

NATIONAL WATER CONSERVATION & PIPELINE CORPORATION



BOARD CHARTER

THE BOARD CHARTER

1.0 INTRODUCTION TO THIS CHARTER

1.1 The “National Water Corporation” is the new name that replaces the National Water Conservation and Pipeline Corporation (NWPC). The NWPC has been in operation since 1st July, 1989 vide a legal notice on 24th June 1988 under the State Corporations Act Chapter 270, as an autonomous agency reporting to the then Ministry of Water Development.

1.2 The NWC&PC was created mainly to commercialise and improve the performance of the water sector operations, thereby achieving financial autonomy. Its mandate was later expanded to include assisting Government in the formulation and execution of National Water Policy, and in areas where it was appointed as water undertaker, developing state schemes.

1.3 The role of NWC&PC also extends to include investment in facilities aimed at ensuring flood control and capacity storage in dams and underground. Vide the Cabinet instruction of 21st October 2004 the mandate of the NWC is as follows:

1.3.1 To develop state schemes, and spearhead dam construction for water supplies, flood controls and other multipurpose uses, land drainage and construction of dykes.

1.3.2 To carry out ground water recharge using flood water and,

1.3.3 To develop new, retain existing and expand bulk water supply to Water Services Boards and other service providers

1.4 **NWC&PC’s Mandate: Goals and Objectives**

1.4.1 The overall goal of NWPC, consistent with the goals of the National Water Management Strategy, is to enhance social and economic well being of Kenyans through improved access, availability and reliability of water supply. The long term objectives seek to bridge the gap between the demand and supply of water and to specifically:

- Increase accessibility, availability, and reliability of water supply,
- Improve the quality of health, agricultural production and economic activities,
- Improve the physical, human and environmental security.

1.5 Vision Mission and Values Statement

1.5.1 Vision

The Strategic Plan (2010 – 2015) states the vision of the NWCPC as follows:-

To be a world class institution in water infrastructure development and management.

1.5.2 Mission

The mission of the NWC&PC is as follows: ***“To develop and manage water infrastructure for enhanced water security, water storage for multi-purpose use, mitigation of drought and flood effects in a sustainable manner”.***

This mission is achieved through selected high quality and focused interventions as listed below:

- A focus on Human Resource Development
- A focus on transparency and
- A focus on cutting edge technology
- A focus on prudent financial management
- A focus on performance contracting cascaded down to the lowest possible level of the corporation
- A focus on change management
- A focus on gender
- A focus on the Millennium Development Goals (MDGs), and poverty alleviation in particular
- A focus on the culture of the people impacted by the corporation's activities
- A focus on quality service in tandem with NWC&PC's values.

1.5.3 Values

NWC&PC upholds the values of commitment, professionalism, ethical practice, delivery of quality service to stakeholders and works in collaboration with various partners to ensure sustainability of its activities and projects. NWC&PC deals fairly with all communities of stakeholders and continually responds to their needs in a dynamic way.

The key values are: -

- **Committed:** NWC&PC ensures that all staff, board members and associates commit themselves to the development and growth of all corporate activities
- **Professional:** NWC&PC adopts a trusting, credible, efficient, reliable approach which is properly documented and underpinned by knowledge and expertise
- **Ethical:** All individuals working in and for NWC&PC maintain high standards of integrity, trustworthiness, reliability, accountability, and transparency

- **Quality:** NWC&PC delivers services based on best practices which portray a quality image to all stakeholders.
- **Collaborative:** NWC&PC works collaboratively and co-operatively with both internal and external stakeholders including MoW&I, WSBs, partners, clients and networks.
- **Inclusive:** NWC&PC prioritises in an inclusive manner services for all communities and areas affected by social and economic disadvantages.
- **Dynamic :** NWC&PC continually provides a range of innovative and dynamic services to its clients
- **Responsive:** NWC&PC provides an environment which is client focused, flexible and accessible
- **Sustainability:** NWC&PC adopts approaches in all its activities that ensure sustainability of services promised in the mandate including sound environment management practices.

2.0 PURPOSE OF THE CHARTER

- 2.1 In this charter, the board and senior management sets out the role, composition and responsibilities of the Board of Directors ("the Board") of the National Water Conservation and pipeline corporation. The conduct of the Board is also governed by the Legal Notice no 270 of 1988 a copy of which is attached to this charter and also availed on the website.
- 2.2 A number of operational matters relating to the Board such as number of meetings per year, notification of interests, and election of directors are governed by the State corporations Act cap 446 of the Laws of Kenya and are not reproduced here.

3.0 PURPOSE OF THE BOARD

The Board has two broad purposes, compliance and performance:

3.1 **COMPLIANCE: Conform With or Exceed all Legal Requirements**

3.1.1 Legal

- Monitor the affairs of the Corporation
- Comply with directors' responsibilities
- Comply with laws of the Kenya and ministerial directives as appropriate
- Monitor risk management and insurance requirements

3.1.2 Accountability

- Monitor the nature of investments and projects developed and implemented by the staff of the corporation
- Monitor and ensure effective and efficient utilization of the financial and material resources of the Corporation
- Ensure timely financial and project audits and compliance with the findings and recommendations of such audits

3.2 **PERFORMANCE: Assist the Organization to Perform to its Best Potential**

3.2.1 Strategy and policy

- Approve Vision/mission and ensure it is embedded into the Corporation's operations
- Approve strategic plan and policies and monitor them regularly

3.2.2 Accountability

- The Board is accountable for the overall performance of the Corporation, Board evaluation and succession planning
- Report project outcomes to the Government, communities and other relevant stakeholders
- Manage the Chief Executive Officer

3.2.3 Public Relations

- Represent and participate in key Government Forums and in particular the Ministry Of Water and Irrigation
- Keep stakeholders informed
- Project a strong and positive image of the Corporation
- Own and promote the Vision, Mission, and Values of the Corporation facilitate cohesion and protect the interests of stakeholders
- Speak with one voice regarding Board decisions

3.2.4 Risk management

- Ensure up-to-date and effective risk profile and management strategy monitor critical risks
- The Board, while meeting its responsibilities, is mindful of the Corporation's Mission and the objects of the organization as embodied in the Legal notice no. 270 of 1988.

