



OLKALOU WATER AND SANITATION COMPANY LTD

(OLWASCO)

Strategic Plan 2027-2031

Table of Contents

Cover page.....	i
Foreword.....	iv
List of Acronyms.....	V
Executive Summary.....	1
CHAPTER ONE: INTRODUCTION.....	4
1.1. The History.....	4
1.2. OLWASCO Company Profile.....	5
1.3. OLWASCO Geographical Location and Coverage.....	6
1.4. The Mandate & Functions.....	6
1.5. Rationale of the Strategic Plan.....	7
1.6. Context of the Strategic Plan 2026 – 2030.....	7
1.6.1 United Nation’s Sustainable Development Goals (SDGs).....	7
1.6.2 Africa Agenda 2063.....	7
CHAPTER TWO :SITUATIONAL ANALYSIS.....	14
2.1. Introduction to situational analysis.....	14
2.2. Olwascos performance review.....	14
2.2.1. Key achievements Based on strategic priorities.....	14
2.2.2. Key performance indicates.....	17
2.2.3. The key challenges faced in.....	18
2.2.4 Lessons learnt.....	18
2.3 Internal Environmental Analysis.....	19
2.4 External Environmental Analysis.....	19
2.5 olwasco Stakeholder Analysis.....	23
2.6 Swot Analysis.....	26
CHAPTER THREE: STRATEGIC FOUNDATION.....	32
3.1. Stretegic Foundation.....	32
3.2 Customer value proposition.....	33
3.3 Olwasco Slogan/Motto.....	34
CHAPTER FOUR: STRATEGIC PLANNING MODEL OF OLWASCO.....	36
4.1. Strategic focus.....	36
4.2. Strategic Priorities Results Measurement Framework.....	36
4.3. Implementation of olwasco strategic priorities.....	38
4.3.1 Strategic priority 1.....	38
4.3.2 Strategic priority 2.....	39

4.3.3 Strategic priority 3.....	39
4.3.4 Strategic Priority 4.....	40
4.3.5 Strategic priority 5.....	41
4.3.6 Strategic Priority 6.....	41
CHAPTER FIVEIMPLEMENTATION FRAMEWORK.....	44
5.1 STRATEGY IMPLEMENTATION FRAME WORK.....	44
5.2 STRATEGY IMPELMANTATION KEY SUCCESS FACTORS.....	44
5.3 INSTITUTIONAL FRAMEWORK FOR PLAN IMLEMENTATION AND CONDINATION.....	44
5.4 OLWASCO COPARATE MANAGEMENT STRUCTURE.....	45
5.4.1 Olwasco corporate management structure.....	45
5.4.2 The office of the managing director.....	45
5.2.3 Olwasco departments.....	46
5.4.4 Olwasco organization structure.....	46
5.5 Financing the strategic plan.....	47
5.2.1 Strategic Plan Implementation Budget.....	47
5.5.2 Proposed sources of funds.....	47
5.6 Risk Management.....	49
CHAPTER SIX: PERFORMANCE MONITORING EVALUATION AND REPORTING.....	53
6.1 Introduction.....	53
6.2 Monitoring and evaluation framework.....	53
6.2.1 Monitoring.....	53
6.2.2 Evaluation.....	54
6.3 cascading the strategic plan.....	54
6.4 Performance measurement.....	54
6.5 Reporting Mechanisms.....	55
APPENDICES.....	57
Appendix 1: Strategic Plan Implementation Matrix.....	60
Appendix 2: Monitoring and Evaluation Framework.....	66
Appendix 3: List of Stakeholders Consulted.....	67

FOREWORD

It gives me great pleasure to present the Olkalou Water and Sanitation Company Ltd (OLWASCO) Strategic Plan 2026–2030. This plan marks an important milestone in our journey towards strengthening the company’s capacity to deliver reliable, affordable, and sustainable water and sanitation services to the people of Olkalou and beyond.

The preparation of this plan has been a collaborative effort that brought together our staff, stakeholders, and customers, whose insights and contributions have enriched its content. It provides us with an opportunity to reflect on the lessons of the past, realign our focus to the realities of the present, and chart a clear direction for the future.

Through this strategic plan, OLWASCO reaffirms its commitment to efficiency, innovation, and accountability in service delivery. Our strategic priorities are designed to respond to the evolving needs of our customers, address sectoral challenges, and seize new opportunities in water and sanitation development. This approach also aligns with Sustainable Development Goal (SDG) 6, which calls for universal and equitable access to safe water and sanitation for all, with particular attention to the most vulnerable.

We are conscious of the fact that access to safe water and adequate sanitation is central to social well-being and economic growth. With this in mind, OLWASCO will continue to embrace technological innovations, forge partnerships, and strengthen institutional capacity to ensure that our services remain responsive, inclusive, and sustainable.

As we implement this plan, our focus will remain on creating an enabling environment where our human, financial, and physical resources are effectively utilized to achieve sustainable impact. We shall also continue to uphold the values that have positioned OLWASCO as a benchmark in the water sector, while striving to raise the bar even higher.

I extend my sincere appreciation to all who contributed to the development of this plan. Your dedication and input have been instrumental in shaping a practical yet ambitious roadmap that will guide OLWASCO in the years ahead.

Your Sincerely,



Dr. Godfrey Njenga.

Chairman, Board of Directors

LIST OF ACRONYMS

BOD	- Board of Directors
CM	- Commercial Manager
CDF	- Constituency Development Fund
EAC	- East Africa Community
GOK	- Government of Kenya
HRM	- Human Resource Manager
ICT	- Information and Communications Technology
KEBS	- Kenya Bureau of Standard
KRA	- Kenya Revenue Authority
MD	- Managing Director
M & E	- Monitoring and Evaluations
MWI	- Ministry of Water and Irrigation
NEMA	- National Environment Management Authority
NSSF	- National Social security fund
NHIF	- National Health Insurance Fund
NRW	- None Revenue Water
MDGS	- Millennium Development Goals
NGOS	- Non-Governmental Organizations
OLWASCO	- OL Kalou Water and Sanitation Company Ltd
PESTLE	- Political, Economic, Social, Technological, Legal & Environmental
PC	- Performance Contract
PWD	- People with Disability
RVWSB	- Rift Valley Water Services Board
SP	- Strategic Plan
Operating Licence	- Service Provision Agreement
SWAP	- Sector Wide Approach to Planning
SWOT	- Strengths, Weaknesses, Opportunities and Threats
WASREB	- Water Services Regulatory Boards
WAB	- Water Appeals Board
WSPs	- Water Service Providers
WSTF	- Water Services Trust Fund

EXECUTIVE SUMMARY

Ol Kalou Water Sanitation Company Limited (OLWASCO) was incorporated in 2005 and registered under CAP 486 of the laws of Kenya.

OLWASCO draws her mandate from Section 78 of the Water Act 2016. The Act identifies the responsibilities of water service providers including: the provision of water

services within the area specified in the license; and the development of County Assets for water service provision.

The Strategic Foundation of OLWASCO comprises the Vision, Mission, Core Values, Customer Value Proposition and Slogan.

Vision: To be the preferred provider of innovative, efficient, and customer-focused water and sanitation services.

Mission: To deliver reliable, safe, and affordable water and sanitation services that enhance community well-being and support sustainable development

Core Values: Integrity; Collaboration; Excellence;

Customer Value Proposition: Reliability, Accessibility and Quality Slogan:

“Safe Water, Brighter Futures”

Based on the external and internal analysis conducted, the following seven strategic priorities for the period 2026-2030 were identified:

- 1. Expand Access to Safe Water and Sanitation Services**
- 2. Strengthen Operational Efficiency and Service Reliability**
- 3. Enhance Financial Growth and Sustainability**
- 4. Increase Access in Low Income Areas (LIA)**
- 5. Elevate Customer Experience and Engagement**
- 6. Boost Employee Performance and Capacity Development**
- 7. Uphold Good Governance and Strengthen Corporate Reputation**

By implementing the above strategic priorities, various strategic outcome will be expected as indicated in the table below:

No	Strategic Priority	Strategic Outcomes	Baseline	Results by 2030
1.	Increase water and sanitation coverage and access	Increased water coverage and access	42%	65%
		Increased sanitation coverage and access	75%	85%
		Increased sewerage coverage and access	1.5%	5%
2.	Improve Operational Efficiencies	Reduce NRW	35%	28%
		Adherence to drinking water quality standards	62%	100%
		Adherence to wastewater standards	92%	100%

		Improved hours of supply	19	22
3.	Improve Financial Sustainability	Increased monthly revenue	4.8M	8M
		Improved Collections	92%	96%
		Increase customer connectivity	4508	8000
		Reduce Personnel expenditures as a % of O & M	44%	35%
		Increase O&M Cost Coverage	92%	120%
4.	Improve access in the LIA	Improve access to water in the LIA areas of coverage	11%	22%
		Improve access to Sewerage in the LIA areas of coverage	0.5%	3%
5.	Customer Satisfaction	Increased customer satisfaction	69%	89%
6.	Improve Employee Productivity	Increased employee productivity from	13	9
		Improved employee satisfaction	68%	90%
		Increase Training Expenditure as a % of O & M	1%	5%
7.	Enhance Corporate Governance and Image	Enhanced good corporate governance	80%	90%
		Enhanced credit worthiness	41%(BB)	54%(BBB)
		Improved corporate accountability	93%	100%

To deliver the desired Strategic Outcomes, this Strategic Plan will require funding for each priority as detailed

below:

STRATEGIC PRIORITY	AMOUNT (KES MILLION)
Strategic Priority 1: Increase Water and Sanitation Access and Coverage.	1004.95
Strategic Priority 2: Improve Operational Efficiency	265.95
Strategic Priority 3: Financial Sustainability	78.80
Strategic Priority 4: Improve Access in Low Income Areas	5.75
Strategic Priority 5: Increase Customer Satisfaction	16.0
Strategic Priority 6: Increase Employee Productivity	5.80
Strategic Priority 7: Improved Corporate Governance and Image	20.80
Total Budget	1398.05

This Strategic Plan will be subject to continuous review based at different strategy level from the Board to the operational level. To ensure effective plan implementation, annual tracked plans will be developed. Additionally, a robust Performance Management system will be institutionalized making every officer accountable for the use of resources and attainment of set objectives. A mid-term evaluation will be undertaken at the beginning of 2027 to verify that the plan is on the right track and provide information to correct any observed deficiencies. The final evaluation will be undertaken at the end of the Strategic Plan in 2030. The evaluations will be guided by key questions to ascertain the relevance, effectiveness, efficiency, impacts and/or sustainability of the strategies adopted in the Strategic Plan.



ARIEAL VIEW OF OLKLAOU TOWN

CHAPTER ONE: INTRODUCTION

1. BACKGROUND

1.1. The History

The Governments of Kenya (GOK) has continuously been committed to increase provision of safe, portable and affordable water to all its citizens as an integral part of its Social and Economic Growth. To enhance this and conserve sustainable water resources, the GOK decentralized water services system in line with The Water Act 2002. The purpose of the Water Act was to harmonize and streamline management of water resources through formulation of institutional framework in the water supply and sewerage/sanitation services. One of the key areas addressed by the reforms was the reconstitution of institutions and structures in the Water Sector for better coordination and management within the sector.

The institutional framework ensured that policy formulation, regulation and service delivery roles are clearly delineated from each other. Each level of institution has roles defined, mandates and targets set for each separate entity. The institutional levels created are: -

- a) The Ministry of Water and Irrigation (MWI) role is policy formulating and monitoring all the levels of institutions together with management and protection of Water Resources Basin in the country.
- b) The Water Services Regulatory Board (WASREB) is the national regulator for water services in Kenya. It was established under the Water Act 2002 and is currently governed by the Water Act 2016. Its primary role is to protect consumer interests, ensure efficiency, and promote sustainability in water service provision.
- c) The **National Water Harvesting and Storage Authority (NWHSA)** is a **national agency** established under the **Water Act 2016**. It replaced the former **National Water Conservation and Pipeline Corporation (NWCPC)**. Its main mandate is to **develop, manage, and maintain national water storage and harvesting infrastructure** to enhance water security across Kenya.
- d) The Water Works Development Agencies (WWDAs) are state corporations established under the Water Act 2016. Their main mandate is to develop, maintain, and manage national public water works for water supply and sanitation services on behalf of the national government. They replaced the former Regional Water Services Boards created under the Water Act 2002. OLWASCO is under Central Rift Valley Water Works Development Agency (CRVWWDA)

- e) The **Water Resources Authority (WRA)** is a **national regulatory agency** established under the **Water Act 2016** to manage and protect **water resources** in Kenya. It replaced the former **Water Resources Management Authority (WRMA)** created under the Water Act 2002. WRA ensures that **Kenya's rivers, lakes, groundwater, and wetlands** are used **sustainably, equitably, and protected for future generations**.
- f) The **National Environment Management Authority (NEMA)** is Kenya's **principal environmental regulator**, established under the **Environmental Management and Coordination Act (EMCA) of 1999**, and strengthened by **EMCA Amendment Act 2015**. NEMA's core mandate is to **supervise, coordinate, and enforce all environmental laws and policies** in Kenya — ensuring that **development projects, including water and sanitation projects, are environmentally sustainable**.
- g) The Water Appeals Tribunal (WAT) whose role is to handle disputes arising in the dispensation of Water services provision;
- h) The Water Services Trust Fund (WSTF) role is to pool funds for use in development of water services particularly among the disadvantaged and rural communities.
- i) The **Kenya Water Institute (KEWI)** is a **national training, research, and capacity-building institution** in the water sector.
It was established under the **Kenya Water Institute Act (Cap 372, revised 2001)** and operates under the **Ministry of Water, Sanitation and Irrigation (MWSI)**. KEWI's main mandate is to **develop human capacity, conduct research, and provide technical support** for sustainable water resources management, water services, and sanitation.
- j) Water Service Providers (WSPs) whose role is to provide services in the water and sanitation in specific areas of jurisdiction as prescribed by operating Licence.

1.2. OLWASCO Company Profile

Ol Kalou Water and Sanitation Company (OLWASCO) was initially a Government of Kenya Gazetted urban water supply scheme which was started in 1973 with only one borehole at the center of the Ol Kalou town. The borehole was abandoned but rehabilitated in 1993. Since then the boreholes have increased to twelve from the initial one. On July 1st 2006, OLWASCO assets and operations were handed over to Rift Valley Water Service Board (RVWSB) in accordance with Water Act 2002 institutional re-organization. RVWSB further licensed Ol Kalou Water and Sanitation Company Limited as a Water Service Provider (WSP) to operate and manage the scheme as their agent.

Under water Act 2012, water and sanitation services were devolved to the county governments. County government have the responsibility of establishing water service provider within their

County. Nyandarua County Government have established two water service provider namely; Nyandarua Water and Sanitation Company (NYANDAWAS) and Olkalou Water and Sanitation Company (OLWASCO)

OLWASCO is licensed to provide water and sanitation service in Ol'kalou constituent

Currently OLWASCO is run by Board of Directors ((BOD)) as the main policy making body. The Board of Directors ((BOD)) is comprised of Directors appointed from a cross section of stakeholders of varied interests and professional background who are able to serve the company efficiently and adequately. The (BOD) has three committees which lenders guidance through the Chairman of the Board.

The OLWASCO has a total of 44 members of staff. The day to day affairs of OLWASCO are run by the Management team under the leadership of the Managing Director (MD). OLWASCO has various functional departments as follows: - Administration, Technical, Finance & Commercial Departments.

1.3. OLWASCO Geographical Location and Coverage

The company head office is located at Ol Kalou town which is the Headquarter of Nyandarua County. OLWASCOs office are along Olkalou-Njabini tarmac road 800 meters from Juakali junction off Nyahururu Gilgil main road.

