GATUNDU WATER AND SANITATION COMPANY LIMITED

STRATEGIC PLAN

2025/26 – 2029/30

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FOREWORD FROM THE CHAIR OF THE BOARD

To the Esteemed Stakeholders of GATWASCO, Our Valued Customers, and Dedicated Staff,

It is with immense pride and a deep sense of responsibility that I present GATWASCO's Strategic Plan for the period 2025/26 – 2029/30. This document is not merely a collection of targets and objectives; it is a meticulously crafted roadmap designed to navigate the evolving landscape of water and sanitation services in Gatundu, ensuring we remain steadfast in our commitment to deliver clean, safe, and sustainable water and sanitation solutions to our communities.

The journey of GATWASCO thus far has been one of resilience and progressive growth. We have witnessed significant advancements in expanding our network, improving service delivery, and enhancing our operational efficiencies. However, the future demands even greater foresight and adaptability. Climate change continues to pose challenges to water security, rapid urbanization increases demand, and technological advancements open new avenues for service excellence. This Strategic Plan directly addresses these realities, charting a course that is both ambitious and pragmatic.

I extend my profound gratitude to my fellow Board Directors for their insightful contributions and unwavering dedication. To the Managing Director and the entire GATWASCO team, your hard work, expertise, and commitment are the bedrock of our success. Finally, to our customers and the people of Gatundu, your trust in our services is our greatest motivation.

This Strategic Plan is our collective promise to you. Let us embark on this exciting journey together, building a future where every home in Gatundu has access to reliable and safe water and sanitation, contributing to a healthier and more prosperous community.

Bishop Geoffrey Njomo

<u>CHAIRPERSON, GATWASCO'S BOARD OF DIRECTORS</u>

MANAGING DIRECTOR'S MESSAGE

Fellow Colleagues, Esteemed Partners, and the People We Proudly Serve,

It is with great pride that I present GATWASCO's Strategic Plan (2025/26-2029/30), a blueprint for transforming water and sanitation services in Gatundu. This document is the culmination of meticulous analysis, collaborative thinking, and a shared commitment to elevating water and sanitation services for all residents of Gatundu. As the Managing Director, I firmly believe this Plan will serve as our compass, guiding our operational endeavours and strategic investments over the coming years.

Our strategic pillars – **Infrastructure Development & Resilience, Operational Efficiency & Financial Sustainability, Customer Centricity & Stakeholder Engagement, and Human Capital & Institutional Strengthening** – are designed to systematically address our core mandate. We will invest in modernizing our water supply systems, reducing non-revenue water, expanding our sewerage coverage, and adopting cutting-edge technologies to optimize our operations. Our commitment to environmental stewardship and ensuring compliance with regulatory standards, as set by WASREB, remains paramount.

I extend my sincere gratitude to the Board of Directors for their invaluable guidance and oversight throughout the development of this Plan. My appreciation also goes to all GATWASCO staff for their tireless efforts and invaluable contributions. To our partners, including the County Government, regulatory bodies, and community leaders, your support is vital to our mission.

This Strategic Plan is our collective pledge to deliver on our promise. I am confident that, with your continued support and the unwavering dedication of the GATWASCO team, we will not only achieve but surpass the objectives outlined herein, ensuring a future where Gatundu enjoys robust, reliable, and sustainable water and sanitation services.

Together, let us make this vision a reality.

Mr. Fredrick Mwangi

Managing Director, GATWASCO

APPROVAL AND ADOPTION

This Strategic Plan for the period **2026–2030** was reviewed and approved by the Board of Directors of Gatundu Water and Sanitation Company Ltd.

SIGNED

For and on behalf of the Board
GEOFFREY MUITA NJOMO
<u>CHAIRPERSON</u>

This ...12th...day of ...February... 2026

For and on behalf of the Company
FREDRICK K. MWANGI
<u>MANAGING DIRECTOR</u>

This ...12TH... day of ...FEBRUARY... 2026

GATUNDU WATER & SANITATION COMPANY
12 FEB 2026
SIGN:..........
P. O. Box 140 - 01030, GATUNDU

EXECUTIVE SUMMARY

This Strategic Plan outlines GATWASCO's vision and roadmap for 2025/26 – 2029/30, affirming our commitment to providing sustainable, high-quality, and reliable water and sanitation services within our service area. Developed through extensive stakeholder engagement, this Plan reflects our deep understanding of Kenya's evolving water sector, encompassing environmental challenges, rapid urbanization, technological advancements, and the constitutional right to water. Our vision is to be a leading and sustainable provider of quality water and sanitation services, fostering healthy and thriving communities in our region, and our mission is to deliver efficient, reliable, and affordable services through innovation, responsible resource management, and excellent customer care, ensuring public health and environmental sustainability. While GATWASCO has shown significant growth and resilience, challenges persist, including water scarcity due to climate change, the need to modernize aging infrastructure to reduce non-revenue water (NRW), pressure from rapid urbanization, rising customer expectations, and the imperative to enhance financial sustainability.

To address these, the Plan is anchored on four key pillars. Pillar 1 focuses on enhancing water and sanitation infrastructure and resilience, aiming to increase water production and distribution, reduce NRW to below 20%, expand and upgrade sewerage systems, and develop climate-resilient water sources. Pillar 2 is dedicated to optimizing operational efficiency and financial sustainability, with objectives to improve revenue collection to over 95%, implement cost-effective energy management, automate key processes, and secure sustainable financing. Pillar 3 champions customer centricity and stakeholder engagement, targeting over 85% customer satisfaction, streamlining complaint resolution, implementing digital customer platforms, and strengthening relationships with the County Government of Kiambu, WASREB, and communities. Finally, Pillar 4 aims to strengthen human capital and institutional capacity, focusing on developing a skilled and motivated workforce, fostering a high-performance culture, enhancing corporate governance and compliance, and improving knowledge management.

Successful implementation hinges on robust governance, with the Board of Directors providing strategic oversight and ensuring accountability. We will mobilize resources effectively, both internally and through external funding. Performance will be rigorously measured using clear Key Performance Indicators (KPIs), with regular reviews to track progress and make necessary adjustments. A comprehensive risk management framework will mitigate potential impediments, and we commit to a culture of continuous improvement to ensure long-term sustainability. By 2029/30, GATWASCO expects to achieve significantly expanded water supply and sewerage coverage, improved operational efficiency and financial stability, higher customer satisfaction, a more skilled and ethical workforce, and enhanced institutional capacity, solidifying our position as a leading utility in Kenya. This Strategic Plan is a living document, guiding GATWASCO's journey towards a future where every resident in our region enjoys reliable access to safe water and sanitation, contributing to public health, environmental protection, and socio-economic development.

ABREVIATIONS AND ACRONYMS

AGMs – Annual General Meetings

AMR – Automated Meter Reading

BSC – Balanced Scorecard

CGK – County Government of Kiambu

CIDP – County Integrated Development Plan

COK – Constitution of Kenya

CSR – Corporate Social Responsibility

ERP – Enterprise Resource Planning

GATWASCO – Gatundu Water and Sanitation Company

ICT – Information Communication Technology

KPIs – Key Performance Indicators

MD – Managing Director

M&E – Monitoring and Evaluation

NRW – Non-Revenue Water

OCCR – Operation and Maintenance Cost Coverage

O&M – Operations and Maintenance

PESTLE – Political, Economic, Sociological, Technological, Legal and Environmental

PPADA – Public Procurement Asset Disposal Act

PPRA – Public Procurement Regulation Authority

PPARB – Public Procurement Administrative Review Board

SDGs – Sustainable Development Goals

SPIC – Strategic Plan Implementation Committee

SWOT – Strengths, Weaknesses, Opportunities, Threats

WASREB – Water Services Regulatory Board

WSP – Water Service Provider

WSTF – Water Sector Trust Fund

CHAPTER ONE

INTRODUCTION

1.1 Background

Gatundu Water & Sanitation Company (GATWASCO) is specifically designated with the provision of water and sanitation services in Gatundu North & Gatundu South Sub-counties, as well as parts of Githunguri and Juja Sub-counties. The serviced wards encompass Ng'enda, Kiamwangi, Kiganjo, Chania, Ndarugu, Gituamba, Githobokoni, Mang'u, along with sections of Komothai in Githunguri sub-county and Theta in Juja Sub-County, delineated as follows;

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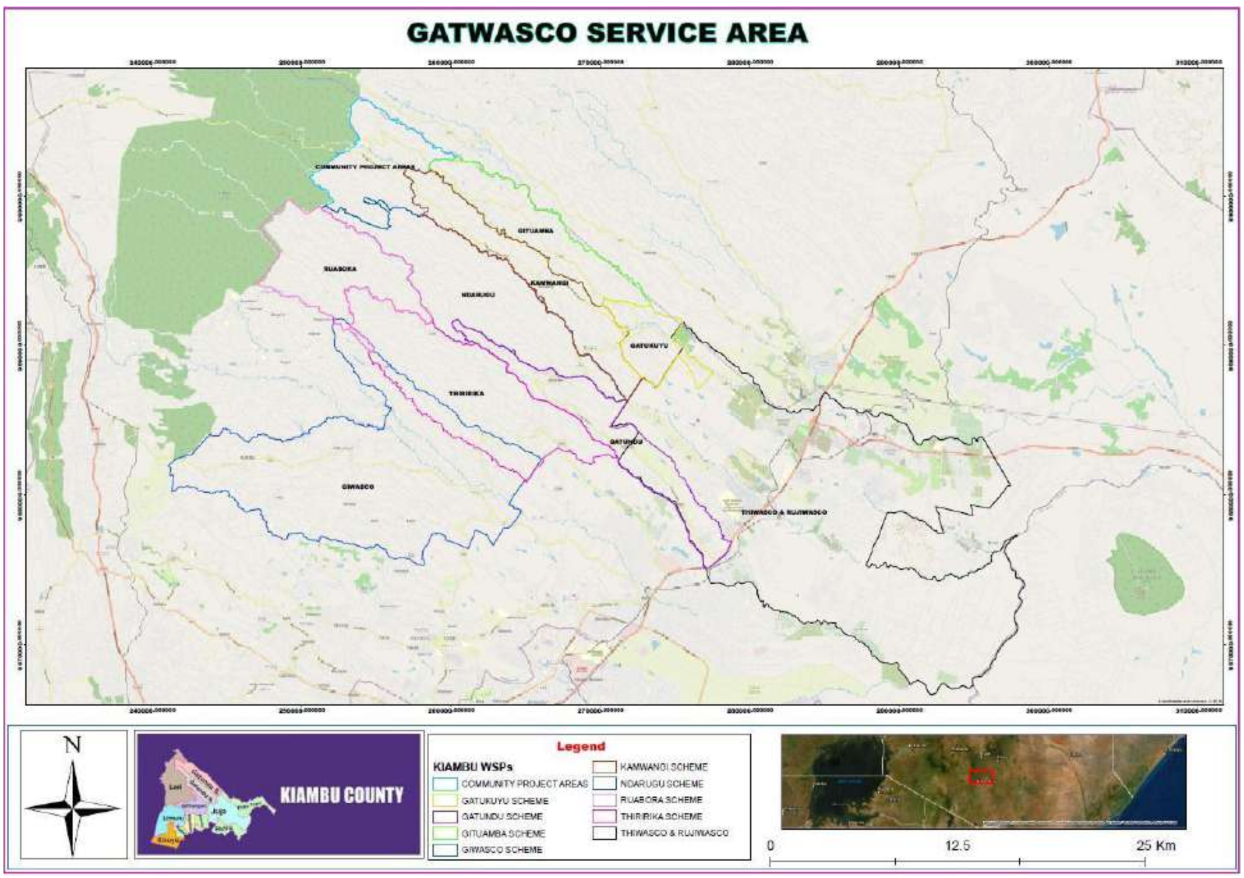


Figure 1: GATWASCO service area

GATWASCO operates within a 357-square-kilometer service area, serving an estimated 250,000 people out of a total population of 350,000 in its jurisdiction. Fully owned by the County Government of Kiambu, the company acts as its agent to provide water and sanitation services, with ongoing efforts to expand access for all residents. Currently, sewerage coverage is at 0% due to the lack of centralized systems, but this is projected to increase to 5% upon completion of an ongoing sewerage project—a key milestone in improving sanitation. Established to consolidate resources, expertise, and infrastructure, GATWASCO remains committed to enhancing service delivery and ensuring sustainable water and sanitation management in the region.

