"Maji Safi, Maisha Bora"
"Quality Water, Healthy Livelihoods"

KAKAMEGA COUNTY WATER AND SANITATION COMPANY

REVISED
STRATEGIC PLAN
2023 - 2026

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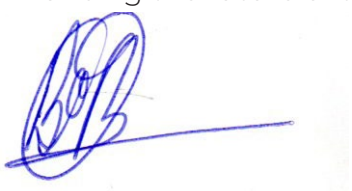
FOREWORD

The effective delivery of water and sanitation services as well as accelerated developments starts with a sound strategic development. This review of the Strategic plan is so timely considering the changes brought about by transition of the National Government, County Government and the County Water Company. This reviewed strategic plan is a development guided by the National and County laws as well as the manifesto of H.E the Governor for Kakamega County dabbed under the mantra 'Amatsi Khumuliango', laid down to facilitate the attainment of the right to water to all Kakamega County citizenry, in line with the provisions of the Constitution of Kenya. The plan establishes the strategic framework for the development, maintenance and management of water and sewerage infrastructure. It is anchored on the Kenya Vision 2030 and also takes into consideration the provisions and expectations of the Constitution of Kenya 2010.

KACWASCO provides clean, safe, and quality water to approximately 78% of the Kakamega County urban and peri- urban population estimated to be 432,284. It provides sanitation services to approximately 14% of the population within its coverage area. Despite the various challenges, KACWASCO is on a journey to connect the entire population in the areas of supply to improved water and sanitation services. The total population of Kakamega County is estimated to be 1,867,579 according to the 2019 Kenya census report. The Kakamega County Integrated Development Plan (CIDP 2023-2027) envisions to increase the population using improved water sources from 61.1% to 90% and ensure access to improved sanitation services. This is in partnership with all stakeholders including, the National Government, County Government, Water Resources Authority WRA), Lake Victoria North Water Works Development Agency(LVNWWDA), Water Resource Users Associations (WRUAs), Water, Sanitation & Hygiene (WASH) partners, and other development partners. Since the establishment of the Company, significant achievements have been made in the key areas of governance, water infrastructure, production capacity, and efficiency in service delivery as well as the quality of the water supplied to our customers. This will propel the Company to the top position in terms of management and efficiency and we are moving towards being a role model for Water Service Providers country wide. The main challenge ahead however is maintaining and exceeding this growth. In order to deal with this challenge, there must be a continuous review of all areas of operations to ensure that the organization is well prepared to cope with the challenges of a dynamic environment as and when such challenges and opportunities The review of the Strategic Plan is intended to provide a framework that will enable the Company to move to the next level. Thefoundation of the reviewed strategic plan is our Vision, Mission and H.E the Governor's manifesto. In order to reap the full benefits of the planning process, the implementation must be pursued relentlessly. This calls for commitment, a sense of responsibility as well as dedication and teamwork from all members of staff and teamwork at all levels. We shall all need to continue pulling togetherin one direction. On its part, the Board is committed to doing its best to create an enabling environment and to provide leadership and direction as expected of it.

I look forward to the years ahead and I am confident that we will make great strides together in enhancing the future of the company.



Chairperson Board of Directors
Kakamega County Water and Sanitation Company

PREFACE

The Constitution of Kenya 2010 encapsulates the right of every Kenyan to clean and safe water in adequate quantities and the right to reasonable standards of sanitation. To this end, the Water Act 2016 and the Kakamega County Water and Sanitation Services Act 2021 create a framework for the implementation of these constitutional requirement. This has resulted into considerable changes in our operating environment. The laws provide a clear transition plan for the existing water sector institutions. These developments present an opportunity for us to repackage ourselves as that institution which is well managed and can be trusted within the sector to provide guidance and lead in the developing national public water works for water and sanitation services delivery.