OLWASCO covers the five wards of Olkalou constituency namely: Ol Kalou ward, Kaimbaga Ward, Rurii Ward, Milangine Ward and Kanjuiiri Ridges Ward with an areas of 536 KM². Service area covered is 225Km². Of the area covered, 10Km² is in Ol Kalou Township and 215Km² is in rural area. Its portfolio of customers comprises of domestic, commercial, institutional and government within the coverage area.

1.4. The Mandate & Functions

The mandate of OLWASCO is set in its operating licence and in the Memorandum and Articles of Association: -

Mandate

- a) To be an agent of County Government of Nyandarua to deliver water services as per the operating license or as may expanded from time to time by the license in accordance with Section 96 of the Water Act 2016
- b) To ensure OLWASCO carry's out the business of water and sanitation as prescribed by the Water Act 2016 and by national standards
- c) To manage assets handed over by the County and National Governments for the best interest of the people of Nyandarua County
- d) To exercise overall control over the sources and supply of water in the area of the area of service and in particular, to conserve, redistribute and augment those water resources, including development of water and sewerage infrastructure
- e) To levy from the consumers charges in respect of the services, which the

Company provides,

1.5. *Rationale of the Strategic Plan*

The Strategic Plan is anchored on OLWASCO's Vision, Mission, and Core values, which collectively guide the company's mandate in service delivery. Covering the period 2026–2030, the Plan outlines the strategic objectives for improving access to water and sanitation services within OLWASCO's jurisdiction.

It provides a comprehensive analysis of current and emerging challenges in the sector and identifies priority interventions to be addressed in the short and medium term. In its formulation, the Plan considered international, national, and county policy and legal frameworks—including the World Health Organization (WHO) Standards on drinking water, Sustainable Development Goals (SDGs), the Constitution of Kenya (2010), the Water Act (2016), and the County Integrated Development Plans (CIDPs)—ensuring alignment with relevant goals and targets.

The Plan further details the implementation framework, including annual costed activities, to ensure practical execution and accountability. It also defines the key initiatives to be pursued, the investment priorities, and the institutional capacity requirements needed to deliver on the identified objectives.

Through an inclusive stakeholder engagement process, OLWASCO assessed internal and external factors, analyzed opportunities and threats, and reviewed institutional capabilities. This collective deliberation provided clear direction on the strategies and actions required to achieve the company's mandate over the next five years.

1.6. *Context of the Strategic Plan 2026 – 2030*

1.6.1 *United Nation's Sustainable Development Goals (SDGs)*

The Sustainable Development Goals (SDGs), adopted by all 193 United Nations Member States, comprise 17 global goals with 169 specific targets. Of particular relevance to OLWASCO is **SDG 6**, which seeks to ensure universal and equitable access to safe and affordable drinking water, adequate sanitation, and hygiene for all, while eliminating open defecation and paying special attention to the needs of women, girls, and vulnerable populations.

OLWASCO's Mandate, Vision, and Mission are closely aligned with the realization of SDG 6. The company is committed to ensuring the availability of safe, reliable, and affordable water, as well as equitable sanitation services, to all residents within its service area. This Strategic Plan outlines the strategies and interventions through which OLWASCO will contribute meaningfully to the achievement of SDG 6 over the planning period.

1.6.2 *Africa Agenda 2063*

Agenda 2063 is Africa's blueprint and master plan for transforming the continent into a global powerhouse of the future. Its vision is *“an integrated, prosperous and peaceful Africa, driven by its*

own citizens and representing a dynamic force in the international arena.” The framework is anchored on **seven Aspirations** and **twenty goals**, each with specific priority areas.

Under **Aspiration 1: A Prosperous Africa Based on Inclusive Growth and Sustainable Development**, and **Goal 7: Environmentally Sustainable and Climate-Resilient Economies and Communities**, water security is identified as a key priority area.

OLWASCO contributes to this vision by enhancing access to safe, reliable, and affordable water and sanitation services within its jurisdiction, thereby promoting higher living standards and improved well-being for communities. Furthermore, the company supports sustainable consumption and water production practices by implementing measures that strengthen water resource management, foster sustainability, and safeguard environmental integrity, ultimately contributing to a better quality of life.

1.6.3 The Constitution of Kenya (COK) 2010

The Constitution of Kenya (2010) has far-reaching implications for the water sector as it recognizes access to safe and sufficient water as a fundamental human right. **Article 43** guarantees every person the right to clean and safe water in adequate quantities, as well as reasonable standards of sanitation, while **Article 21** obligates the State to take progressive measures to realize this right.

The Constitution further assigns the responsibility for water supply and sanitation services to **County Governments**. To operationalize this mandate, legislation such as the **County Governments Act** empowers counties to establish service delivery entities, including water service providers.

As a County-owned utility, **OLWASCO** plays—and will continue to play—a critical role in enabling the County Government of Nyandarua to fulfill its constitutional obligation of ensuring access to safe water and adequate sanitation for all residents within its jurisdiction.

1.6.4 Kenya Vision 2030

Kenya Vision 2030 seeks to transform the country into a “*middle-income nation providing a high-quality life to all its citizens by the year 2030.*” The Vision is anchored on three pillars—economic, social, and political—and identifies water as a critical enabler of sustainable growth and improved livelihoods.

The Vision for Water and Sanitation is to ensure universal access to improved and reliable services by 2030. To achieve this, four strategic interventions are emphasized: (i) strengthening water resource management, storage, and harvesting capacity; (ii) rehabilitating the hydro-meteorological data gathering network; (iii) developing multipurpose dams; and (iv) expanding water and sanitation infrastructure to support industrial growth and rapid urbanization.

In alignment with this national agenda, **OLWASCO**, through its strategic priorities and initiatives, is committed to contributing towards the realization of Vision 2030 by ensuring equitable access to clean, safe, and affordable water and sanitation services within its service area.

1.6.5 The Water Act 2016

The Water Act, 2016 operationalizes the provisions of the Constitution of Kenya (2010) and assigns the mandate for water service provision to **County Governments**. The Act requires counties to either appoint or establish public limited liability companies under the Companies Act, 2015—or other entities approved by the Water Services Regulatory Board (WASREB)—to serve as licensed water service providers. In doing so, counties must comply with WASREB standards of commercial viability and governance.

The Act further provides that any company seeking licensing as a water service provider must submit its memorandum and articles of association in line with guidelines issued by WASREB. **Section 78** of the Act outlines the mandate of licensed water service providers, including the responsibility for delivering water services within their designated service areas.

In alignment with this legislation, **OLWASCO**, as a licensed water service provider, is mandated to supply water and sanitation services within the area of jurisdiction specified in its license agreement with WASREB.

The Water Act 2016 identifies different institutional arrangements in the sector. The institutional set up is described in the figure below:

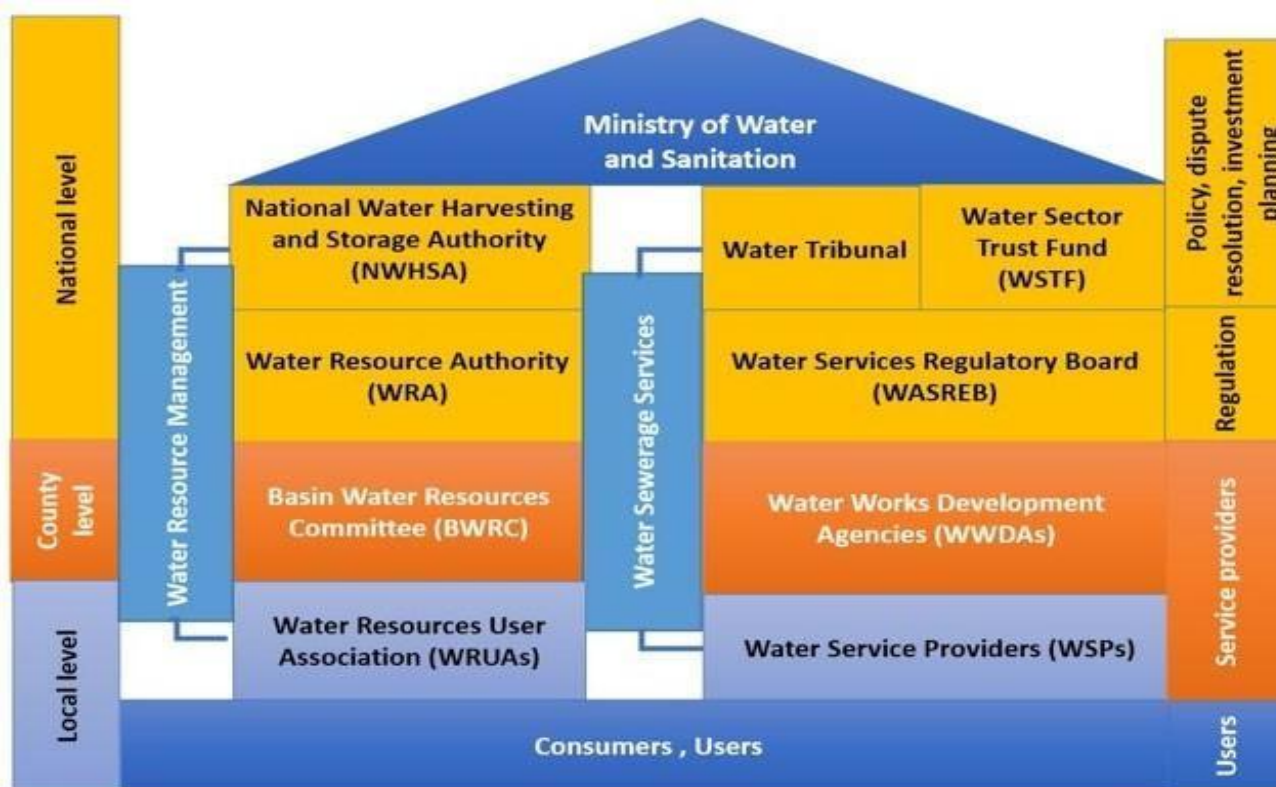


FIGURE 1: WATER SECTOR INSTITUTIONAL ARRANGEMENTS

1.6.6 Nyandarua County CIDP III (2023-2027)

Nyandarua CIDP III provides strategic direction and priorities for the county. Guided by the vision of “A wealthy, transformed and equitable county that provides quality life to its citizens.” the primary objective is to Improve access to safe and reliable water supply and sustainable sanitation.

The County will focus on infrastructure development including drilling and operationalization of boreholes, protection of water sources, construction of new water supply systems, upgrading existing water supply systems, the rehabilitation and operationalization of non-functional water supply systems, establish decentralized treatment facilities (DTFs) in urban/market centers, and extension/rehabilitation of sewer lines & treatment plants in towns/markets

Further, the CIDP aims to develop County Water Master Plan and County Water Policy.

OLWASCO will contribute to the CIDP mission to enhance access to a safe and sustainable water supply.

1.7 Purpose of the Strategic Plan

The strategic plan serves as a road-map for OLWASCO and its stakeholders in steering planning, budgeting, accountability, and effective management of service delivery. It provides direction for annual planning and priority setting, ensuring the company fulfills its mandate of supplying water and sanitation services within its area of jurisdiction. In addition, the plan establishes a framework for guiding investments and mobilizing resources to support sustainable growth.

1.8 Methodology and General Approach

The development of OLWASCO’s strategic plan was undertaken through an inclusive and consultative process involving key stakeholders such as the Board of Directors, staff, the County Government, the Central Rift Valley Water Works Development Agency, and development partners. The participatory approach ensured that a wide range of perspectives were considered. The process involved conducting a situation analysis to assess both the internal and external operating environments, evaluating the performance of the previous strategic plan, carrying out stakeholder mapping, and undertaking a SWOT analysis. In addition, the company’s Vision, Mission, and Core Values were reviewed to align with the new strategic direction.

The following process was followed:

a) Management Planning Session

This stage entailed structured engagements with OLWASCO’s management team to build consensus on the objectives and scope of the strategic planning process. The session provided an opportunity to clarify critical issues, align perspectives, and harmonize expectations, thereby laying a solid foundation for the planning exercise.

b) Meeting with Strategic Plan Champions

A subsequent meeting was held with the designated champions of the strategic planning process. The discussions focused on preparatory activities, departmental consultations, and key issues to be

addressed. The meeting also established clear timelines and milestones to guide the execution of the process.

C) Internal Consultations

The consultation process was coordinated by management together with the strategic plan champions. It involved direct engagements with various departments to capture their insights, priorities, and expectations for the upcoming strategic plan. In addition, an online survey was administered to broaden staff participation and ensure diverse input across the company.

d) Strategic Plan Development Workshop

A three-day workshop was convened bringing together key stakeholders to carry out an in-depth situation analysis of both the internal and external operating environment. The exercise included a review of OLWASCO's performance over the previous six years, stakeholder analysis, and a SWOT assessment. Participants also revisited the company's Vision, Mission, Core Values, and refined the Objectives, Strategies, Targets, and Key Performance Indicators to align with the new strategic direction.

1.9 Structure of the Strategic Plan

This strategic plan is organized into six chapters. Chapter One presents the background and introduction, outlining the purpose, objectives, and methodology of the plan. Chapter Two provides a situation analysis, covering the policy context, performance review, stakeholder analysis, and a SWOT assessment. Chapter Three defines the strategic foundation, including OLWASCO's Vision, Mission, Core Values, Customer Value Proposition, and corporate slogan. Chapter Four sets out the strategic model, detailing the strategic priorities, initiatives, targets, and key performance indicators. Chapter Five highlights the implementation framework, describing the approach to execution with emphasis on financing, governance, human resources, risk management, and critical success factors. Chapter Six addresses performance monitoring, evaluation, and reporting mechanisms. The appendices contain the implementation matrix to guide operationalization of the plan.



THE WATER TREATMENT PLANT



HIS EXCELLENCE GOVERNOR KIARIE BADILISHA LAUNCH KIRIMA WATER PROJECT

CHAPTER TWO

SITUATIONAL ANALYSIS

2.1 Introduction

This chapter outlines an assessment of both the internal and external environment within which OLWASCO operates. It reviews the company's mandate, roles, and responsibilities, as well as the performance achievements and challenges encountered during the 2014–2019 strategic plan period. The analysis further examines the operating context in which the new Strategic Plan will be implemented, highlighting key stakeholders and their expectations. Additionally, the chapter presents a comprehensive Strengths, Weaknesses, Opportunities, and Threats (SWOT) analysis to guide the company in aligning its strategies with prevailing conditions.

2.2 OLWASCO's Performance Review

The 2014–2019 Strategic Plan marked OLWASCO's third strategic planning cycle since its establishment. During this period, the company pursued eight strategic priorities that defined its core areas of focus and guided operations throughout the plan's implementation. These priorities were:

- ❖ To improve Human Resources Capacity
- ❖ To increase the proportion accessing clean/safe drinking water
- ❖ To Reduce level of Non-Revenue Water
- ❖ To develop and improve sanitation facilities
- ❖ To enhance financial sustainability
- ❖ To strengthen OLWASCO's communication with stakeholders
- ❖ To mainstream good corporate governance and other emerging issues
- ❖ Create awareness campaigns around issues of OLWASCO's core activities.

2.3 Key Achievements Based on the Strategic Priorities

A review of OLWASCO's 2014–2019 Strategic Plan was undertaken to assess performance outcomes against the strategic priorities pursued during the period. The evaluation highlighted factors that influenced both the successes and challenges experienced. The results of this assessment, organized around the eight strategic priorities, are summarized in the table below.