1.2 Mandate for Gatundu Water and Sanitation Company

1.2.1 Water Act 2016

GATWASCO draws her mandate from Section 78 of the Water Act 2016. The Act identifies the responsibilities of water service providers and states that:

i. A Water Service Provider shall be responsible for;
    - The provision of water and sanitation services within the area specified in the license
    - The development of County Assets for water and sanitation service provision

ii. GATWASCO as a licensed Water Service Provider shall have such other powers and functions as may be conferred on it by this Act or any other Act.

1.2.2 Kiambu County Water Act

An Act of County Assembly of Kiambu to provide for development, regulation and management of county public works related to water and sanitation services, storm water management systems and water conservation and for connected purposes. This Act establishes Water Service Providers (WSPs) where:

- They are registered as county-owned companies limited by shares.
- They are assigned specific service areas and successor companies by the County Executive.
- They are required to report to the Executive Member for Water Services.

- They are mandated to expand access to safe water, agricultural/industrial water, and equitable distribution.

1.2.3 The Companies Act, 2015

The Companies Act, 2015 is Kenya's primary legislation governing the formation, management, and dissolution of companies. It aims to enhance corporate governance, transparency, and the ease of doing business by introducing modern provisions such as single-member private companies, codified directors' duties, mandatory financial reporting, and electronic notifications.
Relevant Provisions for WSPs

- **Legal Structure:** WSPs are typically registered as companies limited by shares (wholly owned by county governments) and they must comply with registration, reporting, and governance requirements under the Act.
- **Corporate Governance**: Must have a Board of Directors responsible for oversight and are required to hold AGMs and file annual returns with the Registrar of Companies.
- **Financial & Reporting Obligations**: Must maintain proper accounting records and submit audited financial statements. Directors have a fiduciary duty to act in the company's best interest.
- **Compliance & Penalties**: Failure to meet legal requirements (e.g., filing returns) can lead to fines or deregistration. WSPs Must adhere to Kenya's water sector laws (e.g., Water Act 2016) alongside company regulations.
- **Winding Up & Insolvency**: If a WSP fails, the Act provides procedures for liquidation or restructuring.

While the Companies Act provides the general legal framework for WSPs as corporate entities, sector-specific regulations (e.g., Water Act 2016, County Acts) dictate their operational mandates in water supply and sanitation services.

1.3 Rationale for Strategic Planning

Strategic planning serves as a vital management tool that defines an organization's purpose, direction, and priorities. It involves making fundamental decisions that shape what the organization is, what it does, and why it does it. This process requires comprehensive data collection, evaluation of different approaches, and a focus on how today's choices will impact future outcomes. At its core, strategic planning is about:

- Developing and analyzing the organization's vision, mission, and overarching goals
- Formulating key strategies to achieve long-term objectives
- Allocating resources effectively to drive sustainable growth

Goals represent the desired transformations the organization is committed to realizing—they are the ultimate targets that guide all efforts. A strong strategic plan enables an organization to adapt to its evolving environment, seize emerging opportunities, and maintain a competitive edge.

As a forward-thinking institution, GATWASCO has fully embraced strategic planning to build on past successes and scale up its achievements. This plan not only aligns the company's internal objectives but also creates synergies with key stakeholders to ensure cohesive progress in water service delivery.

1.4 Context of the Strategic Plan

1.4.1 United Nation's Sustainable Development Goals (SDGs)

The SDGs, adopted by the United Nations in 2015, provide a global framework for addressing social, economic, and environmental challenges by 2030. For a WSP like GATWASCO, several SDGs are directly or indirectly relevant to its operations, given its role in providing water and sanitation services, managing infrastructure, and promoting sustainability within its jurisdiction.

Below is a list of SDGs pertinent to a WSP:

SDG 6: Clean Water and Sanitation

"Ensure availability and sustainable management of water and sanitation for all."

WSPs are central to SDG 6, as they provide safe drinking water, improve sanitation coverage, and manage wastewater treatment. Their work helps reduce waterborne diseases, enhance public health, and promote equitable access to water resources.

SDG 3: Good Health and Well-being

"Ensure healthy lives and promote well-being for all at all ages."

By supplying clean water and proper sanitation, WSPs help prevent water-related diseases (e.g., cholera, dysentery), contributing to better community health outcomes.

SDG 11: Sustainable Cities and Communities

"Make cities and human settlements inclusive, safe, resilient, and sustainable."
WSPs support urban and rural water infrastructure, ensuring reliable supply and sewage management—key factors in building resilient and livable communities.

SDG 13: Climate Action

"Take urgent action to combat climate change and its impacts."
Water utilities must adapt to climate risks (droughts, floods) by implementing sustainable water management, reducing leakage, and protecting water sources.

SDG 15: Life on Land

"Protect, restore, and promote sustainable use of terrestrial ecosystems."
WSPs contribute by safeguarding watersheds and preventing pollution in water catchments, which supports biodiversity and ecosystem health.

SDG 17: Partnerships for the Goals

"Strengthen the means of implementation and revitalize global partnerships."
WSPs often collaborate with governments, NGOs, and international agencies to improve water and sanitation infrastructure, share knowledge, and secure funding for sustainable projects.

1.4.2 Africa Agenda 2063

Agenda 2063 is Africa's master plan for transforming Africa into the global powerhouse of the future. Its guiding vision is "an integrated, prosperous and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena". Agenda 2063 has 7 aspirations and 20 goals each with several priority areas. Water Security is a key priority area under:

- Aspiration 1: A prosperous Africa based on inclusive growth and sustainable development and
- Goal 7: Environmentally sustainable and climate resilient economies and communities.

GATWASCO will play a critical role towards the realization of a high standard of living and well-being for all citizens by enhancing access to water and sanitation services to people within its jurisdiction. Thus, GATWASCO will contribute towards the realization of environmentally sustainable consumption and water production patterns by putting in place measures to enhance water sustainability and management of water resources leading to improved quality of life.

1.4.3 The Constitution of Kenya (COK) 2010

The Kenya 2010 Constitution has wide-ranging implications for the water sector. It recognizes that access to safe and sufficient water is a basic human right. Article 43 of the Constitution entrenches water as a constitutional right by establishing a right to reasonable standards of sanitation and clean and safe water in adequate quantities and Article 21 places an obligation on the government to take steps to progressively realize this right. It also assigns responsibility for water supply and sanitation provision to the County Governments. To effect these changes, new laws were put in place including the County Governments Act, which gives counties the power to establish service delivery entities including water service providers. GATWASCO as an entity owned by the County Government of Kiambu plays and will continue to play a critical role in implementing the County Government's constitutional mandate as relates to water and sanitation.

1.4.4 Kenya Vision 2030

The Kenya Vision 2030 aims to transform Kenya into a "middle-income country providing a high- quality life to all its citizens by the year 2030." The Vision, which focuses on economic, social and political pillars, recognizes that water is an important enabler to the achievement of the Vision 2030. The Vision for Water and Sanitation is to ensure that improved water and sanitation are available and accessible to all by 2030. To achieve this, the Vision is guided by four specific strategies including:

(i) Raising the standards of the country's overall water, resource management, storage and harvesting capacity.

(ii) Rehabilitating the hydro meteorological data gathering network.

(iii) Constructing multipurpose dams.

(iv) Constructing water and sanitation facilities to support industries and a growing urban population.

GATWASCO, through the strategic priorities and initiatives in this Strategic Plan July 2025 – June 2030, focuses on supporting the achievement of Vision 2030's water vision that aims to have accessible clean and safe water and sanitation to all by 2030.

1.4.5 Water Act 2016

The Water Act 2016 aligns Kenya's water sector with the Constitution of Kenya (2010), devolving the water supply mandate to county governments. The Act stipulates that county governments shall appoint or establish public limited liability companies under the Companies Act 2015 (or other approved entities) to serve as licensed water service providers.

Key provisions include:

- County governments must ensure that any established water service provider meets the commercial viability standards set by the Water Services Regulatory Board (WASREB).
- A water service provider may take the form of:
    - A public limited liability company under the Companies Act 2015, or
    - Another approved entity providing water and sanitation services.
- Companies seeking a water service license must submit a memorandum and articles of association that comply with WASREB's guidelines.

The county governments determine the service area for each water provider, which is then formalized in the license agreement with WASREB.

1.4.6 The Kiambu County Integrated Development Plan (CIDP) 2023-2027

The Kiambu CIDP provides strategic direction and priorities for the county. Guided by the vision of creating a climate resilient county with a clean and healthy environment supplied with quality water and sanitation, the primary objective is to enhance the accessibility of sustainable safe water. GATWASCO will contribute to the Kiambu CIDP mission to enhance access to safe and sustainable water and sanitation within its area of jurisdiction.

1.5 Purpose of the Strategic Plan

A strategic plan serves as a critical framework that guides an organization's growth, decision-making, and operational effectiveness. At its core, it provides clear direction by defining the organization's vision, mission, and strategic priorities, ensuring all stakeholders work cohesively toward shared objectives. The plan enables informed resource allocation, helping prioritize initiatives that deliver long-term value over short-term gains while maintaining financial and operational sustainability.

Furthermore, it establishes measurable targets and KPIs that foster accountability and transparency both internally and with external partners. Ultimately, a well-crafted strategic plan transforms an organization's aspirations into actionable roadmaps, aligning daily operations with long-term objectives while remaining responsive to evolving community needs and sectoral developments.

1.6 Objectives of the GATWASCO's Strategic Plan

This strategic plan is expected to provide GATWASCO with a renewed and revitalized pathway that is aimed at consolidating its current gains, utilizing new innovative ways and breaking new grounds to build and expand its horizons in providing information and direction in the implementation of its mandate. The following are the objectives of this plan:

i. **Ensure Reliable and Sustainable Water Supply** by:
   - Improving water source management and conservation
   - Improving operational efficiency
   - Increasing water production capacity.

   Goal: Guarantee a consistent and sustainable supply of potable water within our area of jurisdiction.

ii. **Ensure Provision of Sanitation Services** by:
   - Development of sanitation facilities within our area of jurisdiction.

   Goal: Guarantee reliable, affordable and quality sanitation services.

iii. **Enhance Water & Wastewater Quality Standards** by:
   - Upgrading and maintaining water treatment facilities
   - Implementing regular water quality monitoring and testing
   - Establishing and enforcing stringent quality control protocols.

   Goal: Deliver high-quality water that meets or exceeds national and international health standards.

iv. **Expand Access to Water Services** by:

- Upgrading and developing new water infrastructure, in line with the CGK and GOK investment plans to promote equitable access to water services to all.

Goal: Extend water services to unserved and underserved areas.

v. **Enhance Customer Satisfaction and Engagement** by:

- Ensuring provision of quality, reliable, and affordable services,
- Enforcing efficient and effective customer communication systems and feedback mechanisms.

Goal: Enhance strong community relationship experience.

vi. **Optimize Operational Efficiency** by:

- Adopting advanced technologies for organization planning, operations, monitoring and reporting.

Goal: Streamline operations to maximize efficiency.

vii. **Ensure Financial Sustainability** by:

- Optimizing financial management processes
- Enforcing effective and efficient billing and revenue collection strategies
- Exploring diversified funding sources.

Goal: Maintain a financially stable and self-sustaining organization.

viii. **Promote Environmental Stewardship** by:

- Implementing sustainable environmental management and conservation practices.

Goal: Efficient management, protection and preservation of natural water resources for the community.

ix. **Foster Innovation and Research** by:

- Investing in research and development for new technologies and solutions
- Scaling successful initiatives.

