**ABSTRACT**

This study was carried out to assess the status of sanitation in urban areas and the challenges faced by urban areas, causes of poor sanitation in urban areas and the challenges faced by the urban population associated with the poor water supply and sanitation; the key variables of the study included water supply as an independent variable while sanitation constituted the dependent variable; this was based on the threshold saturation theory which takes into consideration three variables: health status, socio-economic status and sanitation level, and attempts to encompass, for the first time in one general theoretical framework, numerous conflicting empirical findings. The study combined qualitative and quantitative methods whereby simultaneous triangulation, that is, the use of complementary results on the same topic; the study involves health workers, water supply staff and the residents of Ntungamo municipality in which a total of 90 respondents was drawn by use of purposive sampling where participants who were judged to have more knowledge about the subject basing on the specific attributes; the actual number of the respondents was determined by the data saturation; data were collected by the use of interview guides and questionnaires; qualitative data were analyzed by identifying the essence of the phenomenon under investigation based on the data obtained and on how data are presented as suggested by (Streubert et al., 1999); quantitative analysis involved frequency distributions and descriptive statistics which were used to compute the data. The findings of the study revealed that sanitation status in Ntungamo Municipality was bad especially in the central division though water supply staff, health workers, landlords and the residents were involved in improving the sanitation status of the area; the major causes of poor sanitation in Ntungamo Municipality were over population, indiscriminate garbage dumping, delay to collect garbage and poor drainage system; these posed sanitation and health related challenges such as disease outbreak, mosquito bleeding and flooding among others especially in the central division. Thus, the study called for the provision of more trucks for garbage collection and increase water supply in the area in order to promote good sanitation.