The Company can therefore take two directions: we can continue to operate largely as we have done in the past and suffer the consequences of losing public trust and being read in history as the company that used to be best in water service provision, or we can choose to make bold changes in order to shape the future of the water sector and increase public goodwill. I am persuaded that we have one ethical obligation to do the latter and this reviewed strategic plan is a roadmap for doing that. With the support dedication of all of us, together with our stakeholders, I am confident that this plan will help us build on our success, navigate the challenges and the threats we still face and ultimately ensure the future success of our Company.

A lot of dedicated effort and commitment has gone into the of this Strategic Plan. The plan is both futuristic, transformative, and ambitious, taking cognizance of the dynamic scenario created by the constitution 2010 and the Water Act 2016 among others. Therefore, I am immensely pleased to acknowledge and most sincerely express my gratitude to everyone who has contributed to the review of this plan particularly the Company's Legal Department,USAID DAI -Western Kenya Water Project and Western Kenya Sanitation project. Their unwavering commitment and teamwork are duly acknowledged.

We acknowledge with thanks the invaluable input and comments from the Board of Directors and our stakeholders in the review of this Strategic Plan.

Eng. Michael Omondi Ogol

Managing Director

Kakamega County Water and Sanitation Company

LIST OF ACRONYMS ANDABBREVIATIONS

CFM	Commercial and Financial Manager
CEO	Chief Executive Officer
CIDP	County Integrated DevelopmentPlan
COK	Constitution of Kenya
CSM	Customer Service Manager
CSR	Corporate Social Responsibility
ERP	Enterprise Resource Planning
EMCA	Environmental Management and CoordinationAct
GIS	Geographic Information System
HR	Human Resource
ICT	Information CommunicationTechnology
IA	Internal Auditor
KACWASCO	Kakamega County Water and Sanitation Company Limited
KACUWASCO	Kakamega County Urban Water and SanitationCorporation
KPI	Key Performance Indicators
LVNWSB	Lake Victoria North Water ServicesBoard
M&E	Monitoring and Evaluation
MTP III	Medium Term Plan Three
NRW	Non-Water Revenue
O&M	Operation and Maintenance
PESTEL	Political, Economic, Sociological, Technological, Environmental and Legal.
PM	Performance Management
RRI	Rapid Results Initiative
SDGs	Sustainable Development Goals
SEC	Security Enforcement Officer
SWOT	Strength, Weaknesses, Opportunities andThreats
TM	Technical Manager
WASH	Water, Sanitation and Hygiene
WASREB	Water Services Regulatory Board
WRUAs	Water Resource Users Association
WSP	Water Service Provider

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EXECUTIVE SUMMARY

The reviewed KACWASCO Strategic Plan is a thoughtful road map that provides strategic direction for water and sanitation utility for the next 3 years. It is well aligned to international, national, and county water sector aspirations. Among the National and International aspirations that have informed the review of this strategic plan are, the 2015 Sustainable Development Goal (SDGs), the 2010 Constitution of Kenya (COK), the Kenya Vision 2030, and the Kakamega County Integrated Development Plan (CIDP) 2023- 2027. The plan is aligned to the provisions of the Water Act 2016 and the reforms in the water and sanitation sector in the country. The review of the strategic plan has been informed by the need to align it to the current CIDP, H.E. the Governor's development agenda as articulated in his manifesto: *Amatsi Khumuliango* and the changes in the board of Directors and management.

The reviewed Strategic plan is premised on specific assumptions necessary for its implementation and the process for its review was both participatory and transparent. It involved wide consultation with internal and external stakeholders. As part of the strategic planning process, a review of the 2017-2021 Strategic Plan was undertaken. This helped to inform the strategic themes and objectives for the 2021-2026 Strategic Plan. An evaluation of past performance was undertaken to inform the baseline for the 2021-2026 strategic indicators. The 2021-26 strategic has now been reviewed from 2023-2026.The plan has defined six thematic areas namely, non-revenue water management, Operational efficiency, Customer service & Pro- poor strategies, Financial Stewardship & Sustainability, Institutional strengthening & capacity building, Water & Sanitation Infrastructure and Monitoring & Evaluation.

