flow
	3.2.4. Replace ceramic pipes in 2nd, 3rd, 4th, 5th, 6th streets and Nalikwanda Road in Kabwe.	0	Poor	Activity was not undertaken due to limited cash flow
	3.2.5. Replace the Natuseko 375mm sewer line in the Dambo area.	0	Poor	Activity was not undertaken due to limited cash flow
	3.2.6. Comprehensive survey to capture numbers and location of septic tanks and pit latrines in all the Districts.	2	Average	Only Kabwe done with SNV Activity was not undertaken completely due to limited cash flow
	3.2.7. Procurement of a mobile Vacuum tanker for enhanced faecal sludge management.	0	Poor	Focus on funding, PPE, and policy
<b>STRATEGIC OBJECTIVE 4:</b> TO ACHIEVE AND MAINTAIN AN AVERAGE OF 24 HOURS OF WATER SUPPLY PER DAY.	4.1.1. Maintenance minimum stock level of equipment repair materials.	2	Average	Limited cash flow
	4.1.2 To Introduce 4 Solar powered borehole pumps to mitigate load shedding	1	Below Average	Only one solar powered borehole pump was introduced. Activity was not undertaken due to limited cash flow
	4.2.1 To drill and equip 6 new boreholes in Serenje, Mumbwa, and Chisamba.	2	Average	Only Mumbwa drilled and equipped, 3 drilled in Serenje
	4.2.2 To rehabilitate and re-commission Kohima tower and borehole system in Kabwe	0	Poor	Boreholes need to be handed over to LgWSC by Mulungushi University. Most of the assets are not on title.
	5.1.1 Finalise and operationalise the Procurement Policy.	2	Average	Draft Developed Awaiting Board Approval
<b>STRATEGIC OBJECTIVE 5:</b> TO ACHIEVE HIGH LEVEL OF SUSTAINABLE OPERATIONAL AND FINANCIAL EFFECTIVENESS, EFFICIENCY AND VIABILITY BY 2020.	5.1.2 Produce comprehensive Annual Procurement Plans.	2	Average	Not done consistently
	5.1.3. Construct new office block that will house the procurement staff.	0	Poor	Activity was not undertaken due to limited cash flow
	5.1.4 Rehabilitate and modernize the Stores' Infrastructure	2	Average	Activity was not undertaken fully due to limited cash flow
	5.2.1 Procure and install an additional 4000 prepaid meters	0	Poor	Activity was not undertaken due to limited cash flow

## APPENDIX 1: Detailed Performance Review of LgWSC's Strategic Objectives for 2017-2020

	5.3.1 To procure power factor correction equipment and replace inefficient pumps and motors.	0	Poor	Activity was not undertaken due to limited cash flow
	5.4.1. Enhance the Performance Management System (PMS).	4	Very Good	Continuous improvement
	5.4.2. Train staff in all identified areas to build human capacity and enhance multi skilling of selected staff.	2	Average	No clear set targets
	5.4.3. Fully Implement the SHE Policy	0	Poor	Require to recruit a SHE officer Activity was not undertaken due to limited cash flow
	5.4.4. Enhance staff placements through job evaluation	2	Average	Work-in-progress
	5.5.1. Implement the Wide Area Network (WAN) across the Company.	5	Excellent	100% rolled out
	5.5.2.Procure and install specialised Software like the HR, GIS, Autocard, GPS and water and sewer gems Packages	0	Poor	Activity was not undertaken due to limited cash flow
	5.5.3. Procure Pastel Evolution package for system integration.	0	Poor	Activity was not undertaken due to limited cash flow
	5.5.4. Install CCTV at critical operational and sales points.	1	Below Average	Activity was not undertaken due to limited cash flow
	5.5.5.Improve internal operational inter functions communication and install strategic Telemetry & SCADA systems	0	Poor	Activity was not undertaken due to limited cash flow
	5.6.1 To secure a financial lease for 8 motor vehicles by 2019	0	Poor	Activity was not undertaken due to limited cash flow
	5.7.1 To procure 8 Operational vehicles using internal resources.	2	Average	Activity was not undertaken due to limited cash flow
<b>STRATEGIC OBJECTIVE 6:</b> TO ACHIEVE HIGH LEVEL OF CUSTOMER CARE AND STAKE HOLDER SATISFACTION.	6.1.1. Install WAN at all customer service centres.	5	Excellent	-Fully implemented
	6.1.2 Activate the front office customer complaints management module in Promun.	4	Very Good	Need to upgrade the connection
	6.2.1.Redesign and implement functional company website	0	Poor	Still under development
	6.2.2. Conduct bi-weekly Radio programmes on company operations.	2	Average	Activity was not undertaken due to limited cash flow
	6.2.3. Procure 6 P.A. systems.	1	Poor	
	6.2.4. Print brochures on a quarterly basis.	4	Very Good	Insufficient quantities printed due to limited funds
	6.3.1 Introduce quarterly Media briefings.	2	Average	Inconsistency in the implementation was not undertaken due to limited cash flow
	6.3.2 Introduce quarterly Open days for stakeholders to tour and appreciate LgWSC facilities.	1	Below Average	Need improvement and consistency