Table 1: Summary OLWASCO Performance 2014 - 2019

STRATEGIC OBJECTIVE	STRATEGIC INITIATIVES	ACHIEVEMENT-2024
Water and sewerage infrastructure development.	Increased water coverage from 32 % to 50 %	42% water coverage
	Construct two dams on Nyairobi River	Not done
	Construct 50km bulk trunk and 15 km distribution water pipelines	10km Bulk and 25km distribution water pipelines done

	Rehabilitate & Expand and construct a common intake at Kirima Water Intake on Malewa River	Not Done
	Connect 300 new customers in urban areas	Connections increased from 3324 to 4036
	Sink one (1) Borehole	Ten(10) boreholes done
Reduce NRW	Reduced NRW from 70% to 20%.	NRW Reduced to 35%
	GIS Mapping of the whole system	Partially done
	Establish rapid response unit	Not done
	Hire equipment for leak detection	Received donation of equipment from CRVWDA
	Install bulk meters	Five (5) bulk meters installed for boreholes and two(2) for DMA's
	Install Pressure valves	Not done
	Replacement of non-functional appurtenances	Fifty two (52) sluize valves, gate valves and non-return valves replaced
	Develop Asset Management Plan	Not done
Improve Water Quality	Construct a water treatment plant	Water treatment plant done. Water quality improved from 34% to 62%
	Establish a Meter Testing Laboratory for calibration of meters	Not done
Improve Water Storage Facilities	Rehabilitate existing storage facilities	Not done
	Construct new storage facilities -225m3 at Rurii, 500m3 at Captain, 100m3 at Mugathika and 2400m3 at Vatican Quarry	250m3 tank constructed at captain, 2400m3 tank constructed at Vatican
Financial sustainability	Increase collection efficiency to 95%	Collection Efficiency improved from 91% to 100%
	Audit all connections, clean data and re-activate dormant connections	Audit not yet done
	Obtain donor funding (CDF/County Government, Water Services Board, WSTF etc)	Got funding from CRVWDA for Sewerage Project and Water treatment Plant, WSTF funding for UBSUP and pipeline rehabilitation, County Government funded development of pipelines, boreholes and solar pumping systems
	Up-grade billing system	Billing system upgraded
	Procure data loggers , integrate GIS and ICT in billing system	Data loggers not procured, GIS not integrated in billing system
	Conduct integrity training for staff	Not done
	Carry out risk analysis	Not done
Improve Sanitation	Conduct trainings on public health	Not done
	Conduct training on sanitation technology	Not done
	Construct ablution blocks in satellite towns	Not done
	Construct Sewerage infrastructure system	Phase one done under KTSWSSP.

	Construct ablution blocks for open air market and bus park	Done
	Procurement of Exhausters	Not done
	Create awareness on sanitation issues in schools, road shows etc	Done(Olkalou Secondary, Umoja Primary, AC Primary, Rurii Primary)
Customer service and public Relations	Install suggestion boxes at strategic places	One installed in head office
	Launch the Customer Service Charter	Done
	Conduct Public Relations campaign	Not done
	Appearances during public functions	Done
	Develop and implement CSR Policy	Not done
	Develop, implement the environmental management policy	Not done
	Conduct public awareness	Not done
Strengthening Institutional capacity	Conduct Training needs Assessment, and Develop Skills inventory	Not done
	Develop and implement an effective HR Manual	Done
	Conduct training on relevant skills	Continuously done
	Rationalize jobs and develop individual performance targets for motivation	Not done(in progress)
	Compliance with statutory obligations	Done
	Carry out baseline employee and customer satisfaction surveys	Not done
	Develop and implement Institution manuals	Done
	Continuous annual retreats for management and board	Not done
	Institutionalize the code of conduct	Done for Employees(Code of Conduct for BOD) pending
Mainstream Cross Cutting Issues	Compliance with existing laws & regulations	Partially done
	Develop and implement Gender policy	Not done
	Embed Environmental rules and regulations	Not done
	Develop and implement Anti-corruption policy	Not done
	Develop and implement disability policy	Not done
	Develop and implement alcohol, drug and substance policy	Not done
	Develop workplace policy on HIV/AIDS Management	Not done
	Develop and implement workplace policy on security matters	Not done

2.2.2 Key Performance Indicators

Performance Evaluation Based on WASREB Impact Report

This section reviews OLWASCO's performance as reflected in the WASREB Impact Report for the periods **2022/23–2023/24**. The evaluation is anchored on Key Performance Indicators (KPIs) applied in assessing water service providers. The report shows that OLWASCO recorded **poor performance** in areas such as water coverage, staff productivity, drinking water quality, personnel costs as percentage of revenue, O & M coverage and NRW. **Acceptable performance** was noted in hours of supply, metering ratio and revenue collection efficiency.

Table 2: OLWASCO KPI score as per WASREB Impact 17

able 2: OLWASCO KPI score as per WASREB Impact 14 and 15

	WASREB Key Performance Indicators	Good	Acceptable	Not Acceptable	2022/2023	2023/2024
Quality of services						
1	Water Coverage (%)	>90%	80-90%	<80%	38	39
2	Drinking Water Quality (%)	>95%	90-95%	<90%	32	62
3	Hours of Supply (hrs./d) Population >100,000	21-24	16-20	<16	18	19
4	Economic efficiency Personnel expenditures as % of total O&M costs	<20%	20-30%	>30%	46	43
5	Revenue Collection Efficiency (%)	>95%	95-85%	<85%	98	100
6	O&M Cost Coverage (%)	• 150%	100-149%	• 99%	92	84
Operational sustainability						
7	Non-Revenue Water (%)	<20%	20-25%	>25%	37	35
8	Staff Productivity (no. staff/K conns.) Large & Very Large Companies	<5	5-8	>8	14	13
9	Metering Ratio (%)	100%	95-99%	<95%	100	100

2.2.3 The Key Challenges faced in the 2014 – 2019 SP Implementation

- ✧ **Financial Limitations** – Difficulty in accessing sufficient capital for network expansion, rehabilitation, and equipment upgrades.
- ✧ **Aging and Overstretched Infrastructure** – Frequent breakdowns, meter theft, and system malfunctions, compounded by rising demand from population growth.
- ✧ **Encroachment at the water intake:** illegal abstraction on River Malewa by private farmers groups leading to insufficient water.
- ✧ **Weak stakeholder collaboration:** Insufficient coordination with County Government, WRA, WSTF, and community institutions.
- ✧ **Resistance to tariff adjustments:** Due to perception of water as a public good.
- ✧ **High Non-Revenue Water (NRW)** – Attributed to illegal connections, vandalism, damaged pipelines from road works and floods, as well as faulty or static meters.
- ✧ **Water Quality Challenges** – Climate variability leading to increased pollution, sedimentation, and fluctuations in raw water quality.
- ✧ **Human Resource Concerns** – Limited technical expertise in specialized areas like GIS, SCADA and NRW management, Issues of low staff morale, limited digital capacity, inadequate awareness of the strategic plan, and weak adherence to organizational values.
- ✧ **Technological Gaps** – Reliance on outdated equipment, slow adoption of new systems, frequent breakdowns, and limited innovation capacity.
- ✧ **Governance and Political Factors** – Political interference and instability affecting smooth operations and long-term planning.
- ✧ **Sanitation Gaps** – Insufficient data on sanitation services and weak infrastructure for wastewater management.
- ✧ **Social Cultural Barriers** – traditional beliefs and practices slowing down acceptance and uptake of improved sanitation technologies.

2.2.4 Lessons Learnt during the 2014 – 2019 strategic period

- i. **Diversified Financing** – The company must seek multiple and sustainable sources of funding to support effective planning and ensure uninterrupted implementation of strategies.
 - ii. **Human Capital Development** – Continuous training, reskilling, and upskilling of staff, coupled with regular performance evaluations, are essential for organizational stability and growth.
 - iii. **Risk Preparedness** – Strengthening risk management frameworks is vital to mitigate and respond to unforeseen challenges, including pandemics and other disruptions.
 - iv. **Technology and Innovation** – Greater investment in ICT is necessary to enhance automation, strengthen system security, and fully optimize ERP platforms to meet emerging operational demands.
- V. Policy and Institutional Frameworks** – Policies, guidelines, and procedures should be reviewed and updated regularly to align with changing organizational and sectoral needs.

2.3 Internal Environmental Analysis

OLWASCO's internal assessment was undertaken using the McKinsey 7S framework, which examines seven critical organizational elements: strategy, structure, systems, shared values, style, staff, and skills. This analysis provides insight into the overall health and readiness of the company. It also highlights areas that require attention and identifies strategic options to strengthen internal capacity for effective implementation of the 2026–2030 Strategic Plan.

Table 3: OLWASCO Internal Environmental Analysis

Table 3: OLWASCO Internal Environmental Analysis	
Strategy Issues	Enhance / Reduce
Lack of a Strategic Plan	Develop and implement a strategic plan to enhance the level of shared vision and ownership across the organization
Own offices	- Enhance customer experience - Office space is not enough, need to construct more
Lack of sufficient funds and resources	- Continuous partnership with stakeholders - Develop a resource mobilization strategy
Capacity under-utilization of water plants	Engage stakeholders to resolve the issue of encroachment at the malewa river intake.
Awareness of Environmental, social, and governance (ESG) issues	- Develop an ESG Policy and implement company wide - Enhance existing CSR initiatives
Strong sense of ownership	Enhance institutional pride through staff welfare initiatives
Structure Issues	Enhance / Reduce
Organization structure in place	Optimize existing structure
Organization structure not fully Implemented	- Outsource on need basis - Onboard and optimize key positions in the company structure
Succession planning initiatives in place	Enhance initiatives across all leadership/supervisory level
System Issues	Enhance / Reduce
Dilapidated water infrastructure	Overhaul and rehabilitate
Low sanitation coverage	Develop / expand sanitation infrastructure
High NRW	Put in place strategies to combat high NRW to below 28%
Existence of a billing system .	- Implement an integrated management information systems (ERP integrated with CRM, USSD, GIS and KOBO) the ERP System and other systems in place Optimize and maximize output from systems in place. - Full implementation of E-GP system - Train all users on the use and enhance ownership
Existence of manual processes	- Integrate all systems to a centralized monitoring platform - Automate all the processes
Unstable user interface for OLWASCO APP	Consider stabilizing or use of alternative if unattainable
Lack of a comprehensive and automated Performance management system	Develop, implement an automated performance system and capacity build staff on real-time use of automated BSC M&E/Appraisal
Staff Issues	Enhance / Reduce
Competent and experienced staff	Strengthen capacity and optimize staff performance.

Diversity, equity and inclusion	Align recruitment and promotion practices with government requirements on ethnic balance and develop clear corporate guidelines.
Gender imbalance	Develop and implement gender mainstreaming policy
Succession planning	Identify critical roles and implement structured training and development programs.
Reward and recognition	Implement the comprehensive reward and recognition scheme, assigning responsibility.
Job Security Fears	Introduce permanent and pensionable terms for non-management staff.
Promotions	Implement an automated, real-time performance management system.
Performance management challenges	Implement an effective culture change program
Skill mismatch	Job placement to be strictly based on employee skills
Skill deficiency in some areas	Provide targeted training and capacity building to address competency gaps.
Style – Leadership issues	
Enhance / Reduce	
Supportive senior management	Enhance strategic leadership capabilities at top management level.
Strong Board of Directors	Leverage the board for increased partnerships, stakeholder engagement, and lobbying.
Existence of leadership gaps among some managers	Design and open-rationalize a structured Leadership Development Program (LDP).
Shared Values/Culture	
Enhance / Reduce	
Existing of OLWASCO Core Values	Promote full implementation of core values and integrate them into performance measurement tools such as the balanced scorecard.
Staff attitude toward change i.e technology negates a conducive for positive change	Undertake intensive culture change campaigns and capacity building initiatives.
Staff integrity issues	Enforce a zero-tolerance approach to integrity issues and introduce a whistle-blowing mechanism.
No clarity in desired organizational culture	Conduct an organizational culture audit and roll out initiatives to build a unified, positive culture across the company.

2.4 External Environmental Analysis

The assessment of the external environment identified a range of factors beyond the Company's control with the potential to influence performance either favorably (opportunities) or adversely (threats). The analysis was conducted using the **PESTLE framework**, which examines Political, Economic, Social, Technological, Legal, and Environmental dimensions. Furthermore, stakeholders proposed appropriate strategic responses to the identified opportunities and threats. The outcomes of this assessment are presented in the table overleaf below.

Table 4: OLWASCO External Environmental Analysis

Political Factors

Factor	Mitigation / Exploit
County Government Support	Strengthen communication and continuous engagement, particularly on policy formulation.
Political instability	Develop a robust Business Continuity Plan, adopt flexible working models, and maintain neutrality in political matters.
Overlap in responsibility & uncoordinated developments	Promote structured collaboration and information sharing while adhering to established systems.
Interference and meddling in company affairs	Uphold professionalism, follow policies and codes of conduct, address conflicts of interest, and operate strictly within regulatory frameworks.

Economic Factors

Factor	Mitigation / Exploit
Partnership Support	Foster strong relationships with partners through good governance and enabling business practices.
Unfavorable taxation	Advocate for exemptions, subsidies, and more favorable tax frameworks.
Inflationary Pressures	Adjust tariffs appropriately and explore innovative, cost-saving solutions.
High Cost of Living	Conduct public engagement and maintain high-quality service delivery.
High Labor Costs	Manage staffing levels strategically and utilize outsourcing where necessary.
Low credit rating	Strengthen revenue collection, expand customer base, diversify income streams, and reduce non-revenue water (NRW).
Vandalism of Infrastructure and theft	Increase stakeholder collaboration, enhance community sensitization, implement pro-poor initiatives, and lobby for protective county legislation.

High water production costs	• Adopt renewable energy such as solar, increase reliance on gravity-fed systems, and explore hydropower opportunities.
Urban Growth and Housing Expansion in Olkalou	• Extend water and sewer infrastructure to emerging residential areas in the county.

Factor	Mitigation / Exploit
Rapid Population Growth	Expand production, upgrade infrastructure, and encourage efficient water use.
Willingness to pay for water	• Enhance the service provision
Inability/Unwillingness to Pay	Enhance pro-poor initiatives, adjust tariffs, and strengthen behavioral change communication.
Public Health Risks (e.g., Cholera, Pandemics)	• Establish crisis response teams and implement targeted interventions.
Perception of Water as a Free Resource	• Intensify sensitization campaigns on the cost and value of water services.
Cultural beliefs on use of water recovery stations by products ie sludge	Promote awareness, pilot sludge utilization projects, and foster public-private partnerships for value addition.
Corruption risks	Enforce zero-tolerance policies, implement anti-bribery standards (ISO 37001), and ensure adherence to the code of conduct.

Technological factors

Factor	Mitigation / Exploit
Emerging Water and Wastewater Technologies	• Invest in automation, smart metering, enhanced ERP systems, renewable energy solutions, and innovative tools such as electric motorcycles.
Cyber security risks	• Secure networks with advanced firewalls and enhance staff capacity on cyber risk management
Advances in IT and Communication	• Increase investment in appropriate ICT solutions and leverage digital platforms for customer engagement and service delivery.

Factor	Mitigation / Exploit
Changes in water act 2016	• Leverage favorable provisions in policy and law.
Water as a basic right	Adopt pro-poor policies, apply competitive tariffs, and expand access to water and sanitation.
Compliance with regulatory requirement e.g. WASREB, NEMA	Ensure full adherence to WASREB, NEMA, and other regulatory requirements, integrating them into performance monitoring.

Litigation and Consumer Awareness	• Guarantee service quality, disclose all charges, enhance consumer education, and uphold the service charter.
Employment law	• Keep staff informed of labor rights, implement OSHA and WIBA, and enforce HR policies consistently.