The reviewed Strategic Plan is estimated to cost Ksh 1.8 billion in the three- year implementation period. Funding of the reviewed Strategic Plan will be obtained from internal and external sources. A comprehensive monitoring and evaluation (M&E) framework has to be put in place to ensure a successful implementation of the plan. The M&E framework will enable KACWASCO to measure performance against set indicators through a performance management system. The Board of Directors shall be responsible for the implementation of the reviewed strategic plan.

CHAPTER ONE

1.0 Introduction

1.1 Background

Kakamega County Water and Sanitation Company (KACWASCO) is a Water Service Provider (WSP) established pursuant to the provisions of the Kakamega County Water and Sanitation Services Act,2021, incorporated under the Companies Act 2015.The Company is a wholly entity

of the County Government of Kakamega mandated to provide Water within the areas of service as approved and regulated by the Water Services Regulatory Authority (WASREB). The Company took over Water and Sanitation Services provision from Lake Victoria North Water Services Board (Now, Lake Victoria North Water Works Agency-LNVWWDA) as from July 2016 following transfer of water and Sanitation Services to the County Government of Kakamega in line with the provisions of the Constitution of Kenya 2010(CoK 2010)

Despite the various challenges, KACWASCO is on a journey to connect the entire population in the areas of supply to improved water and sanitation services.

1.2 Mandate

The overall mandate of the Company is to provide water and sanitation services in the Urban and peri urban areas of the County.

The specific mandate of the Company is provided under section 10 of the Kakamega County Water and Sanitation Services Act 2021.

1.3 Kenya Water Sector Overview

The Country's blue print for development, Vision 2030, states that the role of water sector service provision should endeavour to "reverse the declining trend of water availability per capita, increase access to safe water and sanitation, increase area under irrigation and reclaim arid and semi-arid lands for productive use". The Constitution of Kenya (CoK 2010) in Article 43(article 1, b,d) has enshrined the principle that 'Every person in Kenya has the right to clean and safe water in adequate quantities and to reasonable standards of sanitation'.

The National Water Plan (1999) and the Water Act 2016 define the Country's water sector strategy and legislation. The general objective of these policy and legal frameworks has been to decentralize the decision –making process. The responsibility of managing water resources and service delivery are split into separate bodies, as are policy and regulation.

1.4 Public Private Partnership (PPP) Strategy and approach for the water sector

The PPP strategy and approach is based on private sector led - initiative with strong public sector engagement in advocating for private investment for the water sector with emphasis on workable business models. The goal of the PPP programme is to enhance access to water in both urban and rural areas of Kenya through enhanced private sector engagement in the water sector utilizing the Public Private Partnerships (PPPs).

A key objective of this programme is to enhance the capacity of registered Water Service Providers (WSPs) to deliver services efficiently and sustainably. To generate private sector interest in investing in the Water Sector, a parallel strategy was adopted to:

i. Determine the credit worthiness of WSPs – those that can attract debt/commercial financing

ii. Negotiate the development of a private sector framework to reduce the risks of doing business in the water sector.

Based on an analysis of the current and proposed policy framework for the water sector, the following were identified as key objectives during the three-year transitional phase on enactment of the water Act 2016.

c. Reduce financial losses from Non-Revenue Water;

d. Determine value of Assets - ability to meet future demand;

e. Determine capital replacement costs;

f. Ensure customer orientation through efficient service delivery;

g. Segment the market - (10% of customers pay 80% of revenue).

According to projections developed by the Ministry of Water and Irrigation in 2012, coverage in water services and sanitation, though growing, would be hard pressed to keep pace with the future population growth, agricultural and economic demands of the country.

1.5 The role of the WSP in the Water Sector:

The Constitution provides that the County Governments shall establish Water Service Providers (WSPs), which shall be companies, established under the Companies Act, 2015, of the Laws of Kenya, Non-Governmental Organization or other person or body providing water services as shall be approved by the Water Services Regulatory Board (WASREB)

A Water Service Provider shall be responsible for:

i. Provision of water services within the area specified in the license and

ii. Development of County Assets for water service provision.