Goal: Enhance continual improvement and innovation in the organization's operations.

x. **Strengthen Governance and Company Image** by:

- Implementing robust governance frameworks and policies.

Goal: Ensure transparent, accountable, effective governance, and risk management.

By achieving these objectives, the strategic plan will ensure that GATWASCO provides reliable and high-quality water and sanitation services, foster customer satisfaction, optimize operations, and contribute to environmental sustainability and community well-being.

1.7 Structure of the Strategic Plan

This strategic plan consists of Six chapters. Chapter One contains the background and introduction which embraces the Purpose of the Plan, Objectives of the Plan, Context, Rationale, and Mandate. Chapter Two covers the Institutional Review including the Core Business, Vision, Mission and Core Values. Chapter Three covers the Situational Analysis including Performance Review, Stakeholder' Analysis, SWOT Analysis, and PESTEL Analysis. In Chapter Four the Strategic Model covers the Strategic Aspirations, Strategies Initiatives, and the Outcomes. Chapter Five covers the Plan Implementation Framework – providing details on how the plan will be implemented including financing, governance, and risk management. Chapter Six covers Performance monitoring, evaluation and reporting framework. In the Appendix, the strategic plan implementation matrix is provided.

CHAPTER TWO
INSTITUTIONAL REVIEW

The Institutional Review of GATWASCO comprises the core business, vision statement, mission statement, core values, and slogan.

2.1 Core Business

Gatundu Water and Sanitation Company focuses on providing essential water and sanitation services to the communities within Gatundu North and South Sub-Counties and parts of Githunguri and Juja in a financially sustainable manner and within the Government regulations.

2.2 Vision Statement

To be the best in provision of potable water and sanitation services in the region and beyond.

2.3 Mission Statement

To promote good health standards and raise economic level of our community through provision of quality, reliable, adequate and affordable water and sanitation services in an environmentally friendly manner while meeting expectations of our customers and other stakeholders.

2.4 Core Values

Core values are the fundamental principles that guide the behavior of every person or entity working with GATWASCO. They are practiced and embraced to create an organizational culture that drives GATWASCO's Vision. The guiding core values that GATWASCO endeavor to put into practice while performing its functional obligations are professionalism, integrity, transparency & accountability, customer focus, teamwork, creativity, efficiency and equity.

i. Professionalism

At GATWASCO, we continuously uphold the highest standards of professionalism in all aspects of our operations. We are committed to delivering excellence, competence, and accountability in serving our customers, partners, and communities. Our team adheres to strict ethical guidelines, ensuring that all engagements—whether internal or external—are conducted with integrity, respect, and transparency. We continuously invest in skills development, industry best practices, and efficient service delivery to maintain our position as a trusted water service provider. By fostering a culture of continuous improvement and responsibility, we ensure that every action reflects our dedication to quality, reliability, and public trust.

ii. Integrity

We uphold the highest standards of integrity, honesty, and respect in fulfilling our duties. We are dedicated to fostering trust with all stakeholders—employees, customers, partners, and the communities we serve. Our commitment means consistently doing what is right, even when faced with challenges. We enforce a zero-tolerance policy toward unethical behavior and ensure transparency and fairness in all our operations. Every interaction—whether with customers, suppliers, colleagues, investors, or community members—will be guided by ethical principles, reinforcing our reputation as a dependable and responsible water service provider. By embedding these values into our daily actions, we strengthen our credibility and build lasting relationships based on trust and accountability.

iii. Transparency & Accountability

We uphold transparency and accountability as fundamental principles guiding our operations, ensuring openness, integrity, and responsibility in all our actions. We commit to clear communication, timely disclosure of information, and responsible decision-making, recognizing that our performance and conduct directly affect the communities we serve. Through transparent reporting mechanisms, measurable performance standards, and robust oversight frameworks, we ensure that every team member and department operates with integrity and accountability.
Our commitment includes:

- Openly reporting performance and outcomes to stakeholders, regulators, and the public
- Ensuring efficient and justifiable use of resources
- Promptly addressing shortcomings through corrective and preventive actions

By embedding transparency and accountability into our organizational culture, we strengthen public trust, enhance operational excellence, and promote sustainable service delivery in Kenya’s water sector.

iv. Customer Focus

At GATWASCO, we place our customers at the heart of everything we do. We are dedicated to delivering reliable, responsive, and high-quality water services that meet and exceed our customers' expectations. GATWASCO prioritizes exceptional water service by:

- Actively listening to customer needs

- Delivering consistent, efficient service
- Ensuring prompt query resolution
- Maintaining transparent communications
- Continuously improving based on feedback

We measure our success by our customers' satisfaction and trust, and we hold ourselves accountable for delivering services that improve their quality of life.

v. Teamwork

At GATWASCO, we recognize that collective achievement drives our success in delivering exceptional water services. We foster a culture of unity, mutual respect and shared purpose across all departments and levels of our organization through:

- Collaborative problem-solving with diverse expertise
- Transparent communication & knowledge sharing
- Joint accountability for organizational goals
- Cross-departmental synergy to boost efficiency
- Inclusive decision-making that values diversity

By cultivating strong partnerships within our workforce and with external stakeholders, we amplify our capacity to serve communities effectively within our area of jurisdiction. Our teamwork ethos ensures we operate as one unified force for water service excellence.

vi. Innovation & Creativity

We embrace innovation and creativity as fundamental drivers of growth and excellence, fostering an environment where new ideas, solutions, and approaches thrive. We continuously encourage experimentation, creative problem-solving, and the application of emerging technologies to address complex challenges and seize opportunities. Through forward-thinking strategies, collaborative ideation, and data-informed insights, we unlock novel ways to enhance services, processes, and customer experiences.

Our commitment to innovation and creativity includes:

- Encouraging imaginative solutions that improve services and operations
- Leveraging emerging technologies and creative approaches to drive transformation
- Promoting a culture of experimentation, learning, and continuous improvement

By embedding innovation and creativity into our culture, we enhance organizational agility, stimulate growth, and deliver meaningful value to customers and stakeholders in Kenya’s water sector.

vii. Efficiency

We embrace efficiency as a core operational principle, ensuring that resources, processes, and systems are optimally utilized to deliver reliable and cost-effective services. We continuously seek to streamline operations, eliminate waste, and improve productivity while maintaining high standards of quality and safety. Through performance-driven planning, innovation, and data-informed decision-making, we maximize value from financial, human, and technical resources. Our commitment to efficiency includes:

- Optimizing processes to reduce costs and service delivery time
- Leveraging technology and innovation to improve productivity and accuracy
- Aligning resources with strategic priorities and performance targets

viii. Equity

At GATWASCO, we uphold equity as fundamental to our mission of providing universal water access. We are dedicated to fair and inclusive service distribution that meets all communities' needs without discrimination. We guarantee fair water access for all through:

- Prioritizing underserved communities
- Serving customers equally without bias
- Implementing affordable pricing structures
- Promoting gender and social inclusion
- Involving marginalized voices in decisions

Through targeted investments and inclusive policies, we work to eliminate water service inequalities across our service area. Our equitable approach ensures every individual can realize their right to clean, reliable water.

2.5 GATWASCO slogan/motto

A slogan is a concise, impactful statement that captures the purpose and identity of a business or organization. These brief, catchy phrases quickly trigger emotional connections and mental associations with a brand's offerings. Serving as powerful marketing tools, slogans highlight key attributes of products or services while creating lasting impressions in consumers' minds. The most effective slogans achieve widespread recognition, often embedding themselves into popular culture through their memorability and cultural relevance.

The GATWASCO slogan is: “Everybody lives downstream”

Water connects us all. This vital bond guides our responsible management: protecting watersheds that sustain communities, recognizing every upstream action affects those downstream. We ensure equitable access across our catchment while safeguarding resources for future generations. Through community partnerships, we protect our shared water future with ethical operations and environmental stewardship - because water's care is our collective duty.

CHAPTER THREE

SITUATIONAL ANALYSIS

GATWASCO operates in an environment that is influenced by external and internal forces. To assess the organization's capabilities to cope with dynamic internal and external forces likely to influence its operations and strategic direction, a detailed situational analysis was undertaken through PESTEL, SWOT, McKinsey 7S framework and stakeholders' analysis.

3.1 Introduction

This chapter conducts a comprehensive assessment of GATWASCO's operational landscape, evaluating both internal capabilities and external influences. It begins by examining the company's core mandate, functional roles, and strategic performance during the 2019/20–2024/25 planning cycle, highlighting key achievements and persistent challenges.

The analysis then explores the current internal and external environments that will shape the implementation of this new Strategic Plan, including:

- A systematic SWOT analysis (Strengths, Weaknesses, Opportunities, Threats) to identify critical success factors and risks.
- A review of stakeholder dynamics, mapping key actors and their expectations to ensure alignment with GATWASCO's strategic direction.

3.2 GATWASCO's Performance Review

The Strategic Plan 2019/20 – 2024/25 had 9 strategic priorities that formed the core focus of the strategic period. These were:

i. Water source, production and treatment
ii. Operation and maintenance (Water Distribution)
iii. Operation and maintenance (Waste water collection and treatment)
iv. Commercial operations
v. Financial stewardship
vi. Human Resource Management
vii. Information Communication and Technology
viii. Management of Non- Revenue Water
ix. Brand Equity

3.3 Key Achievements Based on the Strategic Priorities

GATWASCO's performance review based on the 2020 – 2025 strategic plan was undertaken to isolate those factors that had contributed to favorable or unfavorable results. This was carried out through an analysis of the Company's performance on different strategic priorities that the plan pursued. The table below presents the findings.

Table 1: Strategic Plan Review (2019/20-2024/2025)

Objective	Initiative	Baseline	Target	Achievement	Comments
Water source, production and treatment	Increase water production.	20,300	45,540	20,300	The targeted increase in water production was not achieved. The planned projects are still under development.
	Establish a water Quality Reference laboratory.	0	1	0	The establishment of a water quality reference laboratory is yet to be realized. However, the construction of three laboratories at Handege, Ruabora, and Ng'enda schemes is currently underway.
	Build a partnership with development agencies on water supply and Sewerage Infrastructure development	N/A	N/A	N/A	The Company continues to collaborate with the Kiambu County Government, AWWDA, and WSTF on projects aimed at enhancing water production and improving operational efficiency.
	Allocate 0.5% of the operational budget to watershed conservation	0%	0.5%	0.1%	A budget for watershed conservation is allocated annually, supporting the planting of approximately 30,000 trees.
Operation and maintenance (Water Distribution)	Increase coverage from 68% to 85%	68%	85%	74%	There was a 6% improvement in coverage.
Operation and maintenance (Wastewater collection and treatment)	Increase sewerage coverage	0%	5%	0%	Target not achieved.
Commercial operations	Increase operation and	98%	150%	89.2%	Target not achieved.