Environmental Factors

Factor	Mitigation / Exploit
Availability of water resource e.g. Malewa River, Nyairoko River	Expand production and connectivity to optimize resource use.
Adaptation to natural calamities e.g. drought & floods	• Diversify water sources and restore catchments.
Re-use and recovery of waste	Recovery of nutrients (manure and urine) • Production of biogas • Production briquettes • Recycle of wastewater
Environmental protection laws	• Adherence to laws, regulation and standards within the environment laws
Climate change	• Adapt to climate change effects and build resilience • Develop and implement climate resilience water safety plan
Encroachment of catchment areas	• Enhance community sensitization • Push for a regulated water abstraction from available water sources e.g Malewa and Nyairoko rivers.
Pollution	• Sensitize stakeholders on environmental conservation and protection • E-waste recovery

2.5 OLWASCO Stakeholder Analysis

Stakeholder analysis involves the structured collection and assessment of qualitative information to establish the interests and influence of stakeholders in the formulation and execution of OLWASCO's Strategic Plan. Key stakeholders were mapped and evaluated to understand their interests, expectations from OLWASCO, and to identify appropriate strategies to strengthen their support or minimize potential adverse impacts arising from their actions.

Table 5: OLWASCO Stakeholder Analysis

Stakeholder	Stakeholder interests in OLWASCO - what they expect from us	What do we expect the Stakeholder to provide?	Potential Strategies for obtaining support or reducing obstacles
Consumers	• Quality Clean, portable, reliable supply of water • Sewerage services • Reliability in service provision • Timely resolutions of complaints and disputes	• Timely payment of Bills • Cooperation during meter reading process • Active participation and buy in in management of NRW • Compliance with legal requirements	• Quality and timely service provision • Adherence to the Service Charter • Increase customer awareness on alternative payment modes/system
Employees	• Conducive working environment • Commensurate remuneration • Staff welfare provision • Recognition, respect • Career growth	• Loyalty • Achievement of set targets • Embrace core values of the company • Good stewards of company assets • Brand ambassadors	• Timely payment of salaries • Provide staff welfare benefits. • Timely and effective communication • Review and implement scheme to reward performance
Board of Directors	• Deliver on the strategic objectives of the company. • Adhere to all policies in place, code of conduct • Implement board resolutions • Implementation of Audit queries • Timely Reports	• Provision of strategic direction • Oversight • Professionalism and competence • Timely Decision making • Resource mobilization • Stakeholder management	• Inculcate cohesiveness among board members (Benchmarking, trainings) • Protection of Resources and properties • Lobbying for funds(networks)
Development Partners	• Accountability of the resources • Credit worthiness • Inclusion in company activities • Adherence to donor regulations	• Financial and technical support • Monitor and Evaluate projects and give feedback • Sustainable relationship	• Develop binding MoUs • Timely submission of reports • Transparency and accountability • Good corporate governance
County Government	• Provision of water and sanitation services to residents of Olkalou • Stability and growth in the Company • Safe disposal of wastewater and environmental protection	• Pay water bills promptly • Financial support to extend services. • Plan and organize physical developments • Favorable statutory environment • Linkages with development partners	• Effective representation in the Board • Hold regular stakeholder forum • Share the annual reports. • Improved efficiency in service delivery • Efficient business financial operations
Regulators (WASREB, KEBS, WRA, NEMA)	• Compliance -adherence to set rules and standards. • Support the development of regulations. • Timely and accurate reports	• Oversight, Monitoring and evaluation • Enabling environment • Set guidelines and standards. • Effectively communicate. • Timely and accurate reports	• Adhering to set standards. • Periodic self-Audits on compliance levels • Paying statutory levies/fees
Stakeholder	Stakeholder interests in OLWASCO - what they expect from us	What do we expect the Stakeholder to provide?	Potential Strategies for obtaining support or reducing obstacles
Partners (WSTF, KWKSP, CRVWWDA, SANIVATION, JICA etc.)	• Improved service delivery • Meeting the sector standards • Accountability of resources • Active participation in forums • Commitment to MOU	• Resource and Technical support • Capacity building • Commitment on timelines	• Good governance structure with high level of integrity • Quality service delivery

Suppliers	• Transparency in procurement process • Timely payments • Unbiased supervision of services rendered	• Quality and timely delivery of services • Compliance with procurement Laws • Favorable Payment terms	• Agreeable contractual terms • Enabling business operating environment • Supplier monitoring and Evaluation
Communities	• Provision of quality services • Conservation of environment • increased Corporate social responsibility activities	• Protection of our assets / resources (No illegal activities, Reporting of illegal and leaks) • Environmental conservation • Loyalty	• Increased CSR activities • Community outreach and engagements through clinics and Barazas • Sharing of relevant information

2.6 SWOT Analysis

A comprehensive SWOT analysis was carried out for OLWASCO to examine both internal and external dimensions influencing the organization. The review identified strengths and weaknesses as internal attributes, while opportunities and threats were derived from the external operating environment.

Table 6: OLWASCO SWOT Analysis

Strength	How do we enhance or maintain?
Strong and capable leadership, comprising an experienced and professional senior management team supported by an effective Board of Directors (BOD).	● Sustain continuous capacity-building and leadership development programs. ● Leverage the networks and influence of the Board to strengthen partnerships, stakeholder engagement, and resource mobilization. ● Institutionalize mentorship and knowledge-sharing to preserve institutional memory and leadership continuity.
Competent staff effectively managing key operations.	● Develop and implement a structured staff retention strategy to maintain critical talent. ● Establish and operationalize a comprehensive succession plan for continuity in key roles. ● Provide continuous professional development to sustain high performance and adaptability.
Well-established operational structures and systems across key functions including water production, quality control, infrastructure management, procurement, financial management, human resources, and commercial services.	● Conduct regular performance reviews to ensure efficiency and effectiveness. ● Develop and implement targeted performance improvement plans. ● Continuously upgrade systems and processes in line with best practices and technological advancements.
A robust, innovative, and well-organized system for supplying water to informal settlements.	● Expand and diversify pro-poor initiatives to increase equity in service delivery. ● Invest in innovative and affordable water distribution technologies tailored to informal settlements. ● Strengthen community engagement to ensure sustainability and inclusivity of services.
An adequate and reliable system for revenue collection and billing.	● Sustain continuous customer sensitization to improve compliance and payment culture. ● Invest in regular upgrades and modernization of billing and revenue collection systems ● Strengthen integration of customer feedback mechanisms to enhance efficiency and trust

Adequate plant capacity to meet the water supply needs of the target population.	● Ensure consistent efficiency and reliability of production plants through preventive maintenance. ● Invest in modern technology and process optimization to maximize output. ● Regularly review demand projections to align plant capacity with population growth trends.
Strong and productive partnerships with development partners.	● Sustain collaboration by implementing and honoring Memoranda of Understanding (MOUs). ● Regularly engage partners through joint reviews, progress updates, and accountability frameworks ● Explore new areas of cooperation to expand technical and financial support.

Weaknesses	How do we eliminate or minimize?
Dilapidated infrastructure resulting in frequent bursts and leaks, leading to high water losses.	● Implement a comprehensive network overhaul and rehabilitation program. ● Prioritize replacement of aged pipelines and high-risk sections. ● Introduce proactive maintenance and monitoring systems to reduce recurrent breakdowns
Insufficient water sources caused by illegal abstractions along River Malewa.	● Strengthen collaboration with regulatory authorities and county/national government to curb illegal abstractions. ● Enhance monitoring and enforcement mechanisms within the catchment. ● Engage and sensitize local communities on sustainable water use and the impact of illegal abstractions ● Diversify water sources to reduce over-reliance on River Malewa.
High water losses (non-revenue water) caused by leaks, bursts, illegal connections and metering/billing gaps, resulting in lost volume and revenue.	● Diagnose & measure(DMAs, Night flow measures) ● Active leakage control ● Pressure management ● Asset renewal & prioritized rehabilitation ● Data, ICT & institutional systems(SCADA,GIS,KPIs) ● Community engagement & enforcement, Finance & partnership
Limited financial resources, resulting in a slow pace of extending water and sewerage services to currently unserved areas.	● Strengthen partnerships with donors, development partners, and county/national government for financing and technical support.

	● Explore innovative financing mechanisms such as Public-Private Partnerships (PPPs) and blended financing models. ● Prioritize and phase extension projects based on demand, population growth, and potential impact. ● Enhance internal revenue generation and efficiency to increase funds available for reinvestment.
Challenges in the integration and effective utilization of the ERP system.	● Implement an integrated ERP system to align with OLWASCO's operational requirements. ● Provide comprehensive training to all system users for effective adoption. ● Identify and develop departmental ERP champions to support system utilization. ● Build internal capacity for system adaptation, troubleshooting, and ongoing support services.
Undesirable dominant organizational culture and employee resistance to change.	● Conduct a comprehensive organizational culture assessment to identify gaps and areas of improvement ● Design and implement an integrated, company-wide culture change program. ● Promote change management initiatives, including communication, training, and leadership involvement, to build a positive and adaptive culture.
Low levels of employee motivation, particularly at the operational level.	● Review and implement a structured corporate reward and recognition scheme. ● Train supervisors and line managers on coaching, mentorship, and motivational skills. ● Strengthen employee engagement initiatives to build morale, commitment, and productivity.
Deficiencies in cultivating a strong performance-based culture within the organization.	● Institutionalize and fully implement the Balanced Scorecard (BSC) as a performance management tool. ● Align departmental and individual targets with corporate objectives through measurable KPIs. ● Conduct regular performance reviews and link results to rewards, recognition, and staff development.

Opportunities	How do we achieve or exploit?
Rapidly growing population increasing demand for water and sewerage services.	● Expand water production and sewerage infrastructure to meet rising demand. ● Increase new customer connections to broaden the revenue base. ● Leverage economies of scale to improve efficiency and service delivery. ● Use demand growth to attract financing and investment for further expansion.
A ready and consistent market for water and sewerage services within the service area.	● Ensure service reliability, affordability, and high quality to maintain customer confidence. ● Invest in expanding and upgrading water distribution and sewerage infrastructure. ● Strengthen customer engagement to retain loyalty and attract new connections.
Availability of partners willing to fund initiatives aimed at improving water access.	● Develop well-structured proposals aligned with partner priorities and sector needs. ● Strengthen engagements and relationships with development partners to secure funding for expansion. ● Channel partner support towards investment in water and sanitation infrastructure for underserved areas.
Availability of modern technology applicable to water and sanitation management.	● Integrate modern technology across all organizational functions to improve efficiency. ● Invest in smart metering, automation, and digital platforms for operations and customer service. ● Build staff capacity to effectively adopt and utilize new technologies. ● Explore renewable energy and ICT innovations to enhance sustainability.
Availability of alternative and renewable energy sources.	● Diversify into green energy solutions such as solar, and biogas ● Reduce dependency on costly grid electricity to lower operational expenses. ● Partner with energy providers and development partners to implement sustainable energy projects. ● Integrate renewable energy into existing and new infrastructure for long-term resilience.
Devolution and rapid growth of urban centers.	● Strengthen collaboration and partnerships with the County Government to access funding and support. ● Expand water and sewerage infrastructure to match urban growth and increase coverage. ● Leverage urbanization to grow the customer base and revenue streams. ● Align organizational plans with county development priorities

	for mutual benefit.
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Threats	How do we mitigate or avoid?
Political interference in company operations.	● Encourage constructive advocacy and continuous dialogue with political leaders. ● Strengthen adherence to policies, governance frameworks, and codes of conduct. ● Maintain professionalism and independence in all operations. ● Build stakeholder awareness on the importance of corporate autonomy for sustainable service delivery.
Environmental pollution affecting water sources and ecosystems.	● Enhance community awareness campaigns on catchment and environmental conservation. ● Strengthen collaboration with stakeholders such as NEMA, and WRMA for joint interventions. ● Partner with the County Government and enforcement agencies to curb pollution activities. ● Promote environmentally friendly practices
Declining economic conditions and reduced standards of living leading to increased customer defaults.	● Implement and enhance pro-poor strategies, including affordable tariff structures and targeted support. ● Strengthen engagement and partnerships with key stakeholders to cushion vulnerable groups. ● Diversify revenue sources to reduce over-reliance on household tariffs. ● Intensify customer education on the value of water and sanitation services to encourage compliance.
Competition from private boreholes and community water projects reducing OLWASCO's customer base.	● Work with the regulator to enforce controlled abstraction and licensing. ● Strengthen water quality monitoring to ensure OLWASCO water remains the preferred choice. ● Expand service coverage and ensure affordability to reduce reliance on private boreholes. ● Partner with community projects where feasible, transforming them into complementary rather than competing initiatives.
Vandalism of infrastructure and water theft leading to service interruptions and revenue loss	● Enforce penalties and surcharges for vandalism and theft as per the tariff framework. ● Intensify surveillance and community policing initiatives to protect assets. ● Explore alternative technologies such as durable plastic meters and smart metering. ● Enhance stakeholder and community sensitization to foster ownership and protection of infrastructure.
Customer perception that water is a free commodity, leading to resistance in paying for services.	● Intensify customer education and sensitization on the value of water and costs of service provision. ● Strengthen community engagement to build appreciation for sustainable water management. ● Implement behavioral change communication programs

	targeting different customer groups. ● Highlight the link between payments and improved service delivery to encourage compliance.
Frequent power disruptions affecting water production and service delivery.	● Invest in reliable alternative energy sources such as solar power and generators ● Incorporate energy efficiency measures in operations to reduce dependency on the grid. ● Partner with energy providers and development agencies to support renewable energy projects. ● Develop an energy resilience plan to ensure continuity of service during outages.

CHAPTER THREE

3.1 THE STRATEGIC FOUNDATION

The Strategic Foundation of OLWASCO is anchored on the Vision, Mission, Core Values, Customer Value Proposition, and the guiding Slogan.



VISION

To be the preferred provider of innovative, efficient, and customer-focused water and sanitation services.



MISSION

To deliver reliable, safe, and affordable water and sanitation services that enhance community well-being and support sustainable development



CORE VALUES

The Core Values are fundamental principles that shape the conduct of all individuals and entities associated with OLWASCO. They are upheld and integrated into daily practice to foster a strong organizational culture that supports the realization of OLWASCO's Vision. The Core Values of OLWASCO are: Integrity, Collaboration and Excellence.

VISION



Integrity



Collaboration



Excellence

a) **Embracing Integrity, Truthfulness, and Respect**

We are committed to integrity in all our actions, consistently choosing what is right and fair.

OLWASCO upholds zero tolerance for unethical practices and promotes honesty, respect, and ethical conduct in every interaction with customers, partners, employees, and the community.

b) **Collaboration**

We value teamwork and mutual support, harnessing diverse skills to achieve shared goals. At OLWASCO, we work together with colleagues, stakeholders, and partners to deliver quality services while fostering a culture where every team member feels appreciated.

c) **Excellence**

At OLWASCO, excellence means a relentless commitment to quality, innovation, and dependable service. We strive to deliver exceptional customer experiences through creativity, responsiveness, and personal care. Our goal is to consistently set high standards and exceed expectations in everything we do.

3.2 CUSTOMER VALUE PROPOSITION

OLWASCO's Customer Value Proposition

OLWASCO's CVP is centered on delivering exceptional customer experiences. Customer Experience (CX) reflects the quality of every interaction between OLWASCO and its customers throughout their relationship. To ensure positive experiences and establish distinctiveness in service delivery, OLWASCO commits to providing its customers with the following:



RELIABILITY



ACCESSIBILITY



QUALITY

Reliability

OLWASCO is committed to ensuring a continuous and dependable flow of water at customer taps, minimizing downtime, and guaranteeing availability. Where in-building supply is not feasible, water will be accessible within a short distance—ideally less than 30 meters in urban areas and within one kilometer in rural areas.