The Constitution of Kenya (CoK 2010) created two levels of government –The National government and the County government as here below:

1.6 Role of County Government

The CoK 2010, devolved water provision to the County Government. In this respect the County Government plays the following roles:

a. Ensuring access to water and sanitation according to constitutional rights by ensuring there is a WSP for the provision of water

b. Managing catchment and protection by implementing water catchment activities at county level

c. Ring-fencing of income in the water sector and autonomy of management of WSPs. Counties to increase mobilization and efficient use of funds in the county for water and sewerage.

d. Providing financial management through fiscal and investment planning. This is done through development of 5-year plans incorporating an investment and

financing plan for the provision of water services.

e. Cooperating and coordinating with other counties and national government to ensure smooth inter-county sharing of water resources.

f. Protecting the interests of underserved consumers by enactment of regulations ensuring progressive achievement of the right to water

g. Safeguarding integrity, good governance and performance in water supply service delivery by providing direction and oversight

1.7 Key Institutions in the water sector

Consequent to the reforms in the water sector, key institutions were established and operationalized with various roles, responsibilities and accountabilities following the enactment of Water Act 2016 as follows:

No.	Institutions	Roles and Responsibilities
1.	**MWI (Cabinet Secretary)**	▸ Formulate and publish a national water resource and water services policies and strategies ▸ Ensure the effective exercise and performance by any authorities or persons of powers and duties granted or imposed under this Act. ▸ Inform and advise the National Land Commission on all matters of water resource management ▸ Coordinate of all water sector institutions and whose activities have an impact on the development of water resources ▸ Undertake national water sector planning ▸ Establish a national water sector data base and information system which shall be provided by the sector institutions and all relevant other institutions ▸ Publish definition on coverage for water services based on criteria for the right to water ▸ Publish the report on the achievement of the right to water ▸ Management of all matters related to trans-boundary waters ▸ Ensure that the use and sustainable management of water resources stored in multi-purpose dams is in conformity with the rules developed by the Water Resources Regulatory Authority ▸ Provision of technical assistance to the County Government in provision of water services in consultation with the County Government ▸ In performing its duties the Cabinet Secretary shall be assisted by the Principal Secretary.

No.	Institutions	Roles and Responsibilities
2.	**Water Resources Regulatory Authority**	▸ Formulate and implement standards, procedures and rules for the management and use of water resources and flood mitigation. ▸ Regulate the management and use of water resources in consultation with the National Land Commission established under Article 67 of the Constitution of Kenya. ▸ Issue rules on water resources allocation including the issuance of permit. ▸ Monitor compliance by water users with the conditions of permits and the requirements of the Act. ▸ Delegate regulatory functions to the Basin Water Resources Board established by the Cabinet Secretary. ▸ Determine and set permit and water use fees for water resources. ▸ Collect and provide information for formulation by the Cabinet Secretary of the national water resource management, water storage and flood control strategies. ▸ Collect, analyze and disseminate information on water resources. ▸ Report to the public annually on water issue and performance of water resource institutions. ▸ Ensure access to information on water resources. ▸ Liaise with other regional, national and international bodies for the better regulation of the management and use of water resources. ▸ Issue permits for inter-basin water transfer; and ▸ Advise the Cabinet Secretary on management and use of water resources. ▸ Ensure that there is in place a national monitoring and information system on water resources.

