Lukanga Water Supply & Sanitation Company Ltd (LgWSC)

Practical Experience – Financial and Economic Planning
COVID 19 – Response Plan

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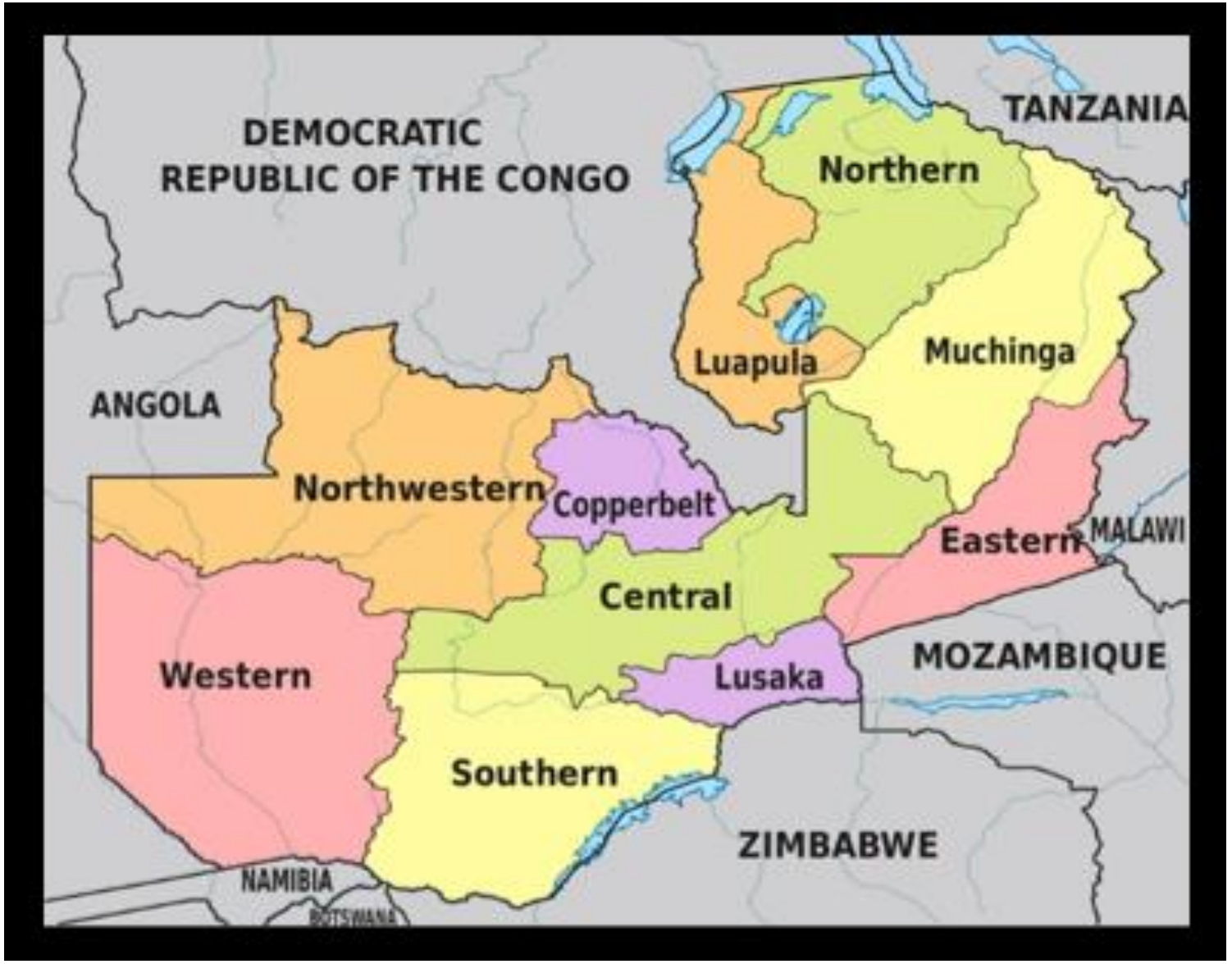
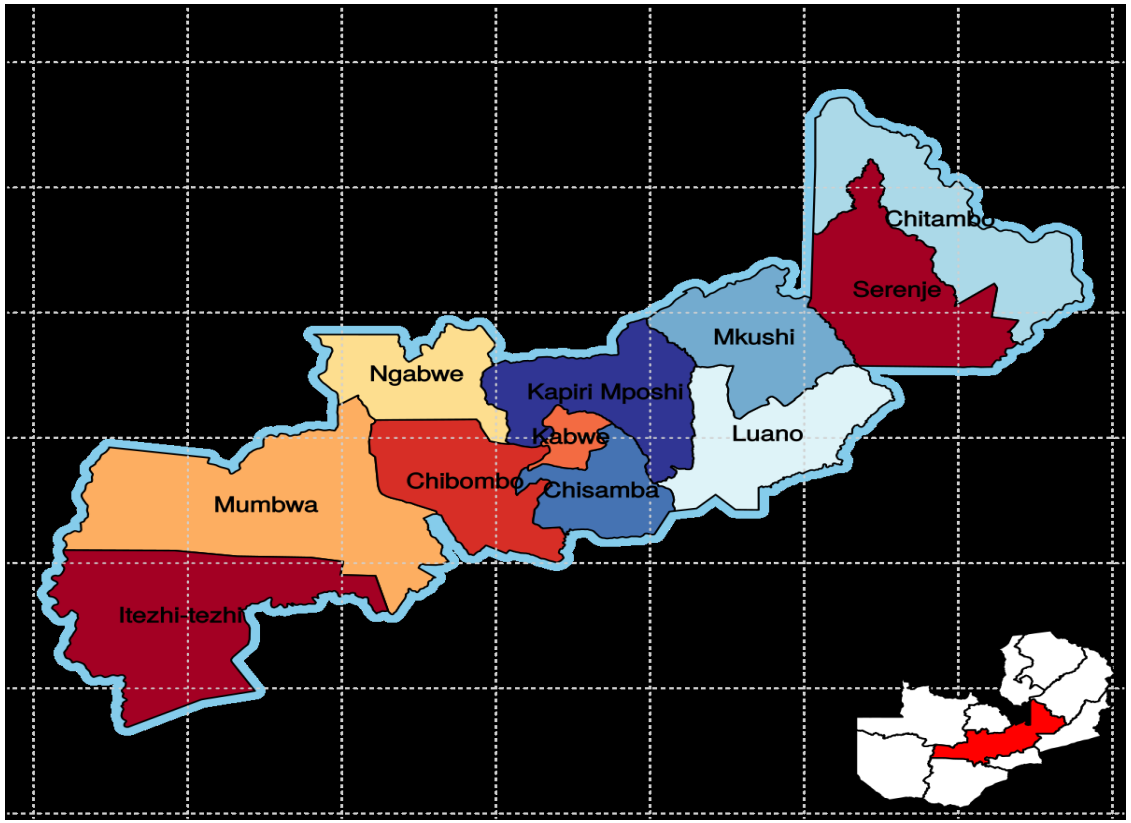
INTRODUCTION