Accessibility

OLWASCO pledges to provide universal access to water and sanitation services within its service area. Accessibility will be addressed through four dimensions: physical access, economic affordability, non-discrimination, and access to information. Affordability remains central, with tariffs structured reasonably and aligned with the capacity of the local economy, while remaining consistent with national benchmarks.

Quality

OLWASCO guarantees that all water supplied meets the highest safety standards. The company will adhere strictly to both health-related and aesthetic standards of water quality—ensuring water is safe, clean, clear, and pleasant in taste and odour.

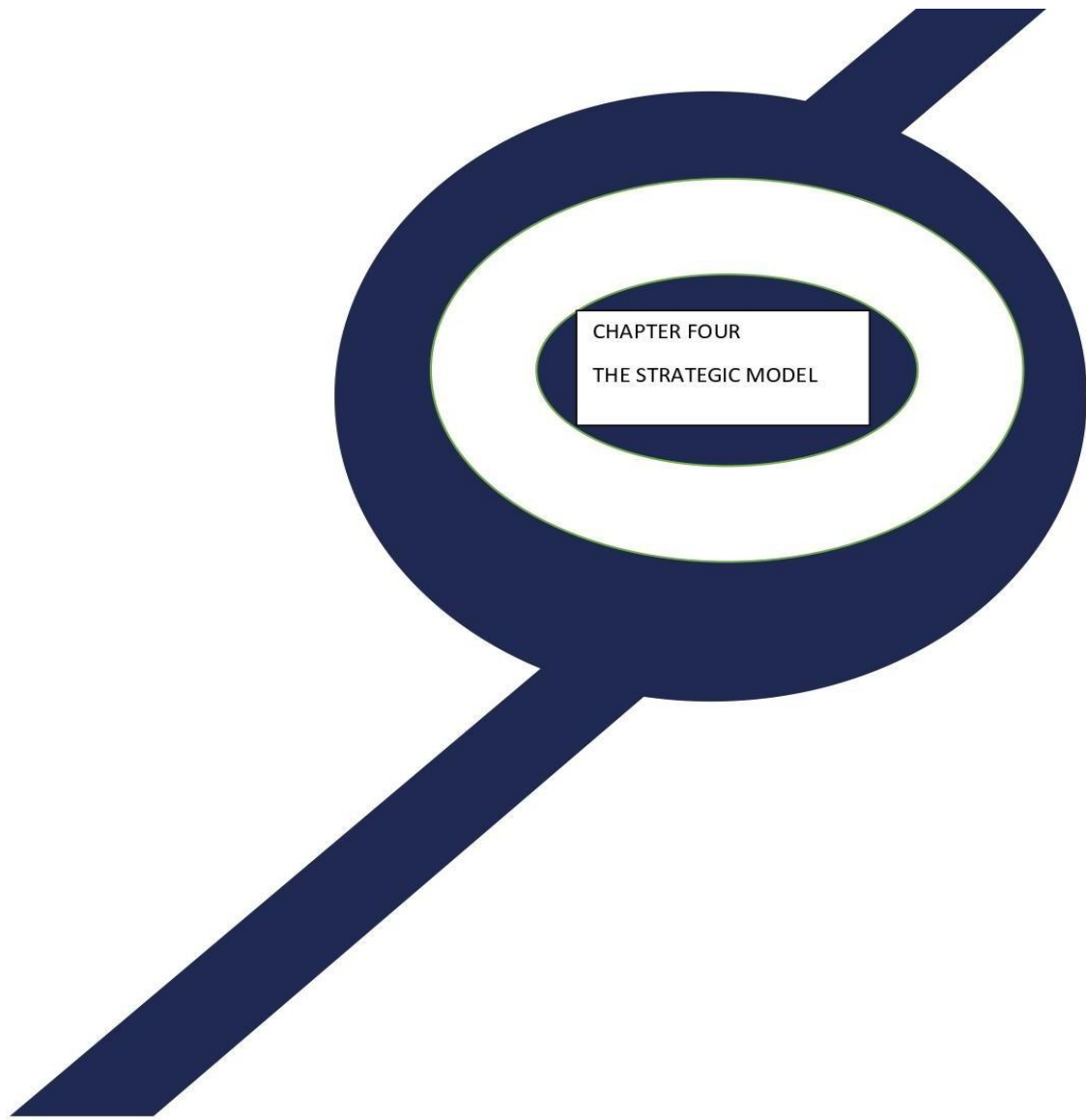
3. OLWASCO Slogan/Motto

A slogan is a concise phrase that conveys the purpose or identity of an organization. It is designed to be short, memorable, and emotionally engaging, creating an instant connection with the brand, its products, or services. Effective slogans capture attention, highlight key attributes of a company, and often become ingrained in the cultural and social fabric of a company.

OLWASCO Slogan:

“Safe Water, Brighter Futures”

This slogan captures OLWASCO’s mission to provide reliable, safe water and sanitation services. It inspires employees to focus on delivering quality services and reminds the community of the vital role water plays in health, growth, and prosperity.



CHAPTER FOUR

The Strategic Planning Model of OLWASCO integrates the Vision, Mission, Core Values, Key Strategic Priorities, Objectives, Outcomes, and Strategic Initiatives. Its formulation was informed by a comprehensive review of past performance as well as an in-depth analysis of the strategic context, and both the internal and external operating environments.

4.1 Strategic Focus

To effectively respond to pressing challenges related to the quality of water services and the resilience of infrastructure, while sustaining the standards already achieved, OLWASCO has identified key areas of focus for the next five years. Guided by both internal and external analyses, and in consultation with stakeholders, the following seven strategic priority areas have been prioritized, subject to the availability of adequate funding:

- ❖ Expand Access to Safe Water and Sanitation Services
- ❖ Strengthen Operational Efficiency and Service Reliability
- ❖ Enhance Financial Growth and Sustainability
- ❖ Increase Access in Low-Income Areas (LIA)
- ❖ Elevate Customer Experience and Engagement
- ❖ Boost Employee Performance and Capacity Development
- ❖ Uphold Good Governance and Strengthen Corporate Reputation

These strategic areas are regarded as vital and time-sensitive in enabling the utility to fulfill its mandate of providing sufficient and high-quality water supply services that meet customer expectations and satisfaction.

4.2 Strategic Priorities Results Measurement Framework

The Results Measurement Framework equips OLWASCO with a structured approach to monitor and evaluate the progress of its strategic priorities at the highest level. It outlines the strategic outcomes along with corresponding indicators, supported by clearly defined five-year performance targets. This framework enables continuous tracking of progress and assessment of success throughout and beyond the implementation period of the strategy.



BOARD OF DIRECTORS AND STAFF OF OLWASCO

Table 7: Key Strategic Results for 2026 – 2030 Strategic Period

No	Strategic Priority	Strategic Outcomes	Baseline	Results by 2029
1.	Increase water and sanitation coverage and access	Increased water coverage and access	42%	65%
		Increased sanitation coverage and access	75%	85%
		Increased sewerage coverage and access	1.5%	5%
2.	Improve Operational Efficiencies	Reduce NRW	35%	28%
		Adherence to drinking water quality standards	62%	100%
		Adherence to wastewater standards	92%	100%
		Improved hours of supply	19	22
3.	Improve Financial Sustainability	Increased monthly revenue	4.8M	10M
		Improved Collections	91%	96%
		Increase customer connectivity	4036	8780
		Reduce Personnel expenditures as a % of O & M	44%	35%
		Increase O&M Cost Coverage	99%	120%
4.	Improve access in the LIA	Improve access to water in the LIA areas of coverage	11%	30%
		Improve access to Sewerage in the LIA areas of coverage	0.5%	3%
5.	Customer Satisfaction	Increased customer satisfaction	69%	89%
6.	Improve Employee Productivity	Increased employee productivity from 13	13	9
		Improved employee satisfaction	68%	90%
		Increase Training Expenditure as a % of O & M	1%	5%
7.	Enhance Corporate Governance and Image	Enhanced good corporate governance	80%	90%
		Enhanced credit worthiness	41%(BB)	54%(BBB)
		Improved corporate accountability	93%	100%

4.3 Implementation of OLWASCO Strategic Priorities

The strategic themes are anchored on the key areas of concern that OLWASCO must prioritize in order to effectively realize its Mission. These themes inform the identification of strategic outcomes and guide the formulation of strategic initiatives designed to ensure the successful attainment of the organization's commitments.

4.3.1 Strategic Priority 1: Expansion of Water and Sanitation Access and Coverage

Water and sanitation coverage refers to the proportion of the population with reliable access to safe drinking water and adequate sanitation services, either through direct household connections or within reasonable reach of public water points. According to WASREB Impact Report 17, OLWASCO's water coverage increased from 38% in 2023 to 39% in 2024. Building on this progress, OLWASCO has set an ambitious target to increase water coverage from the current 42% to 65% over the strategic plan period. In sanitation, coverage currently stands at 75%, with a target of increasing it to 85%. To achieve these objectives, OLWASCO will prioritize expanding water production capacity, strengthening and extending distribution infrastructure, and enhancing sustainable water resource management. On sanitation, the Company will focus on expanding sewerage infrastructure, improving onsite sanitation options, and adopting innovative ecological sanitation technologies to ensure equitable and sustainable service delivery.

TABLE 8: Strategic Priority 1: Outcomes and Initiatives

Strategic Outcomes	Strategic Initiatives
Increased water coverage and access from 42% to 65%	Increase water production capacity
	Increase water network infrastructure
	Manage water resources
Increased Sanitation Coverage and Access from 75% to 85%	Adopt ecological sanitation solutions and technologies
	Increase capacity for sanitation management
	Increase sewerage coverage and access from 1.5 % to 5%

4.3.2 Strategic Priority 2: Improve Operational Efficiency

The operational efficiency of a utility is evaluated by comparing the unit cost of producing water with the unit cost of water billed. By identifying and applying cost-reduction measures, a utility can strengthen its financial sustainability while delivering improved services. OLOWASCO continues to focus on lowering operational costs through better utilization of existing infrastructure, enhanced workforce productivity, and optimized resource management. In addition, the Company is intensifying efforts to improve revenue collection efficiency and streamline operations across the entire service chain, including water treatment, distribution, and customer engagement.

The regulator assesses operational sustainability using key indicators such as Non-Revenue Water (NRW), metering, coverage, and staff productivity. OLOWASCO has realized gradual improvements in NRW reduction and staff productivity, while maintaining stability in metering performance. Looking ahead, the Company is committed to enhancing operational efficiency by reducing NRW from **35% to 28%**, ensuring **100% compliance with drinking water quality and wastewater standards and regulations**, lowering the cost of potable water production, strengthening asset management practices, upgrading both potable water and wastewater infrastructure, and leveraging modern technologies to improve water service delivery and resource recovery.

TABLE 9: Strategic Priority 2: Outcomes and Initiatives

Strategic Outcomes	Strategic Initiatives
Improved Operational Efficiency	Reduce NRW from 35% to 28%
	Ensure 100% Adhere to Drinking and Wastewater Standards and Regulations
	Reduced cost of potable water production and water resource recovery
	Asset management (Improve Assets)
	Improve potable water and water resource recovery infrastructure
	Adopt and Optimize technology for potable water and water resource recovery processes

4.3.3 Strategic Priority 3: Improve Financial Sustainability

Sound financial management is essential to the successful implementation of OLOWASCO's strategic priorities. The finance function plays a critical role in planning, directing, organizing, and controlling financial resources in a manner that supports the utility's mission and secures long-term sustainability. OLOWASCO seeks to strengthen financial sustainability by enhancing operational efficiency, improving cost management practices, and mobilizing both internal and external resources to finance operations and capital investments. To achieve this, the Company will adopt

strategies aimed at ensuring full coverage of operational costs in line with sector benchmarks. The expected outcomes of these efforts include: (i) improved coverage of operation and maintenance (O&M) costs, (ii) higher collection efficiency, (iii) enhanced billing efficiency, (iv) expansion of the revenue base, (v) effective recovery of outstanding debts, and (vi) implementation of robust financial management systems.

TABLE 10: Strategic Priority 3: Outcomes and Initiatives

Strategic Outcomes	Strategic Initiatives
Improved financial performance	Improve monthly revenue from 4.8M to 8M
	Improve collection efficiency to 98%
	Increase customer connectivity from 4036 to 8780
	Sustainable financing of LIAs
	Diversify alternative revenue streams
	Manage Debt portfolio
Cost management	Automation of financial processes
	Efficient supply chain management processes
	Manage operational cost
Efficient Financial management	Compliance to best financial management practices
	Effective budgeting process
	Comply with regulatory and statutory obligations

4.3.4 Strategic Priority 4: Enhance Employee Productivity

Employee productivity reflects the efficiency with which staff are utilized in delivering quality services to customers. In the water sector, this is commonly measured by the number of personnel per 1,000 water and sewer connections, as guided by WASREB benchmarks. Staff productivity is a key determinant of a utility's overall efficiency, as it directly influences the cost of service delivery. To improve performance in this area, OLWASCO is committed to fostering a conducive work environment, promoting employee wellness and engagement, advancing talent development and continuous learning, strengthening diversity, equity, and inclusion, nurturing effective leadership and a positive organizational culture, and leveraging technology to automate human resource functions and processes.

TABLE 11: Strategic Priority 4: Outcomes and Initiatives

Strategic Outcomes	Strategic Initiatives
Improve employee productivity from 13 to 9	Attract and retain competent staff
	Undertake a staff rationalization exercise
	Implement a responsive organization structure
	Promote Talent Development & Learning
	Implement a robust performance management system
Increased employee satisfaction levels from 68% to 90%	Improve employee motivation
	Improve staff welfare
	Improved working environment
	Provide adequate office infrastructure
	Provide employees with working tools
	Strengthen Diversity, Equity & Inclusivity
	Develop, review and implement institutional policies and

Strengthened human resources function	procedures
	Develop integrated human resources information management system

4.3.5 Strategic Priority 5: Enhance Customer Satisfaction

Customer satisfaction is central to OLWASCO's mandate of delivering reliable and high-quality services in line with regulatory standards on quality, affordability, and responsiveness. The provision of safe and dependable water and sanitation services not only strengthens consumer confidence but also promotes willingness to pay, thereby improving the utility's financial sustainability. Under this strategic priority, OLWASCO will focus on strengthening its reputation for service excellence while safeguarding water quality from source to tap. Key interventions will include fostering a customer-centric culture among staff, enhancing consumer engagement, strengthening feedback and grievance redress mechanisms, implementing a customer-focused marketing and communication strategy, expanding digital platforms for customer interaction, and improving stakeholder relationship management through structured and inclusive engagement processes.

TABLE 12: Strategic Priority 5: Outcomes and Initiatives

Strategic Outcomes	Strategic Initiatives
Increased customer satisfaction level from 69% to 85%	Strengthen customer service management systems
	Entrench a customer focus culture among all employees
	Enhance consumer engagement and improve on the management of consumer feedback mechanisms
	Develop and implement a customer focused marketing strategy/plan
	Enhance digital interaction
	Management of Stakeholder relationships through advocacy.
	Improve on the levels of customer satisfaction

4.3.6 Strategic Priority 6: Strengthen Corporate Governance and Institutional Image

Compliance with sector regulations is often influenced by the capacity, commitment, and understanding of Water Service Providers regarding regulatory requirements. In this regard, OLWASCO is committed to enhancing the capacity of its Board and Management Team to strengthen governance practices and ensure full compliance with applicable laws and standards. The Company will reinforce corporate governance structures, implement an enterprise-wide risk management framework, and promote accountability and transparency across all operations. In addition, OLWASCO seeks to strengthen its institutional image by improving visibility, raising public awareness on the value it delivers, and fostering effective engagement with customers and stakeholders. To this end, the utility will work on standardizing its brand presence, enriching both internal and external communication, and advancing its Corporate Social Responsibility (CSR) initiatives as a means of deepening community trust and stakeholder confidence.