No.	Institutions	Roles and Responsibilities
3.	**Basin Water Resources Boards**	▸ Shall be responsible for the management of the water resources within their basin area through: ▸ Protecting water resources and increasing water availability ▸ Receive water permit applications for water abstraction, for water use and recharge, determine, issue and vary water permits and enforce the conditions of those permits ▸ Enforcing regulations ▸ Reporting to the users and public on water issues and their performance within the basin annually ▸ Collecting water resources data, analyzing and managing the information system ▸ In accordance to the rules, provide information to the Water Resource Regulatory Authority ▸ Reviewing the basin area water resources management strategy ▸ Facilitate the formation of Water Resource User Associations and their activities ▸ Collecting water permit and water use charges ▸ Carry out flood mitigation activities ▸ Facilitating information sharing within the basin ▸ Ensuring equitable water sharing within the basin through water allocation plans.
4.	**Water Resource Users Association (WRUAs)**	▸ Community based associations for collaborative management of water resources and resolution of conflicts concerning the use of water resources.
5.	**National Water Storage Authority**	▸ Undertake on behalf of the national government the development of national public water works for water resources storage ▸ Maintain and manage national public water works infrastructure for water resources storage ▸ Collect and provide information for the formulation by the Cabinet Secretary of the national water resources storage and flood control strategies ▸ Make rules and enforce water harvesting strategies ▸ Advise the Cabinet Secretary on any matter concerning national public water works for storage.

No.	Institutions	Roles and Responsibilities
6.	**Water Works Development Agencies**	▸ Develop national public water works for water services. ▸ Formulate development and investment plans for rural and urban areas aggregated from the county development plans and established by the county water service providers and through the County Government water services institutional structure for their designated areas. ▸ Provide input to the national development and financing plan established by the Cabinet Secretary. ▸ Provide technical assistance to the water services providers as County Government agents for County asset development in consultation with the respective County Governments. ▸ Hand over developed public assets to the licensed county water services providers, cross-county water services providers or to the county water department according to the rules of the Cabinet Secretary. ▸ Facilitate the establishment of cross-county water service providers. ▸ Employ staff to carry out its functions and activities as per the rules and regulation set by the regulator and public service commission.

No.	Institutions	Roles and Responsibilities
7.	**Water Services Regulatory Board**	▸ Principal object of the Commission shall be to protect the interests and rights of consumers in the provision of water services. ▸ Determine and prescribe national standards for the provision of water services and asset development for water service providers. ▸ Validate the water and sewerage tariffs proposed by the county water service providers and approve their imposition in line with consumer protection. ▸ Issue licenses for the provision of water services. ▸ Monitor and regulate licensees and enforce license conditions. ▸ Develop a model Memorandum and Article of Association to be used by all water companies applying to be licensed by the Water Services Regulatory Commissions to operate as water service providers. ▸ Monitor compliance with standards including for the design, construction, operation and maintenance of facilities for the provision of water services. ▸ Propose to the Cabinet Secretary the nature, extent and conditions of financial support to be accorded to water service providers for providing water services. ▸ Monitor progress in the implementation of the national water services strategy and make appropriate recommendations. ▸ Maintain a national data base and information system on water services. ▸ Establish a mechanism for handling complaints from consumers regarding the quality or nature of water services. ▸ Develop guidelines on the establishment of consumer groups and facilitate their establishment. ▸ Carry out inspections at water service providers. ▸ Report annually to the public on issues of water supply and sewerage services and performance of relevant sector institutions. ▸ Issue rules on water services and asset development which shall include business, investment and financing plans; in order to ensure efficient and effective water services and progressive realization of right to water services; and ▸ Advise the Cabinet Secretary on any matter in connection withwater services.