4.0 ROLES AND RESPONSIBILITIES OF THE BOARD

The Board has delegated authority for the operations and administration of the Corporation to the Chief Executive Officer (CEO).

4.1 The functions of the Board are to:

Provide effective leadership and collaborate with the Executive management team in:

- Articulating the organization's values, vision, mission and strategies
 - Developing strategic (direction) plans and ordering strategic priorities
 - Maintaining open lines of communication and promulgating through the organization and with external stakeholders the values, vision, mission and strategies
 - Developing and maintaining an organization structure to support the achievement of agreed strategic objectives of the national water conservation and pipeline Corporation
- 4.2 Monitor the performance of the CEO against agreed performance indicators
- 4.3 Review and agree the business (action) plans and annual budget proposed by the Executive management team
- 4.4 Monitor the achievement of the strategic and business plans and annual budget outcomes
- 4.5 Establish such committees, policies and procedures as will facilitate the more effective discharge of the Board's roles and responsibilities
- 4.6 Ensure, through the Board committees and others as appropriate, compliance obligations and functions are effectively discharged
- Initiate a Board self-evaluation program and follow-up action to deal with issues arising and arrange for directors to attend courses, seminars and participate in development programs as the Board judges appropriate
- 4.7 Ensure that all significant systems and procedures are in place for the organization to run effectively, efficiently, and meet all legal, administrative, professional and contractual requirements
- 4.8 Ensure that all significant risks are adequately considered and accounted for by the Executive management team. Ensure that Corporation has appropriate corporate governance structures in place including standards of ethical behaviour and promoting a culture of corporate and social responsibility.
- 4.9 In keeping with best practice in corporate governance, the Board has no operational involvement in the conduct of the corporation's business activities and delivery of services. Its role is confined to setting and reviewing policy.

5.0 MEMBERSHIP TO THE BOARD AND BOARD TERM

5.1 The enabling Legal Notice no 270 of 1988 provides for the membership to the board of Directors of NWC&PC as follows:-

- Non Executive Chairman appointed by the President
- The Chief executive officer of the corporation
- The permanent secretary to the ministry for water and irrigation
- The permanent secretary ministry of finance
- The Director-Chief engineer for Water Development
- Not More than six other independent members hence, no member of the Board may be a member of the paid staff of the organization.

5.2 Directors are free from any interest and any business or other relationship which could, or could reasonably be perceived to materially interfere with the director's ability to act in the best interests of the Corporation.

5.3 Membership of the Board shall be disclosed in the annual report including whether a director is independent or not independent.

5.4 The Board has adopted a tenure policy. According to the enabling statute, each director serves at for a period of three years at the pleasure of the Minister responsible for the time being for Water and Irrigation and can be re-appointed to the board at the end of the term or not at the Minister's discretion.

6.0 BOARD/CHIEF EXECUTIVE OFFICER (CEO) RELATIONSHIP

6.1 The roles of the Chairman and Chief Executive Officer are strictly separated.

6.2 The Chief Executive Officer is responsible for:

- Policy direction of the operations of the Corporation
- The efficient and effective operation of the Corporation
- The bringing of material and other relevant matters to the attention of the Board in an accurate and timely manner.
- The Chief Executive Officer is not a member of the Board.

7.0 BOARD CULTURE

The Board actively seeks to have an 'engaged culture' which is characterized by candour and a willingness to challenge and to be challenged.

7.1 Agendas

- The agendas of the Board shall limit presentation time and maximize discussion time.

- The agenda shall provide lots of opportunities for informal interactions among Board members.

7.2 Norms

- Board members are honest yet constructive.
- Board members are ready to ask questions and willing to challenge leadership.
- Board members actively seek out other members' views and contributions.
- Board members spend appropriate time on important issues.

7.3 Beliefs

The board member believes that:

- "If I don't come prepared, I will be embarrassed."
- "If I don't actively participate, I won't be fulfilling my responsibility."
- "I'll earn the respect of fellow Board members by making valuable contributions and taking responsibility for what I do."
- "If I can't carry my load, or if I can't agree with what's going on, I should resign."

7.4 Values

- The Board serves the government and the people of Kenya by actively participating in the good governance of the Corporation.
- The Board is responsible to the minister for water and irrigation as well as other relevant stakeholders as appropriate.
- Board members are personally accountable for what goes on at the Corporation.
- The Board is responsible for maintaining the organization's stature in the sector.
- Board members respect each other.

8.0 REPORTING

- 8.1 Proceedings of all meetings are minuted and signed by the Chairman and the Secretary of the Board.
- 8.2 Minutes of all Board meetings are circulated to directors and approved by the Board at the subsequent meeting.
- 8.3 Resolutions are first put to the Board in draft form (as a "Board Paper") and, once passed, are recorded in a Resolutions Register.

9.0 REVIEW OF THE CHARTER

The Board will review this charter annually to ensure it remains consistent with the Board's objectives and responsibilities.

10.0 PUBLICATION OF THE CHARTER

10.1 Key features of the charter are to be outlined in the organization Annual Report.

A copy of the charter is available at the Website.