	maintenance cost coverage				
	Reduce the average age of consumer meters to eight years by 2024.	13yrs	8yrs	10yrs	The average age of consumer meters currently stands at 10 years.
	Automate the billing system to attain 100% billing efficiency and 100%-meter reading efficiency.	Billing- MR-	Billing-100% MR-100%	Billing-67% MR-96%	Billing efficiency stands at 67% and meter reading efficiency stands at 96%.
Financial stewardship	Increase revenue collection efficiency	85%	95%	88%	The revenue collection efficiency achieved was 88%.
	Apply for a cost recovery tariff for sustainability.	0	1	1	A cost recovery tariff is now in place.
	Reduce credit days to Ninety days by 2024.	120	90	90	Target achieved.
	Attain unqualified audit reports by 2024.	0	1	0	The company has not been able to move from the qualified audit reports to unqualified.
Human Resource Management	Increase workplace productivity.	10%	100%	100%	All staff have signed performance contracts with their respective supervisors.
	Improve staff satisfaction levels	65%	100%	85%	The staff satisfaction survey was not conducted during the reporting period.
	Reduce the ratio of personal costs to operations and maintenance costs from 55% to 40% by 2024.	55%	40%	49%	Target not achieved.
	Reduce work related accidents and near miss incidents to nil by 2024.	2%	0%	2%	Work-related accidents remain at 2%.
Information Communication and Technology	Automate all the Company's processes by	0%	100%	33%	The acquired ERP system has automated some of the company's processes since not all

	acquiring an ERP system				modules have been activated (Finance, Technical, HR & Supply Chain).
	Make the company paperless by 2023.	25%	90%	75%	ERP has replaced some paper-based processes with automated digital approval, task assignment and notifications such as bills and service updates.
	Attain 100% security of data and operations.	40%	100%	75%	Target not achieved.
Management of Non- Revenue Water	Establish NRW teams.	0	7	1	The NRW team operates from the headquarters.
	Profile the NRW in the distribution network.	N/A	N/A	N/A	GIS mapping of the distribution network and consumer meters has been conducted, with DMAs identified for check meter installation.
	Eradication of illegal connections by 2024.	N/A	N/A	1,300	Identification and disconnection of illegal connections are continuously being carried out.
	Reduce the Non-Revenue Water (NRW) from 39% to 25%	39%	25%	39%	Target not achieved.
	Undertake GIS mapping for all water and sewer connections	0%	100%	50%	GIS mapping for all our water connections was partially conducted.
Brand Equity	Increase the Company's visibility	N/A	N/A	N/A	Several measures have been undertaken to increase the company visibility such as: reviving of our social media accounts and introduction of customer care lines and clinics.
	Increase the customer satisfaction levels		80%		The customer satisfaction survey was not conducted.
	Integration of Asset management.				An Asset Identification Survey was conducted using GIS-based technology. The company is collaborating with stakeholders such as the County Government of Kiambu and AWWDA to

					facilitate the handing over of the assets for integration into our Asset Management Platform.

3.4 Key Performance Indicators

In this section, the performance of GATWASCO according to the WASREB Impact Report covering the periods 2021/2022 – 2022/2023 is discussed below. The performance evaluation is based on Key Performance Indicators (KPIs) used to assess the performance of water service providers. As indicated therein, GATWASCO had achieved good performance in hours of supply, metering ratio, revenue collection efficiency, and staff productivity. Unacceptable performance was recorded in drinking water quality, water coverage, personnel expenditures as % of total O&M costs, O&M cost coverage and non-revenue water which continue to be a challenge to GATWASCO's operational efficiency.

Table 2: Company performance vs. WASREB's benchmarks

	WASREB Key Performance Indicators	Good	Acceptable	Not Acceptable	2019/2020	2024/2025
	Quality of services					
1	Water Coverage (&)	>90%	80-90%	<80%	67	74.5
2	Drinking Water Quality (%) – no. of tests conducted vs. production, submission level, quality	>95%	90-95%	<90%	50	75.4
3	Hours of Supply (hrs./d) Population > 100,000	21-24	16-20	<16	20	21
	Economic Efficiency					
4	Personnel expenditures as % of total O&M costs	<20%	20-30%	>30%	67	40.7
5	O&M Cost Coverage (%)	≥150%	100-149%	≤99%	104	89.2
6	Revenue Collection Efficiency (%)	>95%	95-85%	<85%	76	90
	Operational sustainability					
7	Non-Revenue Water (%)	<20%	20-25%	>25%	35	39.5

8	Staff Productivity (no. staff/K conns.) Large & Very Large Companies	<5	5-8	>8	6	4
9	Metering Ratio (%)	100%	95-99%	<95%	100	100

3.5 The Key Challenges faced in the 2020 – 2025 SP Implementation

- Outdated and deteriorating infrastructure leading to inefficiencies, water losses, and increased operational costs. Strain on infrastructure due to increasing population is also a factor.
- High NRW due to water theft, leaks and bursts, destruction of infrastructure by road construction, and inaccurate metering.
- Insufficient financial resources hindered the implementation of infrastructure projects, maintenance, and expansion of services.
- Economic downturns and rising costs of materials reduced consumer demand and impacted the financial health of the company by increasing operational expenses.
- Meeting new regulatory standards and requirements which can be resource-intensive and time-consuming was also a challenge.
- Pandemics such as COVID-19 and droughts.
- Political interference.
- Projects not under our control, hence causing delays.
- Delays in land compensation causing delays in project completion.

3.6 Lessons Learnt during the 2020 – 2025 strategic period

- Comprehensive and detailed planning is crucial for the successful implementation of strategic initiatives.
- Strategic plans must be flexible to accommodate changes in the external environment and unforeseen challenges.
- Engaging stakeholders early and continuously throughout the process fosters collaboration and support.
- Transparent and effective communication is key to building trust and ensuring alignment among all parties involved.

- Efficient management of financial, human, and technological resources is critical to achieving strategic goals.
- Investing in the capacity building and training of staff is essential for successful implementation.
- Identifying and mitigating risks is crucial to minimizing disruptions and ensuring the smooth execution of the strategic plan.
- There is a need to explore various sources of funding to facilitate proper planning and smooth implementation of the strategies.
- Risk management and planning is key to manage unforeseen risks such as Covid-19 Pandemic.
- Automation of systems and operations is the future, ICT should be made more robust and internal security measures are important for the next period. ERP needs to be maximized and made robust enough to accommodate new and upcoming challenges and needs of the company.

3.7 Internal Environmental Analysis

An internal analysis of GATWASCO was done using McKinsey 7S framework. This framework is used to analyze and improve organizational effectiveness by examining seven key internal elements of an organization namely strategy, structure, systems, shared values, style, staff and skills. These elements need to be aligned and mutually reinforcing for the organization to achieve its objectives. The analysis serves to indicate the company's health. In doing so, various options are identified to address the internal situation in order to support successful implementation of the 2025/26 – 2029/30 Strategic Plan.

Table 3: McKinsey's Analysis

Strategy Issues	How to Enhance / Reduce
Existence of a Strategic Plan	Enhance the level of shared vision and ownership across the organization
Constructed own offices	Enhance a conducive working environment
Lack of sufficient funds and resources	• Develop a resource mobilization strategy • Continuous partnership with stakeholders

Capacity under-utilization of water plants	Augment production units for maximum production
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	**How to 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
New positions created but not in the organization structure	Include new functions in the organogram
Succession planning initiatives not in place	Ensure initiatives are in place across all leadership/supervisory levels
System Issues	**How to 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 25%
Existence of an integrated management information systems (ERP, Smart Billing, Smart Operations, USSD, SW Maps and KOBO)	• Fully implement the ERP System and other systems in place Optimize and maximize output from systems in place. • Train all user on the use and enhance ownership
Existence of manual processes	• Integrate all systems to a centralized monitoring platform • Automate all the processes
Performance management system not automated	Automate and capacity build staff on real-time use of automated BSC M&E/Appraisal
Staff Issues	**How to Enhance / Reduce**
Under staffing	Proper need assessment, employment of technology, outsource non-core operations.

Competent and experienced staff	Optimize staff to maximize their performance
Succession planning	Properly identify key roles and responsibilities, for training and development.
Reward and recognition	Enhance the reward and recognition scheme.
Promotions	Enhance systems for merit promotions
Skill mismatch	Job placement to be strictly based on employee skills
Performance management challenges	Establish an automated real time system of performance management
Skill deficiency in some areas	Effective training and development of staff for efficiency.
Style – Leadership issues	**How to Enhance / Reduce**
Supportive senior management	Enhance capacity in Strategic Leadership among the top leadership
Strong Board of Directors	Accelerate cooperation, partner onboarding and lobbying activities through the board
Board not fully constituted	Prioritize recruiting diverse, skilled members
Shared Values/Culture	**How to Enhance / Reduce**
Existing of GATWASCO Core Values	• Develop initiatives focused on implementation of core values. • Include an assessment of core values in the BSC
Staff attitude toward change i.e., technology negates a conducive for positive change	Establish an intensive culture change campaign, capacity building and acceleration
Staff integrity issues	• Implement zero tolerance policy on integrity issues • Develop and implement a whistleblowing policy
Reluctance to share sanitation facilities	Promote community engagement and educate on shared benefits.

3.8 External Environmental Analysis

The analysis of the external environment identified factors outside the control of the company that may affect performance positively (opportunities) or negatively (threats). The analysis was undertaken through a review of the Political, Economic, Social, Technological, Legal and Ecological/Environmental (PESTLE) factors. The stakeholders also identified responses to these opportunities and threats. The outcome of the analysis is as presented in the table below:

Table 4: PESTEL Analysis

Political Factors

Factor	Mitigation/Exploit
Political Goodwill from the County & National Government	• Effective communication and providing information • Continuously engagement especially on policy matters
Overlap in responsibility & uncoordinated developments	• Sharing information and collaboration • Adhere to systems and structures in place
Political instability	• Business Continuity Plan • Endeavour to remain apolitical
Interference and meddling in company affairs	• Adherence to policy and Code of conduct especially on the conflict of interest • Maintain professionalism & assertiveness • Live up to the regulatory framework
Economic Factors	
Factor	**Mitigation/Exploit**
Support from Partners	• Continuously Grow and maintain good relationships • Good corporate governance & enabling environment
High Cost of Living	• Public Participation and sensitization • Continual excellence in service provision
High Inflation	• Tariff adjustment i.e. indexing

	• Source for alternative revenue saving and cost-effective solutions
Low credit rating	• Improve collection efficiency as well as billing and customer growth trends • Diversification of revenue sources • Address NRW
High water production costs	• Engage alternative sources of power e.g., solar power
Vandalism of Infrastructure and theft	• Sensitization • Enhance collaborations with key stakeholders. • Lobby for county legislation in protecting company assets
Kiambu development and growth in housing	• Provide for the growth by extending water and sanitation services in the emerging housing areas of the county
Social Factors	
Factors	**Mitigation/Exploit**
Willingness to pay for water	• Enhance the service provision
High Population Growth	• Increase water production & enhance the existing infrastructure • Reduce NRW • Encourage efficient use of water
Communal Perception that water is a less essential commodity	• Sensitization on the need to pay for the service • Enhance behavioral Change Communication
Pandemic Outbreaks	• Implement a Rapid Response Team / Crisis Management Plan
Corruption	• Code of conduct adherence • Develop and implement a zero-tolerance policy • Implement ISO37001 on anti-bribery management systems.

Inability to Pay	• Enhance initiatives targeting vulnerable and low-income customers and review the applicable tariffs.
Technological Factors	
Factors	**Mitigation/Exploit**
Availability of technology and newer emerging water and wastewater management technologies	• Automation of water and wastewater systems. • Smart metering • Enhance existing ERP systems • Alternative energy sources such as solar technology
Cyber security	• Secure network environment using modern firewalls. • Capacity building of staff on cyber security
Information technology, internet, global and local communications	• More investment in relevant and appropriate technology. • Exploit new media and technology communication platforms for service delivery and customer engagements
Environmental Factors	
Factors	**Mitigation/Exploit**
Availability of water resources e.g. rivers	•Increase production and connectivity • Conservation of water resources for sustainability
Re-use and recovery of waste	• Recovery of nutrients (sludge) • Use of wastewater for irrigation • Production of biogas
Adaptation to climatic changes e.g. drought & floods	• Exploit alternative sources of water resource like underground water. • Restoration of catchment areas through tree planting and lobbying for gazetting catchment areas.
Environmental protection laws	• Adherence to laws, regulation and standards within the environment laws
Encroachment of catchment areas	• Lobby for gazettement of catchment areas • Enhance community sensitization

Pollution	• Sensitize stakeholders on environmental conservation and protection
Legal Factors	
Factors	**Mitigation/Exploit**
Water and sanitation as a basic right	• Increase water and sanitation access
Employment laws	• Keep staff updated on their rights • OSHA document and WIBA • Enforce HR policies
Compliance with regulatory requirement e.g. WASREB, NEMA	• Identify the regulatory requirements as indicators of performance measurements
Litigious populace Consumer protection and awareness	• Maintain quality of the product • Communicate all charges levied on a customer • Adhere to the Service Charter • Improve on consumer education

3.9 GATWASCO Stakeholder Analysis

Stakeholder analysis is a process of systematically gathering and analyzing qualitative information to determine stakeholder interests that should be considered when developing and/or implementing GATWASCO's Strategic Plan. Several GATWASCO stakeholders were identified and an analysis was undertaken to determine the interests of the stakeholder, their expectations from GATWASCO and the possible strategies to either drive support from the stakeholder or mitigate any negative effects from the stakeholder.