TABLE 13: Strategic Priority 6: Outcomes and Initiatives

Strategic Outcomes	Strategic Initiatives
Enhanced board capacity in good governance	Strengthen the capacity of the Board on corporate governance
	Reinforce the structures and instruments of good corporate governance
	Undertake annual board evaluations
Reduced exposure to risks	Implement enterprise-wide risk management framework
	Protect company assets

	Ensure effective Audits
Improved stakeholder relations	Undertake stakeholder engagements
	Ensure annual reporting to stakeholders
	Ensure fulfilment of external/statutory requirements
	Develop sustainable partnerships
Mobilize resources	Lobby for increased resources
Reduced exposure to risks	Implement the organization core values
	Enhance internal and external communication
	Improve company branding



JOINT CONTRACT SUPERVISION TEAM MADE UP OF COUNTY GOVERNMENT OF NYANDARUA, AfDB, CRVWWDA, OLWASCO & LOSAI CONSULTANTS LIMITED FOR THE KTSWSSP

CHAPTER FIVE

THE IMPLEMENTATION OF THE STRATEGIC PLAN

5.1 Strategy Implementation Framework

The implementation phase represents the execution stage of the strategic plan, where identified strategies are translated into actionable initiatives. Key activities in this phase include setting annual objectives, formulating supportive policies, allocating the necessary resources, and aligning organizational structures to facilitate delivery. Central to this process is the Implementation Matrix provided in the Appendix, which outlines the strategic deliverables. To operationalize these deliverables, management will be required to develop annual action plans derived from the matrix to guide monthly activities, track progress, and ensure performance accountability.

5.2 Strategy Implementation Key Success Factors

For successful execution of the Strategic Plan, OLOWASCO must take into account a number of critical success factors that will determine the effectiveness of translating strategies into action. These factors provide the foundation for moving from the formulation stage of the plan to its practical implementation. The illustration below highlights the key elements required to ensure success in this transition.



5.3 Institutional Framework for Plan Implementation and Coordination

For successful execution of the current strategic plan, OLOWASCO will establish and operationalize an appropriate human resource framework by recruiting and positioning essential personnel. This framework will be designed in line with the strategic priorities and introduced in phases throughout the implementation period, guided by the efficiency gains realized. Periodic reviews of the

organizational structure will be undertaken to assess effectiveness and recommend adjustments where necessary. The governance system of the company will steer the implementation process, cascading from the Board of Directors through management to the entire staff, as elaborated below.

5.4 OLWASCO Corporate Governance Structure

The governance of OLWASCO is entrusted to a Board of Directors consisting of seven (7) members, including the Managing Director. The Board provides overall policy direction and oversight, while the day-to-day operations are managed by the corporate management team led by the Managing Director under the Board's supervision. The Board is responsible for formulating policies, safeguarding the company's strategic direction, and ensuring sound control of financial, operational, and compliance matters. To effectively discharge its mandate, the Board operates through three committees, namely:

- ✧ Technical and Commercial Committee
- ✧ Finance and Human Resource Committee
- ✧ Audit, Risk and Governance Committee

The Board is accountable to the County Executive Committee Member (CECM) responsible for the Department of Water and Sanitation within the Nyandarua County Government. Its members are charged with offering strategic leadership and ensuring effective oversight of the company's management. The mandate of the Board includes:

- i) Providing leadership in steering the organization, defining its objectives, and outlining the means of achieving them.
- ii) Embedding sound corporate governance practices across all levels of the company.
- iii) Guiding management in formulating key policies, approving such policies, and ensuring adherence to approved frameworks.
- iv) Monitoring organizational and management performance against the strategic plan and budgetary provisions.
- v) Fostering constructive engagement and relationships with stakeholders.
- vi) Ensuring the organization's compliance with statutory requirements and regulatory obligations.

5.4.1 OLWASCO Corporate Management Structure

The day-to-day operations of OLWASCO are overseen by the Corporate Management Team (CMT). This team comprises the Managing Director and the Heads of Departments/Senior Managers, each with distinct roles and responsibilities that collectively ensure the efficient management and delivery of the company's mandate.

5.4.2 The Office of the Managing Director (MD)

The Managing Director (MD) is entrusted with the overall responsibility of ensuring the effective and efficient management of OLWASCO's daily operations, guided by the policy directions of the Board of Directors. In fulfilling this role, the MD works closely with the Heads of Departments. The key responsibilities of the MD include:

- ✧ Interpreting and implementing decisions made by the Board.
- ✧ Guaranteeing the efficient and reliable delivery of water and sewerage services.
- ✧ Ensuring full compliance with the conditions of the Service Provision License.
- ✧ Overseeing the development and execution of company policies and procedures
- ✧ Ensuring timely and accurate preparation of financial and operational reports for stakeholders
- ✧ Providing leadership and supervision to drive the achievement of the company's mandate.

- ✧ Leading strategic initiatives of the company.
- ✧ Mobilizing both financial and non-financial resources to support investments and enhance efficiency.

5.4.3 OLWASCO Departments

To effectively deliver on its mandate, OLWASCO operates through functional departments that address key areas of the company's operations. These departments and their respective focus areas are:

- Technical Services Department
- Commercial Services Department
- Finance & Accounting Department
- Human Resources and Administration Department
- Internal Audit, Risk and Compliance Department
- Supply Chain Department
- Monitoring & Evaluation Department

5.4.4 OLWASCO Organizational Structure

5.5 Financing the Strategic Plan

The success of the strategic plan depends on the availability of sufficient financial resources to implement the identified initiatives. OLWASCO's Board and Management are committed to prioritizing resource mobilization to guarantee that both strategic and operational budgets are adequately financed, enabling staff to translate the plan into action. To achieve this, the company will pursue diverse funding streams including internally generated revenues, county and national government allocations, donor support, and private sector or commercial financing. Before engaging in commercial or private sector facilities, the Board will carefully assess their implications and ensure that such options demonstrate clear cost–benefit justification.

5.5.1 Strategic Plan Implementation Budget

The successful execution of the Strategic Plan will require a total budget of KES 1,398,050,000. This amount will be allocated across the five-year implementation period, guided by the planned annual activities. The distribution of resources is aligned to the seven Strategic Priorities, as outlined in the table below.

TABLE 14: Strategic Plan Implementation Budget

Strategic Priority	Amount (Kshs Million)
Strategic Priority 1: Increase Water and Sanitation Access and Coverage.	1004.95
Strategic Priority 2: Improve Operational Efficiency	265.95
Strategic Priority 3: Financial Sustainability	78.8
Strategic Priority 4: Improved LIA Initiatives	5.75
Strategic Priority 5: Increase Customer Satisfaction	16.00
Strategic Priority 6: Increase Employee Productivity	5.80
Strategic Priority 7: Improved Corporate Governance and Image	20.8
Total Budget	1398.05

The required budget is anticipated to be financed through a mix of sources, including internally generated revenue, commercial financing, as well as grants and support from the national government, county government, and development partners, as elaborated in the section below;

5.5.2 Proposed Sources of Funds

Given the limited capacity of OLWASCO to generate sufficient internal resources, the successful implementation of this strategy will depend on external funding. The potential funding sources include:

County Government of Nyandarua

As the principal shareholder, the County Government of Nyandarua is expected to provide both short and long-term financial support for infrastructure development. Several of the proposed projects in this strategy are envisioned as joint initiatives between OLWASCO and the County Government.

Development Partners and NGOs

OLWASCO will seek to establish and strengthen partnerships with development partners and non-governmental organizations (NGOs) whose objectives align with the company's strategic priorities. These collaborations will provide both financial and technical support for critical programs (JICA, WWF, VIENS, CEWAS, WSUP, MIALE etc).

Commercial Financing

To attract commercial lending from banks and other financial institutions, OLWASCO will work to strengthen its creditworthiness. Such financing will primarily support medium- to long-term infrastructure investments and may be accessed through concessionary or market-based facilities.

National Government

The National Government is expected to provide an enabling environment and direct financial support for both short- and long-term infrastructure needs. Strategic engagement will also be pursued with government agencies such as the Water Sector Trust Fund (WSTF), the Water Works Development Agencies, and specifically the Central Rift Valley Water Works Development Agency (CRVWDA), to secure funding for large-scale infrastructure projects.

TABLE 15: Sources of Funds

Sources	2026/27	2027/28	2028/29	2029/30	2030/31	Total
Revenue						
Water	55,393,501	60,932,852	67,026,137	73,728,751	81,101,626	338,182,867
Reconnection fee	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	12,000,000
Water & Sewerage Connection	2,372,000	4,622,000	4,622,000	4,622,000	4,622,000	20,860,000
Exhauster	540,000	540,000	540,000	540,000	540,000	2,700,000
Sewerage	12,025,438	13,197,478	14,517,226	15,969,226	17,566,148	73,275,516
Miscellaneous charges	177,166	194,883	214,371	235,808	259,389	1,081,617
Total	72,908,105	81,887,213	89,319,734	97,495,785	106,489,163	448,100,000
Debt Collection	2,400,000	2,400,000	2,400,000	2,400,000	2,400,000	12,000,000
External Funding (Donors)	5,000,000	10,000,000	15,000,000	20,000,000	25,000,000	75,000,000
Regularize Illegal Water & Sewer Connections	470,000	470,000	470,000	470,000	470,000	2,350,000
County government	21,400,000	21,400,000	21,400,000	21,400,000	21,400,000	107,000,000
National Government	69,380,000	156,305,000	156,305,000	156,305,000	156,305,000	694,600,000
Commercial Financing	11,800,000	11,800,000	11,800,000	11,800,000	11,800,000	59,000,000
Total Other Sources	110,450,000	202,375,000	207,375,000	212,375,000	217,375,000	949,950,000
Total Revenues	183,358,105	284,262,213	296,694,734	309,870,785	323,864,163	1,398,050,000

5.6 Risk Management

OLWASCO operates in a challenging environment where limited resources must be invested in initiatives that often involve uncertainty. The company must adapt to constantly changing circumstances while at the same time assuring stakeholders that both management and the Board are safeguarding and enhancing organizational value in the face of evolving risks.

To address this, OLWASCO will adopt and implement a comprehensive risk management framework. This framework will provide the necessary oversight, controls, and discipline to strengthen the company's ability to anticipate, assess, and respond to risks effectively. Enterprise Risk Management (ERM) offers the tools, processes, and methodologies required to evaluate and manage uncertainties in a proactive manner, ensuring the creation of sustainable value for stakeholders.

A structured risk framework is therefore essential in enabling OLWASCO to navigate a dynamic and unpredictable environment. In support of the strategic plan, a risk analysis has been developed to identify, assess, and address potential challenges that may hinder the successful implementation of key initiatives and projects.



PUBLIC PARTICIPATION FOR THE PROPOSED THITAI BOREHOLE

TABLE 16: Risk Analysis Matrix

Type of Risk	Risk Description	Risk Likelihood	Impact of the Risk	Mitigation Measures
Strategic Risk	Failure to meet obligations outlined in the Service License	High	High	• Implement the Strategic Plan as scheduled. • Conduct annual performance reviews of the strategy.
	Insufficient financial resources to support initiatives	High	High	• Develop and implement a resource mobilization framework. • Strengthen collaboration with County and National Governments. • Pursue strategic partnerships and funding opportunities.
	Escalating levels of Non-Revenue Water (NRW)	High	High	• Roll out the NRW Reduction Program. • Upgrade and rehabilitate aging water infrastructure..
Operational Risk	Frequent breakdowns of water supply and sewerage systems	High	High	• Adopt Total Preventive Maintenance (TPM). • Enforce Business Continuity and emergency response plans.
	Failure of internal systems and processes	High	High	• Strengthen preventive maintenance practices. • Enhance business continuity measures.
	Damage or vandalism of water and sewer infrastructure	High	Medium	• Improve asset security and monitoring. • Introduce whistle-blowing channels. • Promote community awareness and engagement.
Financial Risk	Budget overruns on projects and operations	Medium	Medium	• Enforce strict financial controls. • Ensure compliance with Board-approved budgets.
	Customer defaults and nonpayment for services	Medium	Medium	• Implement a robust debt recovery and management policy.
Reputation Risk	Negative publicity, strained stakeholder relations, or poor public perception	Medium	Medium	• Strengthen stakeholder engagement and partnerships. • Ensure compliance with water quality and wastewater standards. • Implement pro-poor service delivery strategies in low-income areas. • Improve communication channels to consumers.
Compliance Risk	Non-adherence to statutory, regulatory, and legal requirements	Medium	Medium	• Ensure timely submission of statutory remittances and financial reports. • Maintain 100% compliance with water quality and wastewater standards.
Technological Risks	System downtime, IT hardware/software failures, or cyber threatss	Medium	Medium	• Establish and implement disaster recovery and risk reduction plans. • Train staff on IT risk management and cyber security awareness.



CHAPTER SIX

PERFORMANCE MONITORING, EVALUATION AND REPORTING

6.1 Introduction

A well-structured Monitoring and Evaluation (M&E) framework is essential for ensuring efficiency, timeliness, and quality in the delivery of the strategic plan's objectives. The implementation of this plan will undergo periodic reviews to assess progress on key deliverables. These reviews will evaluate how resources have been utilized, the outputs realized, and the short-term outcomes achieved. In addition, the review process will highlight challenges encountered, issues arising, and lessons learned to inform continuous improvement.

6.2 Monitoring and Evaluation (M&E) Framework

To guarantee effective tracking of the strategic plan's implementation, the following M&E framework will be applied:

- Overall responsibility for monitoring and evaluation rests with the Board of Directors.
- The Board assigns this oversight role to a designated Board Committee responsible for reviewing progress.
- OLVASCO management will establish a Strategic Plan Implementation Committee (SPIC) comprising representatives from all departments to coordinate and oversee M&E activities. This committee will meet quarterly to assess progress and address emerging issues.
- SPIC will provide quarterly reports to the Corporate Management Team, led by the Managing Director.
- The Managing Director will in turn present quarterly progress reports to the Board of Directors, ensuring accountability and alignment with strategic objectives.

6.2.1 Monitoring

Monitoring will play a central role in identifying gaps, weaknesses, or delays that require management intervention. Regular reporting—on a daily, weekly, monthly, and quarterly basis—will form the backbone of this function. To enhance effective participation in the implementation of the strategic plan, the following measures will be adopted;

- Develop and apply standardized tools and formats for data collection and reporting, clearly outlining timelines and the type of information required.
- Institutionalize a Performance Management System to hold all officers accountable for resource utilization and achievement of set targets.
- Ensure optimal use of available resources to support the seamless execution of strategic plan activities.

6.2.2 Evaluation

Evaluation will focus on measuring actual performance against planned targets, identifying variances, analyzing their causes, and recommending corrective measures, including possible adjustments to objectives and strategies. It will also assess the relevance, effectiveness, efficiency, and sustainability of activities undertaken within the strategic plan.

For this five-year plan, two levels of evaluation will be carried out:

- ◆ **Mid-term Review (2027/2028):** This will assess progress at the halfway mark, highlight achievements and challenges, and propose adjustments to ensure the plan remains on track.
- ◆ **Final Evaluation (at the end of the plan period):** This will comprehensively review the overall implementation, assess whether objectives were achieved, document successes and failures, and capture lessons to inform the next strategic planning cycle.