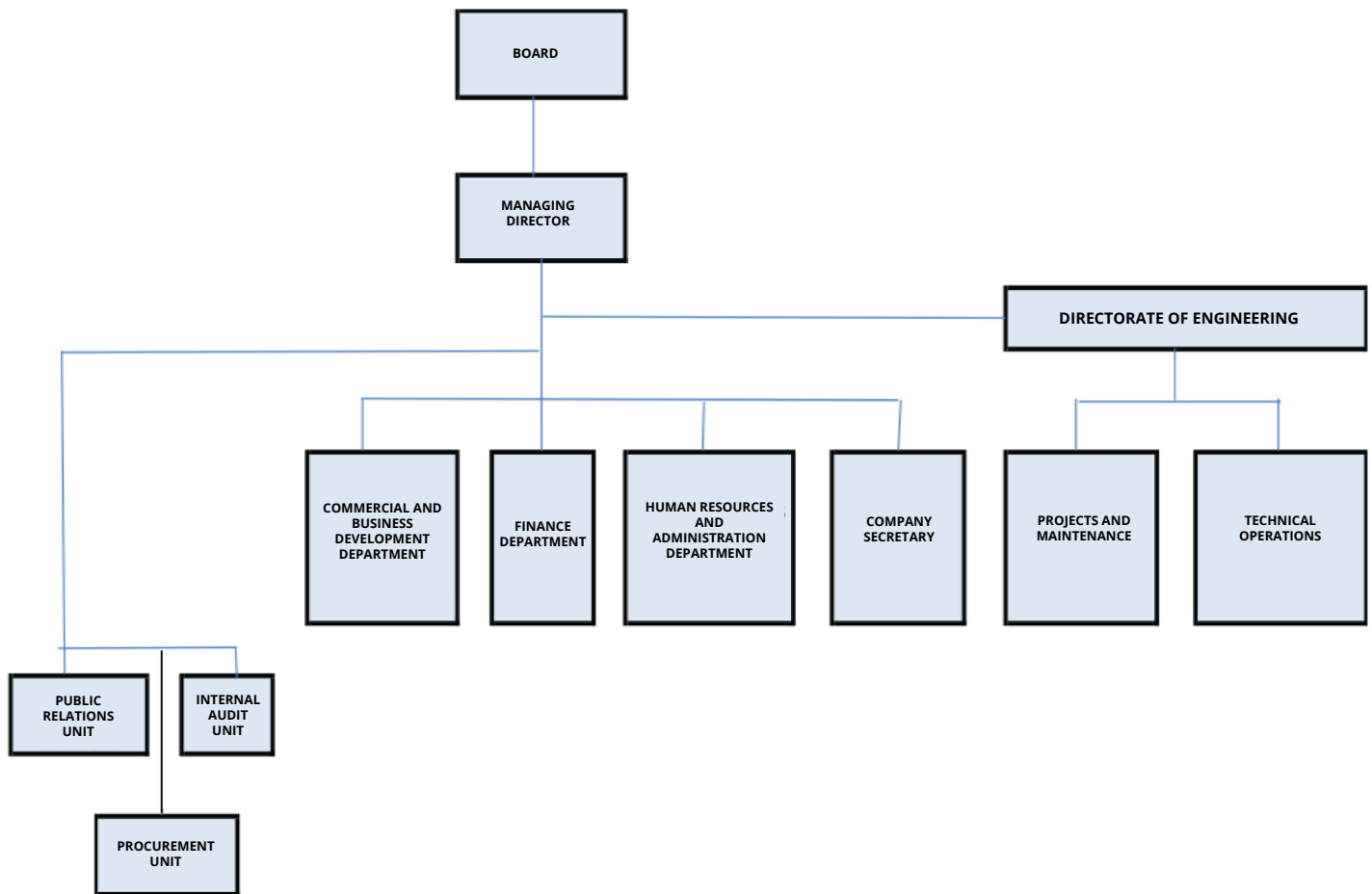
## APPENDIX 1: Detailed Performance Review of LgWSC's Strategic Objectives for 2017-2020

	6.3.3 TV advocacy on water conservation and encroachments.	0	Poor	Activity was not undertaken due to limited cash flow
	6.4.1 Install Informative flex posters for fence.	5	Excellent	Done at HQ
	6.4.2 Install Specific digital signage	1	Below Average	Activity was not undertaken due to limited cash flow
	6.4.3. Install Bill boards at all major company properties	2	Average	Vandalism
	6.5.1 Continually follow up on SLG adherence through quarterly monitoring visits to Districts and reports.	4	Very Good	Done
	6.5.2 Establish 5 new customer service centres.	1	Below Average	Activity was not undertaken due to limited cash flow
<b>STRATEGIC OBJECTIVE 7:</b> TO ADD VALUE TO THE ORGANIZATION'S INTERNAL STRUCTURES, SYSTEMS AND PROCESSES.	Risk Mgt. Policy Approved by the Board	3	Good	The Risk Mgt. Policy was not reviewed. NB: Risk Mgt. Policy was supposed to be reviewed after three (03) years. The Risk Management Policy
	Annual Audit Plans presented to Audit Risk Mgt. Committee (ARMC) annually	4	Very Good	Annual Audit Plans consistently produced throughout the review period
	Produce 13 Risk Audit Reports annually	4	Very Good	Audits reports produced consistently throughout the review period
	Benchmarking with other Water utilities	0	Poor	Benchmarking not undertaken in the period under review due to limited cashflow
	Cooperate with external oversight bodies on audits and implement best practices on corporate governance	3	Good	LgWSC has had issues with meeting Service Level Guarantees and resolving non-revenue water issues
	Procure an audit IT package	0	Poor	Activity was not undertaken due to limited cash flow
	Produce 13 monthly Audit Reports annually	4	Very Good	Audit reports produced consistently
	Track and close out audit queries through action sheets (90% closed out)	2	Average	Previous LgWSC reports indicate a number of recurring challenges, including issues with non-revenue water, service level guarantees, sanitation, etc.
	<b>Overall Average Score</b>	<b>143/83= 1.72</b>	<b>Below Average</b>	<b>Represented by rating of 34.5%%</b>



## APPENDIX 2: Approved LgWSC Organisation Structure

### SENIOR MANAGEMENT STRUCTURE



Senior Management with the PR, Audit, and Executive Secretarial Functions – 09 (LgWSC 302)

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