- LgWSC Currently operates in 8 Districts of Central Province
- Started operations as a water and sanitation service provider on 1st February, 2007
- One of the 11 Commercial Water Utility Companies in Zambia
- It is a Private Company (registered under the Companies Act) owned by municipalities in its service area;



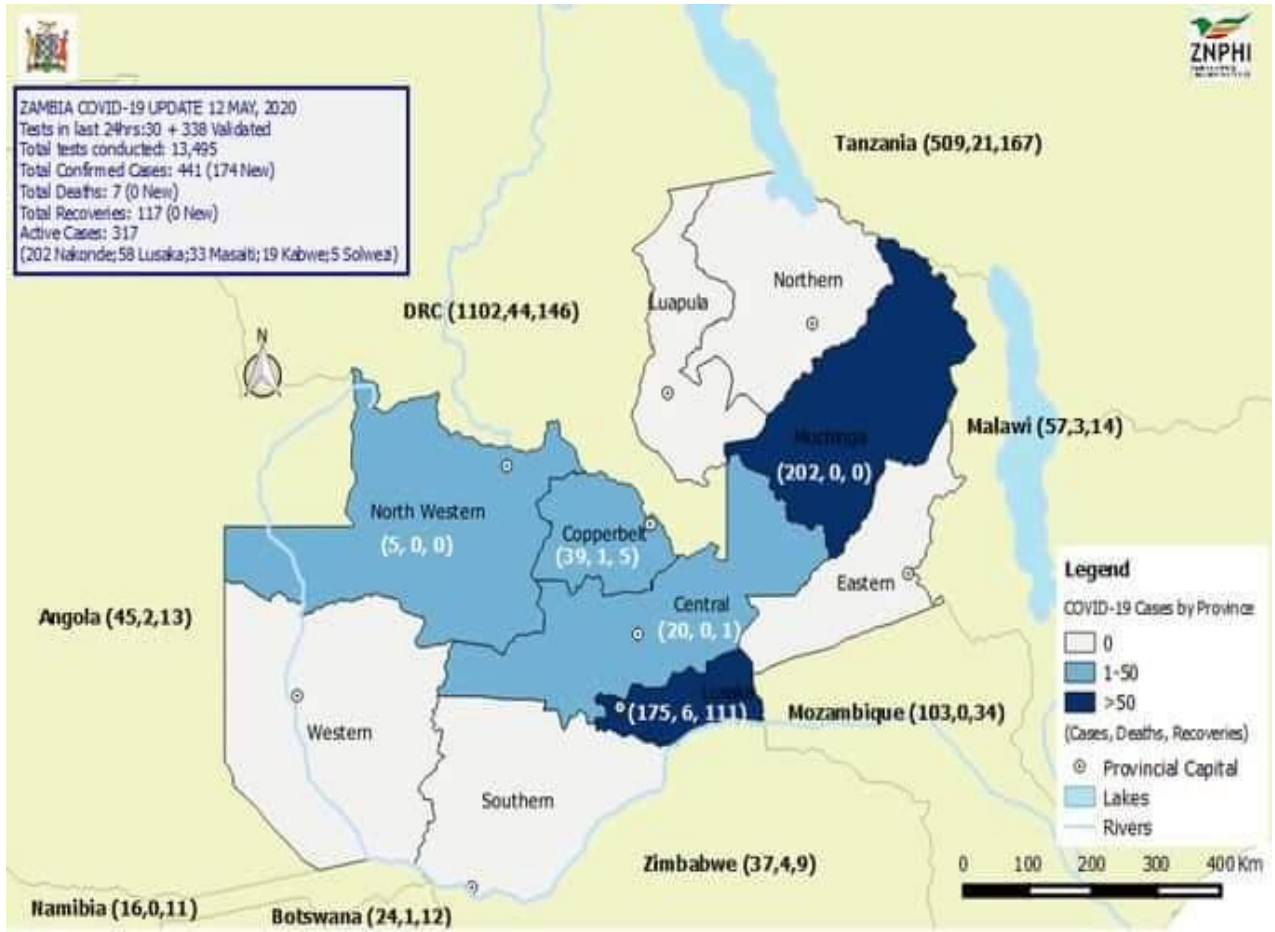
Introduction (cont.)

- As CU, it is self sustaining in operations.
- Population in Service Area: 436,515 people
- Population Served by LgWSC: 362,135 people
- Number of customer connections: 29,000 connections (26,838 Domestic 2,162 Non-Domestic)
- Number of employees: 272.



Situation update of COVID -19 in Zambia

- 1st case of COVID 19 in Zambia was reported on them 19th March 2020 (2 cases)
- In **Central Province**, first case was reported on 17th April 2020
- Cumulative cases are **753** in Zambia as of 17th May 2020
- Cumulative cases are **28** in **Central Province** as of 17th May 2020
- Lukanga Water Supply and Sanitation Company Limited is operating in a Region in contact with all Provinces in Zambia



Lukanga Water Supply and Sanitation Company Emergency Response Plan – Main Objectives

- LgWSC Prepared an emergency response plan by extracting emergency humanitarian elements of the Government of the Republic of Zambia's bigger plan with regard to health, by specifically including activities by other clusters supporting the response
- A total amount of about 5Million Dollars is needed for implementation of the Emergency Response plan for a period of 3 Months (March 2020 to June 2020)

Financial and Economic Planning

- Revenue Collections dropped from quarter average 91% as at December 2019 to 63% in March 2020
- The 2020 Budget Could not even be supported as Enhancements towards revenue collections such as with draw of services had been Suspended
- In response to this, LgWSC has put the following measures;
  - Creation of a phone app to aid Meter Readers (Customer Service Assistants) in collection of updated customer information for easy of communication
  - Enhancement of a call center to specifically focus on engagements of customers. A target debtors list is generated on daily basis for one on one engagements.
  - Frequent sending of SMS texts to customers to lobby for support on what they can put aside to support the utility company
  - Engagement of some suppliers such as Power Supply, company to provide service on credit and suspension of payment plans until after

Financial and Economic Response and Planning

- Sending of personalized letters to customers to support the water utility by settling bills.
- Discussed measures with Head of Departments, Section Heads and other Supervisors to propose areas were expenditure could be scaled down without compromising Service Provision
- Suspension of certain projects for the year 2020
- Engagement of the Board of Directors to re – align 2020 objectives as some projects had to be suspended
- Training of Front line staff on the engagements of customers on settlement of Bills with the Commercial Utility Company
- Engagement of Cooperating partners in supporting some programs and budget lines. A resource mobilisation plan has to be put in place

Conclusion

- Water Utility Companies in Zambia and may be Africa will have to develop Resilient Policies and Strategies for survival through difficult times such as the COVID – 19 Outbreak

Thank you!

Water for Life!