Both evaluations will be guided by key questions, such as;

- ◆ To what extent were the objectives consistent with stakeholder needs and expectations?
- ◆ How efficiently were financial, technical, and human resources used to deliver results?
- ◆ To what degree were the objectives achieved relative to their importance?
- ◆ What positive and negative outcomes emerged from implementation?
- ◆ What obstacles hindered achievement of goals, and how can they be addressed in future planning?
- ◆ What lessons can be drawn to strengthen future strategy development for OLWASCO?

6.3 Cascading the Strategic Plan

To ensure that the strategic plan is translated into actionable outcomes, OLWASCO will apply a cascading framework that aligns high-level goals with operational activities. This framework will operate across three levels:

- **Corporate Work Plan/Targets** – Overall priorities and targets of the organization.
- **Departmental/Divisional/Unit Work Plans** – Functional plans aligned to corporate objectives.
- **Individual Employee Work Plans** – Personal targets and responsibilities that contribute to departmental and organizational goals.

Through this approach, the corporate vision will be broken down into measurable objectives at every level of the company, ensuring accountability. Rewards, recognition, and incentive mechanisms will also be tied to performance outcomes.

6.4 Performance Measurement

A robust performance measurement framework is essential for monitoring progress and linking strategies to results. This framework connects organizational activities and resources with the desired outcomes.

To assess performance, OLWASCO has identified Key Performance Indicators (KPIs) aligned with its strategic objectives. These KPIs will serve as the foundation for performance tracking, internal reporting, and accountability to stakeholders.

Implementation of the plan will also be supported by a **Performance Management Framework**, including tools such as the Balanced Scorecard, to ensure that strategic priorities are effectively translated into measurable results. The Balanced Scorecard (BSC) will be applied as a key performance management tool for OLWASCO. Its implementation will be anchored on three critical elements:

- a) **Performance Objectives** – The strategic goals that must be achieved and the factors critical to success.
- b) **Measures** – The indicators that will be used to track and assess progress.
- c) **Targets** – The performance expectations to be met within a given timeframe.

The OLWASCO BSC will emphasize four perspectives, which will form the foundation for evaluating employee performance across the organization:

- a) **Financial Perspective**
- b) **Customer Satisfaction Perspective**
- c) **Internal Business Process Perspective**
- d) **Learning and Growth Perspective**

To ensure effective implementation of the BSC, OLWASCO will:

- ❖ Translate strategic priorities into operational outcomes by cascading them into departmental and individual performance objectives.
- ❖ Align its organizational structure, policies, procedures, and systems to support the strategy.
- ❖ Integrate strategy into daily operations through employee performance plans.
- ❖ Make strategy a continuous process by monitoring and reviewing performance regularly against expected outcomes.
- ❖ Drive organizational change through strong executive leadership, ensuring employees share a common vision and are guided through coaching, mentoring, motivation, and inspiration toward achieving it.

6.5 Reporting Mechanisms

The Monitoring and Evaluation (M&E) framework will produce periodic reports to track progress and inform decision-making. These will include:

i) Monthly Implementation Progress Reports

Each department will be required to prepare and submit monthly updates on key performance indicators and activities. These reports will be forwarded to the Finance Department by the 10th day of the following month.

ii) Quarterly Performance Review Reports

Performance at all levels will be reviewed quarterly to assess progress against the Strategic Priorities outlined in this plan. The Strategic Plan Implementation Committee (SPIC) will analyze the reports, deliberate on key findings, and agree on corrective actions. Once finalized, the report will be presented to the Board of Directors.

iii) Annual Strategic Plan Performance Report

An annual performance report will be prepared to capture the overall progress of the plan. This report will be validated in a stakeholder forum to:

- Gather feedback and insights from stakeholders.

- Reduce bias by subjecting the findings to open discussion with M&E actors and objective owners.
- Build consensus on achievements, challenges, and lessons learned.
- Enhance stakeholder ownership and commitment to the M&E process.



PUBLIC PARTICIPATION FOR KIRIMA WATER PROJECT

APPENDICES

Appendix 1: Implementation Plan

Strategic Priority 1: Increase Water and Sanitation Access and Coverage

Outcome 1.1 Increase Water Coverage and Access from 42% to 65%

Strategic	Activities Initiatives	Target/Timelines					Budget Actor ('M' KES)	
		Y1	Y2	Y3	Y4	Y5		
Increase Water Production Capacity	Construct a common intake at Malewa River	-	-	50	50	50	150M	CMT
	Rehabilitate Intake at Nyairoko River, construct treatment works and distribution network		35	35			70M	CMT
	Equipping and distribution systems for Manyatta and Thitai Boreholes	-	7	7	7	-	21M	CMT
	Drilling, equipping and distribution systems for four(4) boreholes at Tumaini and Wanjura	-	10	10	12	-	34M	CMT
Grow Water Network Infrastructure coverage	Interconnection and pipeline network for Mukindu and Mugathika Boreholes		15				15M	CMT
	Pipeline Extensions at Mwihoti(3M), Park Mahinga(3.5M), Simba(5M), Mugumo(4M), Nyambugi(4M), Kianda(2M) Mt. Zion(4M), Kahuho(2.5M), Muiri(1.5M), Kaga Police & Kagaa primary(3M), Teachers(2M), Bahati Primary B/H(3M), Kandutura(2M), kaimbaga Centre(3M)		10	10	10	10	40M	CMT
	Tank, electricity connection and pipeline extension at Kirima Borehole		2	2	2	2	8M	CMT
	Equipping and pipeline for Matura Borehole			4	4		8M	CMT
	Purchase of land at Kiganjo, Mugumo and Nyambugi for Tanks		2	2	2		6M	CMT
	Construction of storage tanks at Githunguri(3.5M), Nyambugi(3M), Kianda(3M), Matura(3M)			3.5	3.5	6	13M	CMT
	Purchase and installation of 6000 of DN 15 and DN 20 Consumer meters	4	4	6	4	6	24M	CMT
	Purchase and installation of 20 DMA meters			2	2	1	5M	CMT
	Develop and implement Water safety plan	-	-	-	0.2	-	0.2M	CMT
	Protect the ecosystem through afforestation, reforestation etc.	-	0.2	0.2	0.2	0.2	0.8M	CMT
Water resources management	Engage community, associations and other government agencies in catchment management activities	-	0.1	0.1	0.1	0.1	0.4M	CMT

Outcome 1.2 Increase Sanitation Coverage and Access from 75% to 85%

Strategic Initiatives	Activities	Target/Timelines					Budget ('M' KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Adopt ecological sanitation solutions and technologies	Construct ten (10) Ventilated improved pit latrines in all town centers within the licensed area with steel reinforced walls and roof slab (0.5M each for common soil, 1M for black cotton soil)			2	2.5	2.5	7.5M	CMT
	Carry out health and hygiene awareness campaigns in safe containment, emptying, and treatment technologies.		0.2	0.2	0.2	0.2	0.8M	CMT
	Participate in the development of the county WASH policy in line with the National Water Policy, Kenya Environmental, Sanitation and Hygiene Policy (KESHP 2016-2030), the Water Act 2016 and the County CIDP			0.5			0.5M	CMT
	Conduct GIS-based mapping of all non-sewered areas, household sanitation types, emptying practices, and safe disposal options.			2			2M	CMT
	Develop the social connection policy for water and sanitation		0.2				0.2M	CMT
	Capacity building: on-board, nurture and grow sanitation specialists among Staffs	0.4	0.4	0.4	0.4	0.4	2M	CMT
	Construction of septic tanks at Kianda, Mwihoti and Mugumo B/H		0.3	0.3	0.3		0.9M	CMT
	Construction of five (5) small fecal sludge treatment facilities with a capacity of at-least 20 m ³ per day(Kanjuiiri and Mirangine wards)		10	10	20	10	50M	CMT
	Purchase of one (1) 10 m ³ capacity exhauster truck			17			17M	CMT
	Pilot 5number ecological toilets	•	•	•	0.75	•	0.75M	CMT

Outcome 1.2 Increase Sewerage Coverage and Access from 1.5% to 5%

Strategic Initiatives	Activities	Target/Timelines					Budget ('M' KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Coverage and Access from 1.5% to 5%	Extend sewer networks by 25Km(Trunk Mains and lateral lines	•	125 •	125 •	125 •	125 •	500M	CMT
	Construct 1500Nr household connections		7.5	7.5	7.5	7.5	30M	CMT
	Increase Capacity for sanitation management through training		0.1	0.1	0.1	0.1	0.4M	CMT

Strategic Priority 2: Improve Operational Efficiency

Outcome 2.1: Reduction of NRW from 35% to 28%

Outcome 2: Reduction of NRW from 55% to 25%		Target/Timelines					Budget (‘M KES)	Actor
Strategic Initiatives	Activities	Y1	Y2	Y3	Y4	Y5		
Reduce NRW	DMA Management							
	Implement hydraulic zoning of the water distribution area (10No District areas) & establish caretaker approach	0.5	0.5	1	1	1	4M	NRWU
	Isolate and manage 5 additional DMAs in critical supply zones (to include real-time monitoring)		2	2	3	3	10M	NRWU
	Construct 1NR Meter testing bench (Semi-Automatic Bench with flow control valves, digital sensors, partial automation / data logging)				8		8M	NRWU
	Carry out CIS and action findings (including full system clean-up)	•	•	5	-	-	5M	CMT
	Review and adopt New connections Procedures	•	•	• 0.1	•	•	0.1M	FAM
	Conclude reviews and adopt meter management policy	•	-	0.1	-	-	0.1M	NRWM
	Meter Management (Inaccuracies)							
	Adopt Smart Metering Technology; 100 Meters	0.6	0.6 •	0.6	0.6 •	0.6	3.0M	NRWM
	Pilot and upscale/Adopt AMR meters for Bulk Meters (10 Meters)	• 1	1 •	1 •	1 •	1 •	5M	NRWM
Develop and implement meter aging, sizing and overhaul inventory and plan (2,000 meters)	•	• 6	6 •	6 •	6 •	24M	NRWM	

Strategic Priority 2: Improve Operational Efficiency (continued)

Outcome 2.1: Reduction of NRW from 35% to 28%

Strategic Initiatives		Activities	Target/Timelines					Budget	Actor
			Y1	Y2	Y3	Y4	Y5	"M"KES)	
Reduce NRW	Meter Management (Data Acquisition and meter reading)								
	Adopt serialized meter tamper-proof seals and conduct mass meter sealing	• 0.2	0.2	0.2	0.2	0.2	1M	NRWM	
	Establish and adopt two (2Nr) public engagement initiatives (including rewarding)	• 0.2	0.2	0.2	0.2	0.2	1M	NRWM	
	Establish an effective whistle-blower initiative and anonymous reporting platform	0.75	•	•	•	•	0.75M	NRWM	
	Prepare a training module and capacity build O &M, M/readers, Revenue and NRW teams on illegal activities management	0.21 •	0.21	0.21 •	0.21	0.21 •	1.05M	HRO	
	Standardize kiosk and 3rd party service providers' operations and infrastructure	•	0.3	-	-	-	0.3M	CMT	
	Active Leak Detection & Control								
	Prepare and implement active leak detection plan	• 0.05	•	•	•	•	0.05M	NRWM	
	Undertake quarterly leak patrols/scouting	• 0.2	0.2 •	• 0.2	0.2 •	• 0.2	1M	NRWM	
	Establish and implement an Leak Management and Control overhaul initiative (PPP)		1.5 •	•	•	•	1.5M	NRWM	
	Pressure Management								
	Installation of monitoring equipment (pressure loggers, telemetry) and linking it to GIS system	• 1	•	•	1 •	•	2M	NRWM	
	Installation of monitoring equipment (pressure loggers, telemetry) and linking it to GIS system	• 0.6	• 0.6 •	• 0.6	• 0.6 •	• 0.6 •	3M	NRWM	
	Acquire 3nr pneumatic Valves for reservoir tanks	•	• 1	2 •	•	1.5 •	4.5M	CMT	
	Speed and quality of O&M								
	Integrate all Data collection and management tools (Kobo & GIS with CRM and ERP(microsoft dynamis 365) and Fully digitize O&M operations, monitoring and analysis	• 5	3	3	3	3	17M	CMT	
	Adopt 1Nr main NRW monitoring dashboard and actualize network monitoring (SCADA)	-	2 •	-	-	-	2M	NRWM	

Strategic Priority 2: Improve Operational Efficiency (continued)

Outcome 2.2: Ensure 100% Adhere to Drinking and Wastewater Standards and Regulations

Strategic Initiatives	Activities	Target/Timelines					Budget ('M' KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Adhere to Drinking and Wastewater(increase DWQ from 62% to 100)	Equip adequately both Portable Water and Waste Water Laboratories	-	0.25	0.25	0.25	0.25	1M	CMT
	Carry out quality analysis on a monthly basis	1	1	1	1	1	5M	CMT
	Develop and Implement a water safety plan		0.5	1.5			2M	CMT
Adhere to Wastewater(in crease Waste water treatment standards from 92% to 95%)Standards and Regulations	Install automated screen for separation of solid and oil at the sewer inlet	-	-	-	10	-	10M	CMT
	Enforce installation of install an automated screen for separation of solids and oil for hotels, garages, slaughter houses	0.1	0.1	0.1	0.1	0.1	0.5M	CMT
	Install Quality monitors at distribution network (reservoirs)	0.5	1.5	2	2	2	8M	CMT
	Improve the water chemical dosing at the treatment plants	1.5	2	2	2	2	9.5M	CMT
	Acquire a Laboratory Information Management System software (LIMS)		-	-	3	-	3M	CMT
	Develop a laboratory Quality management Standards for both Water and waste Water laboratories	-	1	-	-	-	1M	CMT

Outcome 2.3: Reduced cost of potable water production and water resource recovery

Strategic Initiatives	Activities	Target/Timelines					Budget ('M' KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Reduce cost of potable water production and water resource recovery	Carry out energy audit		2				2M	CMT
	Solarization of Kambi, Huruma, Headquarters and Park Boreholes (each at least 10kVA solar system)		2	2	2	2	8M	CMT
	Solarization of Manyatta and Thitai boreholes (each at least 10kVA solar system)	-			2	2	4M	CMT
	Solarization of four (4) boreholes to be drilled in Tumaini and wanjura (each at least 10kVA solar system)				2	2	4M	CMT
	Replace old pumps and improperly sized pumps (Omega & Caprari) and motors with energy efficient pumps & Motors, 5nr.			2.5	2.5	2	7.5M	CMT

Strategic Priority 2: Improve Operational Efficiency (continued)

Outcome 2.4: Effective Management of assets

Strategic Initiatives	Activities	Target/Timelines					Budget (M KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Improve efficiency of Portable Water Infrastructure	Install(replace) 145 new valves on existing networks for network efficiency (Air valve-50, Wash out-15, NRV-5, Hydrants-5, Isolation valves-65, PRV-3, Surge Vessels-2)	0.5	0.5	1	1	1	3M	CMT
	Construct 145 complete valve chambers (145 new installations, 35 valves without chambers) and replace 80 chamber covers		0.25	0.25	0.25	0.25	1M	CMT
Waste Water Resource Recovery Infrastructure	Install measuring equipment at the STP inlet, 6No measuring gauge for the DTF	.	2	2	4	4	12M	CMT
	Set up tree nursery project, 10,000 Trees	0.1	0.1	0.05	0.05	0.05	0.35M	CMT
	Improve & Construct Wastewater Manholes at the service lines, 50nr	0.5	0.5	1	1	1	4M	CMT