Table 5: Stakeholder Analysis

Stakeholder	Stakeholder interests in GATWASCO	What we expect the stakeholder to provide	Strategies for obtaining support or reducing obstacles
Consumers	• Quality clean, potable, 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/systems

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 • Develop scheme to reward and reprimand 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	• Enhance cohesiveness among board members - Benchmarking and training • 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 GATWASCO service area • 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 etc.)	• 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
Suppliers	• Transparency in procurement process	• Quality and timely delivery of services	• Agreeable contractual terms • Enabling business operating environment

	• Timely payments • Unbiased supervision of services rendered	• Compliance with procurement Laws • Favorable Payment terms	• 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 - Establishment of whistleblowers and ambassadors
Partners (AWWDA, CGK, GOK 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 - Development of bankable proposals - Enhance collaborations

3.10 SWOT Analysis

An assessment of GATWASCO's Strengths, Weaknesses, Opportunities, and Threats (SWOT) was undertaken. The SWOT notes internal resources (Strengths and Weaknesses) and the external environment (Opportunities and Threats).

Table 6: SWOT Analysis

Strength	**How to Enhance or Maintain**
Competent staff running key operations.	Put in strategy to maintain the staff and develop a succession plan.
Strong and able leadership starting from the BOD and effective and professional senior management team with long experience.	• Continuous capacity building • Exploit the networks of BOD members and the management
Adequate plant capacity to supply water to the target population.	Ensuring efficiency of the production plants
Strong partnership with development partners.	Maintenance of these relationships through

	implementation of MOUs
Weaknesses	**How to Eliminate or Minimize**
Dilapidated infrastructure which leads to water losses through frequent bursts and leaks.	Network overhaul program.
High water loss leading to high NRW.	Put in place strategies specific to water loss reduction / elimination.
Limited resources leading to slow pace of extension of water and sewerage network not currently served.	Partner with donors and other developments partners for financing. Become commercially viable to attract financial partners
Limited capacity of our reticulation network.	Upgrading/uprating our reticulation system
Pipes passing through private property	• Plan routes along public easements • Negotiate voluntary agreements with landowners
Opportunities	**How to achieve or exploit**
Reliable water source.	Increase production and distribution capacities.
Growing population.	More customer connections, resulting to more revenue as a result of higher demand.
Availability of modern technology.	Exploit technology in all the spheres of the organization.
Ready market for our services in the area of operation.	- Put in place measures to ensure reliability, affordability and quality services. - Invest more in emerging water distribution infrastructure technologies.
Increasing urbanization.	- Adopt urban centric customer relationship approach. - Exploit the growth for diverse connections. - Increase infrastructure and connectivity.
Stakeholders willing to fund improvement of water access.	Develop proposals and engagements with stakeholders for funding expansion and investment in water and sanitation.
Threats	**How to mitigate or avoid**

Inability to pay leading to high defaults and disconnections.	- Sensitization on prompt payment. - Strengthen relationships with different stakeholders.
Vandalism, sabotage and water theft.	Collaborate with law enforcers and members of the community to intensify surveillance, explore alternative like using plastic meters.
Political interference.	Encourage advocacy and dialogue with political leadership of the day.
Environmental pollution.	- Improve catchment awareness. - Liaise with county government enforcement unit.
Climate change.	- Implement the risk management plan.
Emergence of third-party water providers.	- Ensure reliable, adequate and affordable supply of water.

CHAPTER FOUR
THE STRATEGIC MODEL

4.1 Strategic Focus

Based on the external and internal analysis conducted, the following strategic priority areas to focus on in the next five years were developed, subject to adequate funding being available:

I. Expand Water and Sanitation Access and Coverage
II. Improve Operational Efficiency
III. Improve Financial Sustainability and Reporting
IV. Ensure Customer Satisfaction
V. Enhance Billing Efficiency
VI. Intensify Employee Productivity
VII. Enhance Effective Corporate Governance
VIII. Digitally Enhance Departmental Operations
IX. Optimize Procurement Processes
X. Ensure Sustainable Environmental Management and Conservation
XI. Secure ISO Certification

4.3 Summary of the Strategic Aspirations

The table below provides a summary of the strategic aspirations.

Table 7: Summary of Strategic Aspirations

	Strategic outcomes	Strategic initiatives
Expand Water and Sanitation Access and Coverage	Increased water coverage and access from 74% to 90%.	- Increase water production capacity from 20,300m^3/day to 45,540m^3/day. - Extension of 200km distribution network of assorted sizes (DN90 to DN25). - Upgrade/uprate 300km of the distribution system. - Increase water storage capacity in the distribution system by 3000 m^3.
	Enhanced sanitation access.	- Undertake master plan study for sewerage development in the area served by the Company. - Adopt on-site waste management technologies. - Develop four decentralized wastewater treatment facilities at Kamwangi, Kiganjo, Kigumo and Gatukuyu towns. - Procure at least two exhausting units. - Extension of 200km sewer networks to upcoming estates along Kenyatta Road. - Construction of 10 ablution blocks.
Improve Operational Efficiency	Enhanced operational efficiency	- Adoption of technologies in the company's operations. - Ensure efficient treatment processes, network management, and customer engagement. - Reduce costs and improve the efficiency of infrastructure assets.
Improve Financial Sustainability and Reporting	Improved revenue performance.	- Increase monthly revenue from 20M to 150M. - Improve collection efficiency from 88% to 105%.
	Efficient expenditure management.	- Ensure an effective budgeting process. - Improve cost management. - Comply with regulatory and statutory obligations. - Comply with best financial management and reporting practices. - Adopt technologies in financial management processes. - Ensure commercial viable projects are undertaken.
	Increased billing efficiency from 61% to 75%	- Enhance meter reading efficiency from 80% to 100%. - Reduce NRW from 33% to 25%.
Increase customer satisfaction	Enhanced customer satisfaction levels	- Enhance consumer engagement and improve on the management of consumer feedback mechanisms. - Enhance digital interaction. - Entrench a customer focus culture among all employees.

Intensify employee productivity	Enhanced employee productivity	- Implement a responsive organization structure. - Undertake a staff rationalization exercise. - Attract and retain competent staff. - Promote talent development & learning.
	Increased employee satisfaction levels from 65% to 100%	- Institutionalizing a performance management culture. - Enhance staff welfare. - Enhance company image. - Improve work environment.
Enhance Effective Corporate Governance	Improved stakeholder relations	- Enhance collaboration networks. - Undertake stakeholder engagements. - Facilitate inter-departmental and inter-agency communication. - Ensure annual reporting to stakeholders. - Ensure fulfilment of external/statutory requirements.
	Enhanced institutional visibility and branding	- Strengthen leadership & organizational culture. - Amplify the organization's core values. - Enhance internal and external communication. - Intensify company and employee branding. - Enhance customer experience. - Intensify CSR initiatives.
	Improved funding access.	- Improve the company's credit worthiness. - Develop bankable project proposals. - Ensure affiliation with potential stakeholders. - Engage in public-private partnerships (PPPs) for resource mobilization. - Lobby for supportive legislation and regulations.
Digitally Enhance Company Operations	Enhanced data integrity and improved internal communications	- Deploy a secure local mail server. - Deploy a data backup system. - Enhance cybersecurity measures.
	Transparent and efficient ICT operations	- Digitally align company processes.
Optimize Procurement Processes	Efficient procurement processes	- Standardize procurement procedures - Strict adherence and compliance to PPDA 2015 and Public Procurement Regulations 2020 - Automate tender evaluation and contract management

Ensure Sustainable Environmental Management and Conservation	Reduced environmental degradation	- Implement Watershed Protection Programs. - Promote water conservation through community engagement - Collaborate with stakeholders for conservation projects.
Secure ISO Certification	Enhanced credibility and stakeholder trust	Define the target standards relevant to the operations of the company.

CHAPTER FIVE
IMPLEMENTATION OF THE STRATEGIC PLAN

5.1 Strategy Implementation Framework

Implementation represents the operational phase where strategic plans are put into action. This critical stage involves four core activities: setting yearly targets, formulating relevant policies, distributing resources efficiently, and evaluating organizational structures for optimal performance.

The Implementation Matrix (provided in the Appendix) serves as the blueprint for this process. To translate strategic goals into tangible results, management will develop detailed annual work plans based on this matrix. These action plans will provide clear directives and performance benchmarks to ensure effective execution across all departments.

5.2 Strategy Implementation Key Success Factors

For successful execution of this Strategic Plan, GATWASCO must prioritize several essential elements:

- Approved Departmental Policies & Plans – Ensuring all departments formulate their respective policies, annual plans and SOPs
- Resource Mobilization & Allocation - Ensuring adequate financial, human and technical resources
- Organizational Alignment - Fostering a shared vision and supportive culture
- Process Innovation - Implementing modern, efficient and effective systems
- Human Capital - Maintaining a skilled and motivated workforce
- Performance Management - Utilizing Balanced Scorecard and robust monitoring & evaluation frameworks
- Stakeholder Engagement - Securing buy-in from all relevant parties

These critical components will enable effective transition from planning to tangible results, driving the organization's strategic objectives forward.

5.3 Institutional Framework for Plan Implementation and Coordination

To effectively execute its strategic plan, GATWASCO will optimize its organizational structure by ensuring essential personnel are available to undertake critical roles and aligning human resources with strategic objectives. Structural changes will be implemented progressively as operational milestones are achieved. The implementation process will be guided by a tiered governance framework, with the Board of Directors providing strategic oversight, Executive Management offering operational leadership, and Departmental Teams handling execution. To ensure continuous improvement, GATWASCO will conduct mid-term organizational reviews, adjust structures based on performance metrics, and maintain flexibility to adapt to evolving needs. This phased approach guarantees that human capital development progresses in tandem with strategic implementation requirements.