No.	Institutions	Roles and Responsibilities
8.	**Water Action Groups (WAGs)**	▸ Advocate for the interests of consumers and the non-served. ▸ Assist water service providers and the Regulatory Board in resolving consumer complaints. ▸ Sensitize consumers on consumers' rights and obligations regarding water services and facilities, including the protection of infrastructure, identification and reporting of illegal connections, and other pertinent issues which affect the provision of water services.
9.	**Water Service Providers**	▸ Provision of water services within the area specified in the license and ▸ Development of county assets for water service provision.
10.	**Water Sector Trust Fund**	▸ Manage the resources of the Fund ▸ Mobilize additional resources for the Fund ▸ Formulate and implement principles, rules and procedures for financing projects, including efficiency and effectiveness of funds ▸ Implement measures to ensure efficient and equitable sharing of the resources of the Fund giving priority in resource allocation to: ▸ Areas in rural and urban which access to basic water services is below the national average. ▸ Rural areas which are vulnerable to the degradation or depletion of water resources. ▸ Provide support to local communities in the identification of projects and formulation of project proposals ▸ Provide support to local communities to build capacity in project implementation and management ▸ Pay out of the Fund such grants as the trustees may authorize from time to time ▸ Monitor the implementation of projects ▸ Maintain and make publicly available information on the projects financed and project impact; and ▸ Elaborate national implementation concepts which ensure efficient use of water and sustainability of developed infrastructure ▸ To receive grants for on-lending to water service providers, counties, and communities for the underserved areas and urban poor ▸ In order to manage loans, the Fund shall create a separate entity with its own management, accounting and supervision structure under the guidance of the cabinet secretary that ensures harmony with the functions the Water Asset Development Boards.

No.	Institutions	Roles and Responsibilities
11.	**Water Tribunal**	▸ Hear and determine any dispute concerning water resources or water services if the parties so agree

1.8 THE CONTEXT OF THE REVIEWED STRATEGIC PLAN

This strategic plan is well aligned to the international and national water sector policies, and it aimsto fulfil their aspirations. The table below highlights the context of this strategic plan against the aspirations of key international and local water sector bodies.

Table 1.1: *The Context of the Reviewed Strategic Plan*

Key Aspirations	Objectives	KACWASCO Implications
Sustainable Development Goal (SDGs)- UN, 2015	Sustainable Development Goal Number Six (6) is about "clean water and sanitation for all". It is one of 17 Sustainable Development Goals established by the UN in 2015.	Kakamega County is the second most populous county in Kenya with an estimated population of 1,867,579.
	Sustainable Development Goal Number Six (6) is about "clean water and sanitation for all". It is one of 17 Sustainable Development Goals established by the UN in 2015. Some key objectives Include to: i. Achieve universal and equitable access to safe and affordable drinking water for all. ii. Improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally. iii. Increase water-use efficiency across all sectors, and address water scarcity. iv. Implement integrated water resources management at all levels, including through transboundary cooperation as appropriate. v. Protect and restore water-related ecosystems, including mountains, forests, wetlands, rivers, aquifers, and lakes. vi. Expand international cooperation and capacity-building support to developing countries in water- and sanitation-related activities. vii. Support and strengthen the participation of local communities in improving water and sanitation management.	Kakamega County is the second most populous county in Kenya with an estimated population of 1,867,579. As the main water service provider in the county's' urban area, KACWASCO aspires to provide clean and safe water and sanitation to the urban county residents aligned with the SDG Goal Number Six This plan provides the Strategic Direction to achieve this and ensure sustainable management of water resources in its jurisdiction.

Africa Agenda 2063	The Africa Agenda 2063 is a shared framework for socio-economic transformation of the continent over the next fifty years. In June 2015, The Africa Union adopted the Third document titled; 'The Ten-Year Implementation Plan. This incorporates a key highlight in its programme's outcome and includes "An expanded and improved access to the basic necessities of life, Water, Sanitation, electricity, transport and internet connectivity.	This Strategic plan is aligned with the aspiration of Africa's Agenda 2063 to improve water and sanitation access.
Kenya Vision 2030 - The Fourth Medium Term Plan (MTP IV) (2023-2027) and the Bottom up Economic Transformation Agenda (BETA)	The Kenya Vision 2030 target for water and sanitation is to ensure that improved water and sanitation services are available to all by 2030.This is under its strategies in the Social Pillars. A key target in its programmes and projects includes water and sewerage infrastructure; to develop urban waste treatment and reuse, generation of by-products and disposal of solid waste from sewerage.	KACWASCO strategic plan is anchored on Kenya Vision 2030 with the overall goal to improve access to water and sanitation services to all including the unserved population in the low income areas. This reviewed strategic plan shall also play a vital role of supporting the key aspirations of the Governments' BETA.
The Constitution of Kenya (COK) 2010	Article 42 of the COK establishes the right to a clean and healthy environment to all citizens. Article 43 of COK states that every Kenyan has a right to clean and safe water in adequate quantities and to reasonable standards of sanitation. Schedule IV defines the responsibilities of the national government and the county governments. It migrated the responsibility of supply of water and sanitation to the county governments.	KACWASCO is the County Water Service Provider mandated to provide water and sanitation services to the urban population of the County as aligned with the aspirations of the COK.
The Water Act 2016	The Water Act 2016 repealed the Water Act 2002 and was operationalized on 21st April 2017.The Act provides for regulation, management and development of water resources and sanitation services. Under this Act the role of the national government is to regulate the management of water following the Water Act 2016, KACWASCO	KACWASCO is licensed under the Water Act 2016,to provide water and sanitation services within its areas of coverage as per the license.