Outcome 2.5: Improve potable water and water resource recovery infrastructure

Portable Water Resource Recovery Infrastructure	Rehabilitate 3nr concrete clear water tanks		10	0.5	0.5	1	12M	CMT
	Overhaul/Augment old pipe network, (Appr. 50km); UPVC & GI Pipes	.	10	10	10	10	40M	CMT
	Procure a mini excavator for heavy excavation works	.	-	5	-	-	5M	CMT
	Procure a pressure tapping tool for efficient connections with running water (1" -16')	.	.	-	0.75	-	0.75M	CMT
	Procure 2 number electrofusion machines for PE pipe material repair works (2" -9") & Procure pneumatic pipe cutters for efficient and effective pipe repairs under water (2" -9")	-	.	1	1		2M	CMT
Adopt and Optimize technology for potable water and water resource recovery processes	Acquire and onboard a SCADA system (Flow, Pressure, Level, Quality, Pumps, Actuators)		2	1	-	-	3M	TSM
	Automation of Backwashing system for Vatican Treatment Plant	-		1.5	-	-	1.5M	TSM
	Acquire and Maintain Tank level monitoring system	-	0.5	0.5	0.5	-	1.5M	TSM
	Develop an Internet Of Things Platform	-	0.5	-	-	-	0.5M	ICTM
	Develop and maintain hydraulic model	-	3	3	4	-	10M	NRWU
	Acquire enterprise GIS software -ArcGIS pro with utility manager extension	-	3	-	-	-	3M	NRWU
	Acquire improved Field Data Collection and Mobile GIS hardware -GPR pipe locator, Geodetic GPS, Total Station, GIS mobile mappers, UAV/ Drone		-	2	-	1	3M	NRWU

Strategic Priority 2: Improve Operational Efficiency (continued)

Outcome 2.5: Improved potable water and water resource recovery processes

Strategic Initiatives	Activities	Target/Timelines					Budget ('000 KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Adopt and Optimize technology for potable water and water resource recovery processes	Acquire hydraulic modelling and design software -WaterGems, AutoCAD	-	-	3	-	-	3M	NRWU
	Train staff on the new emerging technologies in O&M	0.2	0.2	0.2	0.2	0.2	1M	HRO

Strategic Priority 3: Financial Sustainability

Strategic Outcome 3.1 Improved Financial Sustainability

Strategic Initiatives	Activities	Target/Timelines					Budget ('M KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Improve monthly revenue from 5M to 10M	Enhance supervision	.	.	.	.	.		CMT
	Reactivation of dormant accounts (1500)	0.2	0.2	0.2	0.2	0.2	1M	CMT
	Enhance Tariff Application(introduce penalties for late payment, sanitation levy, discounts for pre-payment	.	.	.	.	.		CMT
	Conduct regular meter testing and calibration	0.5	0.5	0.5	0.5	0.5	2.5M	CMT
	Create/upgrade a digital self-service portal or mobile app for billing inquiries, meter and reading submission			0.3			0.3M	CMT
Improve collection efficiency to 96%	Timely delivery of bills by 28th of every month	0.6	0.6	0.6	0.6	0.6	3M	ICT/ CMT
	Timely Disconnection of unpaid accounts	0.6	0.6	0.6	0.6	0.6	3M	CMT
	Timely resolution of billing disputes	.	.	.	.	.		CMT/ HCA
	Send regular payment reminders	0.24	0.24	0.24	0.24	0.24	1.2M	ICT/ CMT
	Adopt an account strategy (corporate A/ cs)	.	.	.	.	.		HODS
Increase customer connectivity from 4565 to 8780	New Water connection	2.4	2.4	2.4	2.4	2.4	21M	CMT
	Regular consumer engagement during public barazas, chief's barazas, door to door engagements	0.1	0.1	0.1	0.1	0.1	0.5M	CMT
Sustainable financing of LIAs	Establish a revolving fund for WASH services		5	5	5	5	20M	CMT
	Develop and Implement Resource mobilization strategy		0.5				0.5M	CMT
	Broaden the portfolio of partners	1	1	1	1	1	5M	CMT

Strategic Outcome 3.1 Improved Financial Sustainability

Strategic Initiatives	Activities	Target/Timelines					Budget ('M KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Diversify alternative revenue streams	Exhauster services							CMT
	Test bench calibration services	.	.	.	.	.		CMT
	Fines and surcharges	.	.	.	.	.		CMT
	Reconnection fees	.	.	.	.	.		CMT
	Disposal of obsolete items	.	.	.	.	.		FAM
	Commercializing sludge	0.2	0.2	0.2	0.2	0.2	1M	CMT
	Develop funding proposals	0.1	0.1	0.1	0.1	0.1	0.5M	FAM/ CMT
Manage Debt portfolio	Continuous implementation of debt policy		0.5				0.5M	CMT
	Adopt an account strategy for all corporate accounts	.	.	.	.	.		HODS
	Timely collection of current bills	96%	96%	96%	96%	96%		CMT
	Timely adjustment of erroneous bills	.	.	.	.	.		CMT
	Strengthening of debt collection processes	.	.	.	.	.		CMT
	Carry out debt analysis			0.3			0.3M	CMT
	Write off of bad debts	1	1	1	1	1	5M	CMT/ FAM

Strategic Outcome 3.2 Cost Management

Strategic Initiatives	Activities	Target/Timelines					Budget ('000 KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Automation	Enhance dosing systems for boreholes	0.2	0.5	0.5	0.5	0.3	2M	CETS/ ICTM
Efficient supply management processes	Develop and implement annual procurement plan	0.1	0.1	0.1	0.1	0.1	0.5M	FAM
	Ensure efficient tendering process	0.2	0.2	0.2	0.2	0.2	1M	FAM
	Ensure effective contract management	0.1	0.1	0.1	0.1	0.1	0.5M	FAM
	Strengthen Inventory management	0.1	0.1	0.1	0.1	0.1	0.5M	FAM
	Practice sustainable procurement	.	.	.	.	.		FAM
	Dispose-off inefficient and obsolete assets	0.2	0.2	0.2	0.2	0.2	1M	FAM
Manage operational cost	Adhere to acceptable personnel cost ratio	30%	30%	30%	30%	30%		FAM
	Manage staff welfare costs	0.6	0.6	0.6	0.6	0.6	3M	FAM
	Adhere to budget allocations	.	.	.	.	.		FAM
	Adhere to operational cost coverage ratio	120%	120%	120%	120%	120%		FAM
	Manage CAPEX(Maintain Capex at 30% of total expenditure)	.	.	.	.	.		FAM

Strategic Outcome 3.3 Efficient Financial management

Strategic Initiatives	Activities	Target/Timelines					Budget ('000 KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Compliance to best financial management practices	Adhere to best practices (IFRS, PFM Act, Company act, PSASB)	0.2	0.2	0.2	0.2	0.2	1M	FAM
	Maintenance of updated fixed asset register	0.2	0.2	0.2	0.2	0.2	1M	FAM
	Participate in annual external audits	.	.	.	.	.		FAM
	Implement audit recommendations	.	.	.	.	.		FAM
	Adherence to finance and operations manual	.	.	.	.	.		FAM
Effective budgeting process	Timely budget preparation and approvals	0.2	0.2	0.2	0.2	0.2	1M	FAM
	Monitor and review budget implementation	0.2	0.2	0.2	0.2	0.2	1M	FAM
	Communication of budget recommendations	0.1	0.1	0.1	0.1	0.1	0.5M	FAM
Comply with regulatory and statutory obligations	Timely submission of reports	0.1	0.1	0.1	0.1	0.1	0.5M	FAM
	Timely remittance of levies, fees and taxes	.	.	.	.	.		FAM
	Adherence to relevant statutory policies	.	.	.	.	.		FAM

Strategic Priority 4: Improved LIA Initiatives

Strategic Outcome 4.1: Increase access and coverage in LIAS from 32% - 42%

Strategic Initiatives	Activities	Target/Timelines					Budget ('M KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Increase access in the LIA areas	Develop Propoor Policy in line with WASREB guidelines on LIA financing and budget	0.1	0.1	0.1	0.1	0.1	0.5M	CMT
	Implementation of pro poor policy	0.5	1	1.5	2	2.5	5M	CMT
	Install 50 new water connections under pro-poor policy for PLWD	0.05	0.05	0.05	0.05	0.05	0.25	CMT

Strategic Priority 5: Increase Customer Satisfaction from 69% to 89%

Strategic Outcome 5.1: Increased Customer Satisfaction

Strategic Initiatives	Activities	Target/Timelines					Budget ('M KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Strengthen customer service management system	Integration of CRM and KOBO to ensure 100% registration of complains	-	1	-	-	-	1M	CMT
	Acquire a more advanced CRM that has features like online new connection application	-	.	-	-	-	1.5M	CMT
Entrench a customer focus	Initiate benchmarks with other companies on CRM solutions	-	.	-	.	-	0.5M	CMT

APPENDICES cont'd

culture among employees	Conduct regular customer service training to keep a breast with the changing customer needs and behaviors.	0.2	0.2	0.2	0.2	0.2	1 M	CMT
Enhance consumer engagement and improve on the management of consumer feedback mechanisms	Acquire an advanced call center for ticketing or queuing system of customer care	•	• 0.5		-	-	0.5M	CMT
	Conduct biannual customer satisfaction surveys		0.7		0.8		1.5	CMT
Develop and implement a customer focused marketing strategy/plan	Developing a three-year marketing strategy	•	0.5	-	•	-	0.5	CMT
	Annual review of marketing plans.	•	•	• 0.1	• 0.1	• 0.1	0.3M	CMT
	Educate customers and create awareness on our products and services through development of communication materials	0.1 •	0.1 •	0.1 •	• 0.1	0.1 •	0.5M	CMT
Enhance digital interaction	Automate customer enquiry and responses on customer WhatsApp platforms			0.5			0.5M	CMT
	Optimize usage of existing social media interaction channels	•	• 0.2	•	•	•	0.2M	CMT
Management of Stakeholder relationships through advocacy	Management of our infrastructure against road contractors and other third parties working on the road reserves.	0.6 •	• 0.6	0.6 •	• 0.6	• 0.6 •	3M	CMT
	Protection of customers rights and advance the interests of customers on service delivery.	0.2 •	0.2 •	0.2 •	0.2 •	0.2 • •	1M	CMT
	Develop a working arrangement with community administration and county government on dissemination of information.	•	•	¹ •	•	1.5 •	2.5M	CMT
	Conduct community Baraza & customer engagement clinics	•	0.7 •	•	0.8 •	•	1.5M	CMT

Strategic Priority 6: Increase Employee Productivity from 83% - 87%

Strategic Outcome 6.1: Increase Employee Productivity

Strategic Initiatives	Activities	Target/Timelines					Budget (M KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Promote Talent Development & Learning	Conduct Skills & Competency Assessment	•	0.1	0.1	0.1	0.1	0.4m	HRO
	Develop Skills & Competency Inventory to bridge the shortfall in identified skills gaps	-	0.2	-	-	-	0.2m	HRO
	Recruit and nurture critical talent to meet organizational needs i.e Technical Manager	•	-	0.3	-	-	0.3m	HRO
	Constitute a training committee and develop a training needs assessment	•	-	0.2	-	-	0.2m	HRO
	Partner with relevant institutions to promote E-Learning/Internship and other relevant training programs i.e., KEWI, NYS & NITA	-	-	0.5	-	-	0.5M	HRO
	Promote Awareness/understanding of HR policies and procedure manual	-	-	0.1	•	-	0.1m	HRO
Implement a robust performance management system	Roll out robust Performance Management process and daily monitoring	•	-	0.3	-	-	0.3M	HRO
	Review Rewards Policy	•	-	0.3	-	-	0.3M	HRO
Strengthen Leadership & Organizational Culture	Develop programs to enhance Leadership & Management Competencies for Management and Supervisory employees	1.5	-	-	•		1.5M	HRO
	Develop a resource center to offer avenue for staff to access information that is relevant for their leadership and Organization Culture	-	-	-	0.5-	•	0.5m	HRO
	Fully activate and enroll staff into the "Refresh-Life" web-based Academy to promote a learning culture	•	• 0.5	-	-	-	0.5M	HRO
	Conduct Organizational Culture Assessment and implement recommendations thereof	•	-	• 1	-	-	1M	HRO

Strategic Priority 7: Improved Corporate Governance and Image

Strategic Outcome 7.1: Good Corporate Governance

Strategic Initiatives	Activities	Target/Timelines					Budget ('000 KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Strengthen the capacity(ability) of the Board on corporate governance	Undertake a board capacity assessment and enhancement program			0.3			0.3M	Board Chair
	Undertake Board Training based on identified gaps			1		1	2M	
	Ensure effective orientation of new Board members on boarding				0.3		0.3M	
	Undertake benchmarking activities		0.7	0.7	0.7	0.7	3M	
	Annual sensitization of the Board on the code of conduct/ethics						0.0M	
Reinforce the structures and instruments of good corporate governance	Ensuring all policies and procedures are aligned with the respective regulators guidelines in a timely manner						0.00	Board Chair
	Conduct annual Board evaluations	0.2	0.2	0.2	0.2	0.2	1M	
	Ensure review and implementation of Board Charter as per best Corporate guidelines			0.2			0.2M	
	Facilitate the functioning of Board Committees as per Board Calendar	0.5	0.5	0.5	0.5	0.5	2.5M	
	Mid-term evaluation of the strategic plan				1		1M	
	Develop annual work plans and budgets for the board						00.00	
	Prepare for development of the strategic plan 2029 - 2034					1	1M	
	Compliance to regulatory' guidelines							
Implement enterprise wide risk management framework	Corruption prevention,	0.1	0.1	0.1	0.1	0.1	0.5M	MD
	Ensure an updated ERM Framework and risk register		0.5				0.5M	
	Develop the business continuity plan			0.5			0.5M	
	Undertake annual and random assets and inventory checks	0.1	0.1	0.1	0.1	0.1	0.5M	

Strategic Outcome 7.1: Good Corporate Governance

Strategic Initiatives	Activities	Target/Timelines					Budget ('000 KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Ensure effective Audits	Review the audit manual as per the developed PSASB guideline			0.5			0.5M	MD
	Develop annual audit plans						0.00	
	Conduct Energy audit		0.7				0.7M	
	Develop staff skill in use of CAATs (Computer Assisted Audit Tools).			0.5			0.5M	
	Develop and implement an external audit (OAG) management plan				0.1		0.1M	
	Ensure timely implementation of recommendations of internal and external audits						0.00M	
Collaborative stakeholder engagements	Undertake a stakeholder' s analysis and Mapping Exercise		0.2				0.2M	Board Chair
	Hold Annual stakeholders' meetings	0.2	0.2	0.2	0.2	0.2	1M	
	Hold timely Annual General Meetings (AGM) with members		0.4	0.4	0.4	0.4	1.6M	
	Ensure 100% compliance with external body/ regulations requirements						0.00	
	Strengthen working relations with National and County Governments						0.00	
	Reach out to sustainable partnerships and collaborations	0.2	0.2	0.2	0.2	0.2	1M	
Mobilize resources to fund business objectives	Mobilize for increased resources to OLWASCO		0.3		0.3		0.6M	Board Chair
	Evaluate loan/financial implication proposals to determine cost benefit justification prior to approvals		0.2		0.2		0.4M	

Strategic Outcome 7.2: Improved Corporate Image

Strategic Initiatives	Activities	Target/Timelines					Budget ('000 KES)	Actor
		Y1	Y2	Y3	Y4	Y5		
Standardize our physical presence of the brand	Enhance physical presence of the brand through standardizing existing water kiosks		0.5				0.5M	MD
Enrich internal and external communication	Standardize communication internally		0.2				0.2M	MD
	Develop and update relevant policy documents for the company		0.2				0.2M	MD
	Fully implement the existing policies						0.00	MD
Enhance Corporate Social Responsibility (CSR)	Develop and implement Corporate Social Responsibility Policy		0.2				0.2M	MD