5.4 GATWASCO Structure

5.4.1 Board Structure

GATWASCO operates under the leadership of a seven-member Board of Directors. While the Board sets strategic direction and policies, daily operations are managed by the senior leadership team headed by the Managing Director, who reports to the Board. The Board's primary responsibilities include:

- Formulating organizational policies
- Overseeing strategic, financial and operational governance
- Ensuring compliance with all regulations and procedures

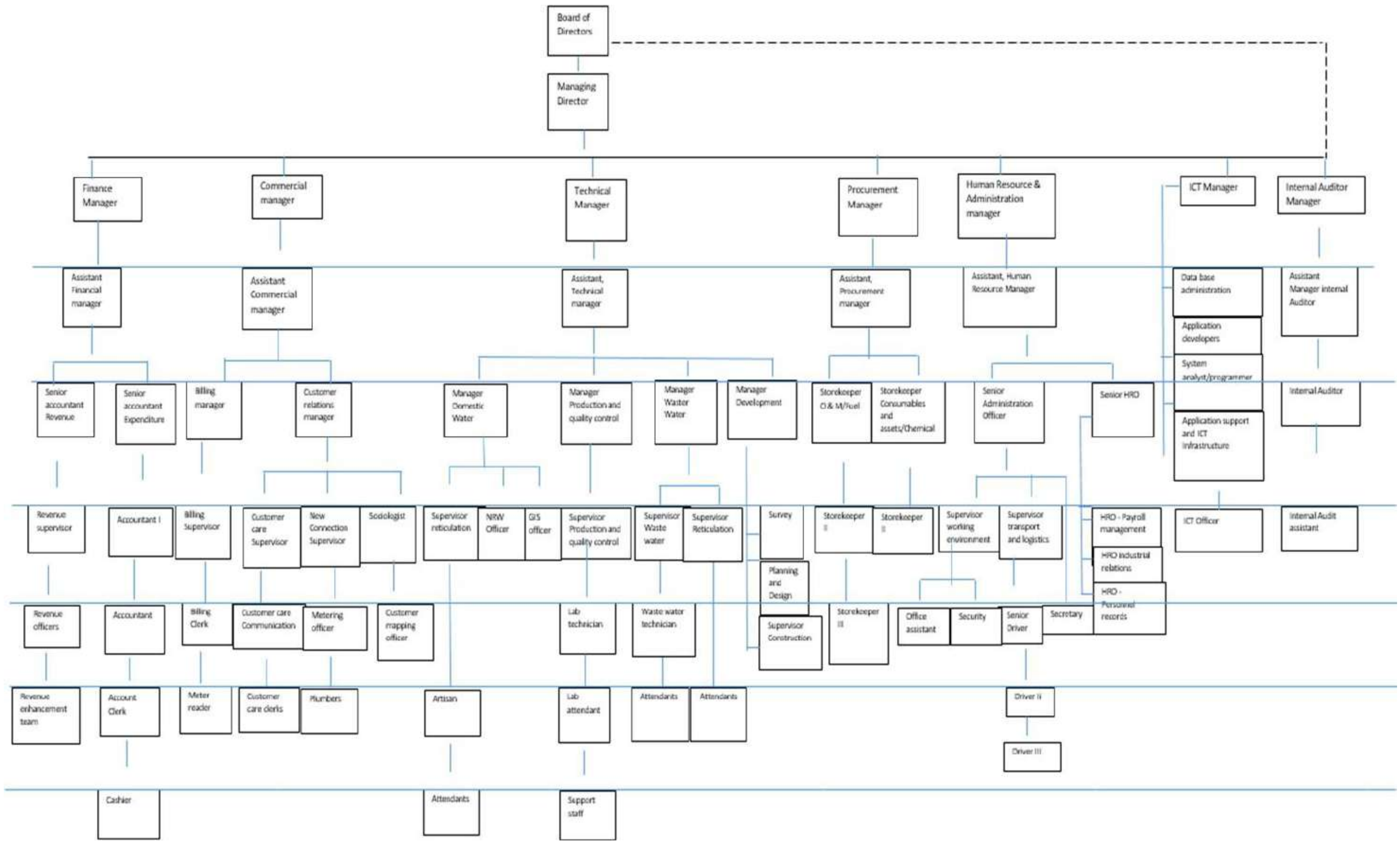
To enhance its governance effectiveness, the Board is supported by three specialized committees that assist in executing its oversight role:

i. Technical Committee
ii. Finance and Administration Committee; and
iii. Audit and Risk Committee

The Board is accountable to the County Executive Committee Member (CECM) overseeing the Department of Water and Sanitation within the Kiambu County Government. Its members are tasked with delivering strategic guidance and overseeing management operations. In particular, the Board has the following responsibilities:

i. Approving key company policies and working with management in establishing policies for strengthening the performance of the Company including ensuring that Management is proactively seeking to build the business through areas such as innovation, initiative, technology, new products and the development of its business capital.
ii. Ensuring that processes are in place to identify the principal risks of the Company business.
iii. Ensuring the Company's financial position is protected and is able to meet its debts and other obligations when they fall due.
iv. Supervising the succession planning processes of the Company, including the selection, appointment, development, evaluation and the senior management team.
v. Overseeing, reviewing and monitoring the operation adequacy and effectiveness of the Company's reporting system and overall framework of internal controls established by the Managing Director including operation accounting and financial reporting controls.
vi. Establishing appropriate structures and procedures to allow the Board to function independently of management; Ensuring that the Company has appropriate risk management, internal control and regulatory compliance policies and procedures in place.

5.4.2 GATWASCO Management Structure



5.4.3 GATWASCO Departments

To ensure efficient operations and effective service delivery, GATWASCO has established specialized functional departments, each dedicated to key aspects of the company's core activities. These departments are structured to enhance productivity, accountability, and strategic focus. The following are the key departments and their primary functions:

Department	Primary Functions
Technical Department	Responsible for planning, designing, and maintaining water and sanitation infrastructure systems to ensure uninterrupted service delivery and system reliability.
Commercial Services Department	Manages all customer-facing operations including account management, billing systems, service connections, customer satisfaction initiatives, and payment solutions.
Finance Department	Oversees financial operations including budgeting, financial reporting, and investment planning to ensure fiscal responsibility and sustainable financial growth.
Administration Department	Provides support services such as facility, fleet, and records management, office operations, and general administrative functions to enhance organizational efficiency.
Human Resources Department	Handles workforce planning, recruitment, employee development, performance management, and staff welfare to build a competent and motivated workforce.
Procurement Department	Manages the supply chain process including tendering, vendor selection, contract management, and inventory control to ensure cost efficiency and timely procurement.
ICT Department	Designs, implements, and maintains ICT infrastructure including systems, networks, data security, data management, and digital transformation initiatives.
Internal Audit Department	Conducts independent reviews of financial and operational processes, evaluates risk management frameworks, and ensures compliance with statutory and governance requirements.

5.5 Financing the Strategic Plan

The effective implementation of strategic objectives is contingent upon the availability and proper allocation of resources. Adequate financial provisions and material assets serve as foundational prerequisites for translating strategic blueprints into tangible outcomes.

Recognizing this essential requirement, GATWASCO's governance structure - comprising both the Board of Directors and executive management - has established resource acquisition as an institutional priority. This dedicated focus on financial mobilization guarantees comprehensive funding for both long-term strategic initiatives and day-to-day operational requirements, thereby empowering personnel to execute organizational mandates with optimal efficiency.

To achieve this, GATWASCO will pursue a diversified funding approach, tapping into multiple potential revenue streams, including:

- **Internally generated funds** (operational revenues, service fees, carbon credits)
- **Government allocations** (national and county funding)
- **Donor and development partner support** (grants, concessional financing)
- **Private sector and commercial financing** (loans, public-private partnerships, corporate investments)

By leveraging these varied funding sources, GATWASCO aims to secure sustainable financial backing that will drive its strategic objectives forward while maintaining operational stability and growth.

5.6 Strategic Plan Implementation Budget

For the effective execution of this Strategic Plan, GATWASCO has projected a cumulative budget requirement of KES. **1,729,819,000**. These financial resources will be allocated over a five-year timeframe, with annual disbursements corresponding to scheduled project implementation phases. The comprehensive budget distribution across the organization's strategic aspirations is systematically outlined in the financial table below.

Table 8: Strategic Plan Implementation Budget

Strategic Aspiration	Amount (KES)
Aspiration 1: Expand Water and Sanitation Access and Coverage	1,076,800,000
Aspiration 2: Improve Operational Efficiency	29,000,000
Aspiration 3: Improve Financial Sustainability, Reporting & Billing Efficiency	468,719,000
Aspiration 4: Ensure Customer Satisfaction	13,700,000
Aspiration 6: Intensify Employee Productivity	42,000,000
Aspiration 7: Enhance Effective Corporate Governance	80,000,000
Aspiration 8: Digitally Enhance Departmental Operations	3,100,000
Aspiration 9: Optimize Procurement Processes	7,000,000
Aspiration 10: Ensure Sustainable Environmental Management	9,500,000
Aspiration 11: Secure ISO Certification	-
Total Budget	**1,729,819,000**

The requisite funding to meet the specified budgetary requirements will be secured through multiple channels, including: internally generated revenues, commercial financing mechanisms, and financial contributions from both national and county governments in collaboration with development partners. These funding streams are examined in greater detail in the following section.

5.7 Proposed Sources of Funds

Given GATWASCO's constrained internal financial capacity, successful strategy implementation will necessitate substantial external financing. Potential external funding avenues for consideration include:

The County Government of Kiambu

Given its position as the sole shareholder, the County Government of Kiambu bears responsibility for providing both immediate and sustained financial support to GATWASCO for critical infrastructure projects. The strategic plan outlines several development initiatives that require collaborative implementation between the water company and county leadership, reflecting their shared commitment to improving water services.

Development Partners

GATWASCO should actively pursue strategic partnerships with development organizations and agencies whose objectives align with its mission of sustainable water and sanitation service delivery. By engaging with like-minded partners, the company can leverage technical expertise, financial resources, and innovative solutions to enhance its operational efficiency and service coverage.

Commercial Financing

To enhance its eligibility for commercial financing, GATWASCO shall prioritize strengthening its creditworthiness. By improving its credit rating, the utility will become more attractive to banks and financial institutions for medium- to long-term infrastructure development loans. These financing options may be offered at either concessionary or market-based interest rates, depending on the lender and project viability.

The National Government

As a key stakeholder, the National Government is anticipated to facilitate a supportive policy and funding framework to enable GATWASCO's infrastructure development initiatives across both short- and long-term horizons. This strategy will actively engage with government institutions to secure financing for major capital projects.

Table 9: Detailed Implementation Plan

Strategic Initiatives	Activities	Timelines	Budget (KES)	Person Responsible
Increase water production capacity	Construction of cofferdams upstream of intakes in Rivers Theta, Karimenu, Thiririka, Ruabora and Ndarugu.	Y1	10,000,000	TM
		Y2	10,000,000	
		Y3	10,000,000	
		Y4	10,000,000	
		Y5	10,000,000	
	Desilting of 8no. intakes and lagoons at the WTPs	Y1	4,000,000	
		Y2	4,000,000	
		Y3	4,000,000	
		Y4	6,000,000	
		Y5	6,000,000	
	Installation of Lamella plates at Theta, Thiririka, Ndarugu, Kairi and Gakoe WTPs	Y1	5,000,000	
		Y2	5,000,000	
		Y3	5,000,000	
		Y4	3,000,000	
		Y5	3,000,000	
	Replacement of filter media in 9 No. WTPS	Y1	5,000,000	
		Y2	5,000,000	
	Development of 2no. Turbine driven Schemes to yield 4,000m^3/day	Y1	25,000,000	
		Y2	25,000,000	
		Y1	8,000,000	

	Operationalization of Marigi and Kimunyu Boreholes to yield 240m^3/day	Y2	2,000,000	
	Improvement of Mataara weir and construction of 2no. CFUs to treat 1,000m^3/day	Y2	60,000,000	
	Construction of 2no. CFUs at Nguna to treat 1,000m^3/day.	Y2	20,000,000	
	Improvement of Gakoe weir, construction of 2no. CFUs to treat 1,000m^3/day and installation of reticulation systems	Y3	30,000,000	
	Construction of 2no. CFUs at Githobokoni to treat 1,000m^3/day.	Y2	20,000,000	
Extend the distribution network	Undertake pipeline extension/upgrading in Kamwangi, Mang'u, Ndarugu, Ng'enda, Kiganjo, Komothai, Juja, Chania, Kiamwangi and Githobokoni Wards. The total span of the pipeline is 153.3km, ranging from DN25 to DN110	Y1	30,000,000	TM
		Y2	30,000,000	
		Y3	30,000,000	
		Y4	30,000,000	
		Y5	30,000,000	
Increase water storage capacity in the distribution system	Construction of 4no. Water storage tanks with a capacity of 3,000m^3, at Mutomo, Ituuru, Muthunguchi and Buchana	Y1	50,000,000	TM
		Y2	16,000,000	
Adopt on-site waste management technologies	Policy formulation, Research, Training and certification of staff	Y1	300,000	TM
		Y2	300,000	
		Y3	500,000	
		Y4	500,000	
		Y5	500,000	
Undertake master plan study for sewerage development	Mapping the existing sewer network under development, to identify areas to be served	Y1	200,000	TM
	Undertake mapping of the entire area of jurisdiction to determine the sanitation coverage and also to identify sanitation gaps	Y2	20,000,000	
Develop decentralized wastewater treatment facilities	Construction of 9no. DTFs at Kiganjo, Mundoro, Wamwangi, Kigumo, Kibichoi, Kamwangi, Gatukuyu, Kanyoni and Gituamba	Y1	10,000,000	TM
		Y2	20,000,000	
		Y3	20,000,000	
		Y4	20,000,000	
		Y5	20,000,000	
Extend sewer networks to upcoming estates along Kenyatta Road	Construction of 50km DN300 & 150km DN200 Trunk & Lateral sewers in estates along Kenyatta Road	Y4	200,000,000	TM
		Y5	200,000,000	
	Develop and implement a maintenance schedule for sewerage infrastructure.	Y1	200,000	
		Y2	300,000	
		Y3	500,000	
		Y4	1,000,000	
		Y5	1,500,000	
Construct ablution blocks	Construction of 3no. DTFs at Gatundu, Ituuru, Kamwangi, Gatukuyu and Kigumo	Y1	20,000,000	TM
		Y2	10,000,000	

		Y3	10,000,000	
		Y4	10,000,000	
Adoption of technologies in the company's operations	Install IoT sensors on critical infrastructure to monitor water flow, pressure, and leaks in real time	Y1	500,000	TM
		Y2	1,000,000	
		Y3	1,500,000	
		Y4	2,000,000	
		Y5	2,500,000	
	Configure ERP modules for Pastel Accounting, HR Management, and e-Procurement	Y2	4,000,000	ICT
Ensure efficient treatment processes, network management, and customer engagement	Upgrade treatment equipment to energy-efficient models to lower operational costs	Y1	1,000,000	TM
		Y2	2,000,000	
		Y3	5,000,000	
	Use IoT-enabled sensors to continuously monitor water quality parameters	Y1	1,000,000	TM
		Y2	1,500,000	
		Y3	2,000,000	
	Enhance the digital portal for customers to submit feedback, report issues, or track complaints	Y1	-	ICT
Reduce costs and improve the efficiency of infrastructure assets	Use Enterprise Asset Management (EAM) or Computerized Maintenance Management Systems (CMMS) to schedule predictive maintenance based on asset condition data	Y1	5,000,000	TM
Improve monthly revenue from 20M to 60M	Enhance supervision Develop a call centre	Y1	4,000,000	FM
		Y2	4,000,000	
		Y3	4,000,000	
		Y4	4,000,000	
		Y5	4,000,000	
	New connections	Y1-5	-	
	Reactivation of inactive accounts	Y1-5	-	
	Diversify alternative revenue streams (exhauster services, test bench calibration services)	Y1	20,000,000	
		Y2	20,000,000	
		Y3	20,000,000	
		Y4	20,000,000	
		Y5	20,000,000	
Improve collection efficiency from 88% to 105%	Timely delivery of bills by 1st of every month	Y1	2,000,000	FM
	Educate and engage customers	Y2	2,000,000	
	Enforce credit measures such as payment plans for struggling customers	Y3	2,000,000	
	Monitor and act on performance	Y4	2,000,000	
	Partner with local authorities/enforcement agencies Incentivize staff and customers	Y5	2,000,000	
	Send regular payment reminders.	Y1	1,100,000	
		Y2	1,500,000	
		Y3	1,500,000	
		Y4	2,000,000	

		Y5	2,000,000	
	Timely Disconnection of unpaid accounts.	Y1-5	-	
Ensure an effective budgeting process	Set clear objectives and align the budget with organizational goals and plans Engage all stakeholders in the budget making process Making accurate estimates based on past trends and analysis Forecasting expertise to anticipate future trends and market conditions. Ensuring all regulatory compliance and submissions in the preparation process of the budget are adhered to. Ensure transparency and accountability Establish a realistic and flexible budget Monitor and review regularly	Y1-5	-	FM
Improve cost management	Conduct regular cost analysis Set clear cost cutting goals Improve budgeting and forecasting Streamline processes and eliminate inefficiencies Automate repetitive tasks Use KPIs to improve decision making Regular reviews	Y1-5	-	FM
Comply with regulatory and statutory obligations	Ensure loan and statutory deductions are submitted on time and before 9th of the following month. Comply with all tax obligations Maintain proper record keeping Corporate governance and reporting Train staff on compliance requirements Environmental and social responsibility	Y1-5	-	FM
Comply with best financial management practices	Ensure 100% compliance to best practices on all activities through: Creating and following a realistic budget Compliance with legal and tax obligations Accurate record keeping Smart saving and investment Debt management Internal controls and governance Financial education and capacity building Use of technology Transparency and reporting	Y1-5	-	FM
Adopt technologies in financial management processes	Adopt an ERP-based Finance management system	Y2	5,000,000	FM

Attain unqualified audit reports	Keep accurate and complete financial records Apply correct accounting standards Establish and follow strong internal controls Ensure regulatory compliance Prepare audit ready financial statements Conduct regular internal reviews Respond to prior audit findings Engage external auditor early Maintain ethical and transparent practices Ensure proper staff competence	Y5	-	FM
Enhance consumer engagement	Educate customers about water conservation and responsible usage.	Y1	940,000	CM
		Y2	940,000	
		Y3	940,000	
		Y4	940,000	
		Y5	940,000	
	Foster transparent communication through; • SMS Platform • Introduce a toll-free number • USSD Code • Holding customer care workshops and clinics • Set up a call centre • Carry out customer satisfaction survey regularly • Maintaining an active social media platform • Use of e-mail as a medium of communication	Y1-5	9,000,000	
Enhance meter reading efficiency	Procure and install smart meters/AMR in high consumption areas.	Y1	8,916,600	CM
		Y2	8,916,600	
		Y3	8,916,600	
		Y4	8,916,600	
		Y5	8,916,600	
	Conduct quarterly meter inspections and replacements	Y1	14,875,000	
		Y2	14,875,000	
	Create master calendar with clear deadlines	Y1	-	
Reduce NRW from 39% to 25%	Procurement and installation of Volumetric flow meters (Sub zonal meters) ranging from DN160-DN63.	Y1	3,000,000	TM
		Y2	3,000,000	
		Y3	3,500,000	
		Y4	3,500,000	
		Y5	4,000,000	
	Procurement of 4no. Correlators for leak detection.	Y1	2,000,000	
		Y2	2,000,000	
	Procurement of 4no. ultrasonic flow meters for water flow monitoring	Y1	3,000,000	
		Y2	3,000,000	
	Procurement of 4no. pipe locators	Y1	1,000,000	

		Y2	1,000,000	
	Operationalization of a meter testing laboratory.	Y1	2,000,000	
	Replacement of dilapidated pipeline networks of assorted sizes ranging from DN50 to DN160.	Y1	43,500,000	
		Y2	30,456,000	
		Y3	36,000,000	
		Y4	45,400,000	
		Y5	64,930,000	
Implement a responsive organization structure and undertake a staff rationalization exercise	Hire a consultant to align workforce size, structure, and skills with the strategic needs of the organization.	Y1	2,000,000	HR
		Y2-5	-	
Attract and retain competent staff	Creating attractive job offers, streamlining recruitment processes and promoting diversity, inclusion and equity. Offer competitive compensation and benefits, career development and training and performance recognition and rewards.	Y1	2,000,000	HR
		Y2	2,000,000	
		Y3	1,000,000	
		Y4	1,000,000	
		Y5	1,000,000	
Promote talent development & learning	Developing a learning and development strategy, promote on the job learning and fostering a learning culture	Y1	3,000,000	HR
		Y2	3,300,000	
		Y3	3,600,000	
		Y4	3,900,000	
		Y5	4,200,000	
Improve staff welfare	Ensure employees are provided with the right working tools	Y1-5	-	HR
	Ensure staff are provided with adequate office infrastructure	Y1-5	-	
	Improve employee motivation	Y1	2,500,000	
		Y2	2,750,000	
		Y3	3,000,000	
		Y4	3,250,000	
		Y5	3,500,000	
Enhance company image	Improve customer experience & service visibility Intensify community engagement & CSR Enhance corporate identity & communication Enhancing Partnerships & institutional image	Y1	1,000,000	ADMIN
		Y2	1,000,000	
		Y3	1,000,000	
		Y4	1,000,000	
		Y5	1,000,000	
	Deliver transparent and quality services	Y1-5	-	
Enhance collaboration networks	Identify, develop, and implement Memoranda of Understanding (MoUs) with targeted institutions to support strategic objectives	Y1-5	2,000,000	ADMIN
	Hold public participation and consultation workshops with our stakeholders	Y1	1,000,000	ADMIN
		Y2	1,000,000	

Undertake stakeholder engagements		Y3	1,000,000	
		Y4	1,000,000	
		Y5	1,000,000	
Facilitate inter-departmental and inter-agency communication	Enhance clear communication channels Implement regular coordination mechanisms	Y1	500,000	ADMIN/ICT
		Y2	500,000	
		Y3	500,000	
		Y4	500,000	
		Y5	500,000	
Ensure annual reporting to stakeholders	Hold AGMs with key stakeholders	Y1	1,000,000	ADMIN
		Y2	1,000,000	
		Y3	1,000,000	
		Y4	1,000,000	
		Y5	1,000,000	
Ensure fulfilment of external/statutory requirements	Review and update policies to align with best practices and regulatory requirements	Y1	500,000	ADMIN
		Y2	500,000	
		Y3	500,000	
		Y4	500,000	
		Y5	500,000	
Strengthen Leadership & Organizational Culture	Train the board, management, and other staff members	Y1-5	-	ADMIN
Implement the organization's core values	Promote ethical practices and integrity in all operations	Y1-5	-	ADMIN
Enhance internal and external communication	Ensure there are clear communication channels	Y1-5	-	ADMIN
Intensify company & employee branding	Develop, implement, and maintain institutional branding in all company assets	Y1	5,000,000	ADMIN
	Provide staff with branded uniforms and materials	Y1	2,000,000	
		Y2	2,000,000	
		Y3	2,000,000	
		Y4	2,000,000	
		Y5	2,000,000	
Intensify CSR initiatives	Align CSR with core business values	Y1	2,000,000	ADMIN
		Y2	2,000,000	
		Y3	2,000,000	
		Y4	2,000,000	
		Y5	2,000,000	
Improve creditworthiness	Consistently maintain credit period at one month and reduce as the revenue levels improve Encourage proper record keeping and financial management Encourage continuous timely tax compliance	Y1-5	-	FM

	Capacity building Adhere to the terms of supplier contract Monitor and review performance			
Develop bankable project proposals	Training, research and benchmarking facilitations	Y1	2,000,000	TM
		Y2	2,000,000	
		Y3	2,000,000	
		Y4	2,000,000	
		Y5	2,000,000	
Ensure affiliation with potential stakeholders	Build a targeted stakeholder funding network and engage the national and county governments	Y1-5	-	ADMIN
Engage in PPPs for resource mobilization	Identify and package bankable PPP projects and negotiate MoUs with private partners	Y1	600,000	ADMIN
		Y2	600,000	
		Y3	600,000	
		Y4	600,000	
		Y5	600,000	
Lobby for supportive legislation and regulations	Collaborate with WASREB for policy advocacy	Y1-5	10,000,000	ADMIN
	Partner with sector associations for collective lobbying	Y1-5	10,000,000	
Deploy a secure local mail server	Ensure a reliable, secure internal email system to support institutional communication and reduce dependency on third-party services.	Y2	700,000	ICT
Deploy a data backup system	Assess data backup requirements and procure and install the backup infrastructure	Y1	100,000	ICT
		Y2	100,000	
		Y3	100,000	
		Y4	100,000	
		Y5	100,000	
Enhance cybersecurity measures	Deploy cybersecurity tools, conduct security audits, and lead ISO/IEC 27001 compliance efforts	Y1	400,000	ICT
	Fully secure all organizational systems and operations	Y2	1,500,000	
	Guide on the procurement, installation, and maintenance of systems, and ensure data privacy.	Y1-5	-	
Standardize procurement procedures	Develop and enforce a streamlined procurement manual aligned with PPADA 2015 and PPADR 2020	Y2	2,000,000	PO
Align procurement processes with an e-Procurement System	Observe timely response to any arising need in matters procurement for smooth running of the organization's operations	Y1-5		PO
	Ensure proper record keeping and reporting for both internal and external audits	Y1-5		

Strict adherence and compliance to PPADA 2015 and PPADR 2020	Collaborate with the Public Procurement Regulatory Authority (PPRA) and Public Procurement Administrative Review Board (PPARB) to ensure compliance and resolve disputes.	Y1-5		
Automate tender evaluation and contract management	Use e-Procurement tools to automate tender evaluations and contract monitoring	Y1	1,000,000	PO
		Y2	1,000,000	
		Y3	1,000,000	
		Y4	1,000,000	
		Y5	1,000,000	
Implement watershed protection programs	Launch reforestation and soil conservation projects around Gatundu's water sources to prevent siltation and pollution	Y1	1,000,000	TM
		Y2	1,000,000	
		Y3	1,000,000	
		Y4	1,000,000	
		Y5	1,000,000	
Promote water conservation through community engagement	Conduct CSR-driven Water, Sanitation, and Hygiene (WASH) campaigns to educate communities on water-saving practices	Y1	200,000	TM
		Y2	300,000	
		Y3	400,000	
		Y4	500,000	
		Y5	600,000	
Collaborate with stakeholders for conservation projects	Partner with county governments, WSTF, and NGOs to fund and implement conservation initiatives	Y1	500,000	TM
		Y2	500,000	
		Y3	500,000	
		Y4	500,000	
		Y5	500,000	
Select & confirm the target standards	Form a certification task force to oversee the process	Y1	-	ADMIN
Select & confirm the target standards	Identify gaps and areas requiring improvement to meet certification requirements	Y1	-	ADMIN
	Create a timeline and assign responsibilities for achieving certification	Y1	-	
	Hold management reviews to evaluate system effectiveness and drive corrective actions	Y1-5	-	

5.8 Risk Management

GATWASCO operates in a complex and evolving business landscape that presents significant challenges, requiring the strategic allocation of limited resources to promising yet uncertain ventures. Amidst constant market fluctuations and regulatory changes, the organization must balance risk-taking with robust governance to protect and enhance enterprise value while maintaining stakeholder confidence. To address these demands effectively, GATWASCO must adopt a proactive approach to risk management.

The implementation of a comprehensive Enterprise Risk Management (ERM) framework will provide the necessary structure to navigate uncertainties while driving sustainable growth. This framework will establish clear governance oversight, standardized processes, and advanced analytical tools to shift risk management from reactive to anticipatory. By systematically identifying, assessing, and mitigating risks, GATWASCO can make informed decisions, optimize resource allocation, and safeguard long-term stakeholder value.

A critical component of this approach is strategic risk analysis, which enables the organization to anticipate potential obstacles during strategy execution. Through structured evaluation of threats and opportunities, GATWASCO can develop targeted mitigation plans, ensuring resilience in a dynamic operating environment. This disciplined methodology not only strengthens risk preparedness but also supports continuous improvement in operational and financial performance.

By embedding risk awareness into decision-making at all levels, GATWASCO will enhance its ability to capitalize on opportunities while minimizing vulnerabilities—ultimately securing its position as a sustainable and forward-thinking utility provider.

Table 10: Strategic Risk Analysis

Type of Risk	Risk description	Risk likelihood	Impact of Risk	Mitigation measures
Strategic Risk	Inability to adhere to the service license standards	Low	High	Execute the SP as planned, with quarterly performance reviews.
	High Non-Revenue Water	Medium	High	- Deploy targeted NRW mitigation measures. - Maintain & replace aging Water Infrastructure.
Financial Risk	Delayed/Unsettled Invoices	Low	High	- Implement structured payment plans for outstanding balances. - Timely payment of suppliers.
	Cost overruns	Low	High	- Compliance with established financial governance protocols. - Strict observance of Board-approved budgetary allocations.
	Inadequate Funding	Medium	Medium	- Develop diversified funding strategies - Strengthen government partnerships for co-investment - Build alliances with private and development sectors
Operational Risk	Destruction / vandalism of water and sewer systems	High	High	- Maintain strict asset security protocols. - Utilize approved channels for ethical violations reporting. - Participate in community trust-building initiatives. - Utilize the water police unit.
	Systemic breakdown of water/sewer infrastructure	High	High	- Adopt Total Preventive Maintenance (TPM) methodologies to maximize equipment reliability. - Maintain current business continuity plans with annual updates.

Technological Risks	IT system disruptions, cybersecurity incidents and data security	Medium	High	- Implement redundant hardware configurations to prevent single points of failure. - Deploy multi-layered defense systems. - Maintain geographically dispersed backup systems. - Implement a cloud-based backup system. - Installation of anti-virus software into our systems.
Reputational Risk	Stakeholder alienation, negative media narratives and declining public confidence	Low	High	- Maintain transparent stakeholder engagement channels. - Guarantee 100% compliance with regulatory water standards. - Follow our service charter.
Compliance Risk	Non-compliance with legal and regulatory requirements	Medium	High	- Implement automated compliance calendars with deadline alerts. - Guarantee timely remittance of statutory deductions and submission of financial reports. - Training for sensitization to know the various compliance standards.
Political Risk	Changes in government policies, regulations, taxation, trade regimes, or geopolitical conditions	Medium	High	- Continuous monitoring of political and regulatory developments. - Supplier diversification, proactive engagement with relevant stakeholders and authorities. - Scenario planning, compliance programs, and maintaining operational flexibility.

CHAPTER SIX

PERFORMANCE MONITORING, EVALUATION AND REPORTING

6.1 Introduction

An effective Monitoring and Evaluation (M&E) system will play a pivotal role in ensuring cost efficiency, timely implementation, and quality outcomes in the execution of the Strategic Plan. The plan will undergo systematic annual reviews to assess progress against key deliverables, with particular emphasis on evaluating how effectively resources have been utilized and what measurable outputs and short-term outcomes have been achieved. These comprehensive reviews will also critically examine implementation challenges, emerging issues, and key lessons learned, thereby facilitating continuous improvement and evidence-based adaptive management. The M&E mechanism will serve as an essential tool for maintaining accountability, enhancing operational effectiveness, and ensuring the strategic objectives are met within the designated parameters of quality, time, and budget.

For a more structured approach, the M&E process will include regular performance assessments to track efficiency in resource allocation, output delivery, and outcome achievement. Each review cycle will incorporate stakeholder feedback and data-driven analysis to identify both successes and areas requiring corrective action. This iterative evaluation process will not only measure progress but also inform necessary adjustments to implementation strategies, ensuring the plan remains responsive to changing circumstances while staying aligned with its core objectives. By institutionalizing this robust M&E framework, the organization can optimize its strategic investments, mitigate risks, and maximize the plan's overall impact.

6.2 Monitoring and Evaluation (M&E) Framework

The following framework establishes robust mechanisms for monitoring activities, evaluating outcomes, addressing challenges, and documenting achievements throughout the strategic plan's implementation:

- The Board of Directors retains ultimate accountability for monitoring and evaluating the strategic plan, with authority delegated to a designated Board Committee.

- GATWASCO management will establish a cross-departmental Strategic Plan Implementation Committee (SPIC) to conduct quarterly progress reviews, oversee plan execution, and report quarterly to the Corporate Management Team led by the MD.
- The MD will submit consolidated half-year progress reports to the Board.

6.2.1 Monitoring

The monitoring process will systematically identify gaps and inefficiencies, enabling timely corrective action by management. Regular reporting (daily, weekly, monthly, and quarterly) will ensure continuous oversight and accountability. To optimize participation and execution, the following measures will be implemented:

- Develop uniform templates for data collection, specifying reporting periods and required details.
- Integrate a Performance Management Framework to align individual responsibilities with resource utilization and target achievement.
- Assign clear KPIs to officers to enhance ownership of results.
- Maximize existing resources to support seamless plan execution.

This structured approach ensures transparency, accountability, and data-driven decision-making throughout the strategic plan’s lifecycle.

6.2.2 Evaluation

The evaluation process serves to systematically compare actual performance with planned targets, identifying any variances and analyzing their underlying causes. By examining these discrepancies, the evaluation will generate actionable recommendations for improvement, which may include refining objectives or adjusting implementation strategies. This assessment will specifically evaluate the strategic plan's relevance to stakeholder needs, effectiveness in achieving goals, and efficiency in resource utilization. Evaluations will be conducted annually then a final comprehensive evaluation will be conducted at the conclusion of the plan in FY 2029/2030, providing a complete assessment of outcomes and valuable insights to guide future planning efforts. The evaluation framework will utilize targeted inquiry to assess five critical dimensions: relevance, effectiveness, efficiency, impact, and sustainability. Key lines of assessment will examine:

i. Alignment between strategic objectives and stakeholder priorities
ii. Optimization of human capital, financial and technical deployment
iii. Achievement levels weighted by objective significance
iv. Tangible positive and negative outcomes generated
v. Systemic implementation barriers and mitigation strategies
vi. Actionable insights for enhancing GATWASCO's future strategic planning processes.

6.3 Performance Measurement

To ensure effective strategy execution, it is critical to establish a performance management framework that aligns activities, resources, and outcomes. For GATWASCO, this will involve:

i. Key Performance Indicators (KPIs) - Defined KPIs aligned with strategic objectives will track progress and drive accountability.
   These indicators will serve as the foundation for performance reporting to stakeholders.
ii. Implementation Framework (Balanced Scorecard - BSC)
   A structured approach will be applied across three core dimensions:
   - Performance Objectives – Defining strategic priorities and critical success factors.
   - Measures – Establishing metrics to track progress and success.
   - Targets – Setting clear performance benchmarks to ensure accountability.

To ensure effective adoption of the Balanced Scorecard (BSC), GATWASCO shall:

i. Operationalize Strategic Priorities - Cascade organizational strategies into specific, measurable outcomes at all levels and break down high-level objectives into actionable departmental and individual targets.
ii. Align Organizational Systems - Ensure structure, policies, and processes fully support strategic execution and integrate BSC requirements into existing workflows and decision-making frameworks.

iii. Embed Strategy in Daily Operations **-** Link employee performance plans directly to strategic objectives. foster individual accountability through clear goal alignment.

iv. Institutionalize Continuous Strategy Management **-** Establish regular performance monitoring against strategic outcomes and conduct periodic reviews to adapt strategies based on performance insights.

v. Drive Transformational Leadership **-** Mobilize change through visible executive commitment and cultivate shared vision via coaching, mentoring, and motivational leadership practices.

6.4 Reporting Mechanisms

The M&E system will produce three key reports to track performance:

i. Monthly Implementation Updates

All departments will be required to submit comprehensive progress reports detailing key performance indicators (KPIs) and initiative status to the Managing Director. This monthly reporting cycle enables consistent tracking of operational activities, facilitates timely identification of implementation challenges, and ensures accountability across all organizational units. The standardized submission timeline allows for efficient data consolidation, analysis, and subsequent decision-making while maintaining alignment with strategic objectives.

ii. Quarterly Strategic Reviews

The organization will systematically evaluate implementation progress against the Strategic Plan's core priorities on a quarterly basis. The SPIC will review these assessments to pinpoint critical performance gaps and formulate corrective measures. These findings will be compiled into an executive report that will be presented to the Board to guide strategic decisions and implementation refinements.

iii. Annual Performance Evaluation

A comprehensive annual performance report will be compiled to evaluate the Strategic Plan's implementation. This report will undergo stakeholder validation to:

a. Incorporate diverse perspectives on reported outcomes
b. Ensure objectivity through multi-stakeholder review processes
c. Establish shared understanding of performance gaps
d. Enhance organizational engagement in monitoring and evaluation

The validation process will involve:

- Collaborative discussions with key M&E personnel
- Objective-by-objective review with responsible owners
- Structured feedback sessions to verify findings