Kakamega County Integrated Development Plan 2023- 2027		Led by the Kakamega County Government, the mission for the Kakamega County CIDP is to improve the welfare of the people of Kakamega County through formulation and implementation of all-inclusive multi-sectoral policies. One of the goals of the Kakamega County CIDP is to achieve socio-economic transformation of its people through sustainable development of all sectors by 202 by improving access to clean and safe water for its communities

1.9 RATIONALE FOR THE REVIEW OF THE STRATEGIC PLAN

The review of the Strategic Plan (2023-2026) is paramount for the company to deliver on its mandate effectively over the next three years in response to the ever changing internal and external environmental factors. The other factors that necessitated the review of the strategic plan include:

i. Significant changes of the Board of Directors and Management. There is a new Board of Directors in place as well as part of the management team, the Managing Director, Commercial and Finance Manager, Chief Accountant and the Human Resource and administrative Manager.

ii. Transition to a new County Government. Alignment to the manifesto of H.E the Governor and development priorities for the new County Government.

iii. Re alignment to the current Kakamega County Integrated Development Plan 2023-2027.

iv. Changes in policy and legislation -recent regulations affecting the water and sanitation sector.

v. New developments dynamics coupled with the changes in the economy affecting the key stakeholders and the company.

vi. Mid-year review as anticipated at the development of the strategic plan 2021-2026

1.10 PLANNING ASSUMPTIONS

In the review of this strategic plan, the following assumptions were made:

1. That the resources and infrastructure required for strategy implementation,

monitoring andevaluation shall be available.

2. That there shall be no adverse changes in the national and county government policies relatingto water and sanitation in the next three years.
3. That there shall be community support and that they shall embrace the recommendedchanges.
4. That there shall be support from the Board, Management and Staff, County Government, and other stakeholders in the implementation of the reviewed Strategic Plan.
5. That there will be a favorable internal and external environment for the smooth operation ofthe water company in the next five years.
6. That the developed monitoring and evaluation system shall be implemented effectively.

1.11 THE STRATEGIC PLANNING AND REVIEW PROCESS

The strategic plan review process adopted a participatory and transparent approach, consulting with both internal and external stakeholders. This was done, not only to ensure that views from all stakeholders were incorporated in the Strategic Plan, but most importantly, to create a sense of ownership of the reviewed strategic plan. The approach will further help in ensuring participatory implementation. Among the stakeholders consulted included:

a. KACWASCO's Board of Directors and Senior Management
b. Managers, Supervisors, Heads of Sections, and other employees
c. The County Government of Kakamega
d. Key Customers and Community Members
e. Key Company Suppliers
f. Regulators
g. Development Partners

The review of this Strategic Plan involved the use of various method for data collection including:

a. Review of key documentation provided by KACWASCO
b. Interviews with key internal and external stakeholders.
c. Company visits and physical meetings.
d. Group Interviews with focus groups comprising of billing and customer service staff, and meterreaders.
e. The use of data collection instruments i.e., an online questionnaire was sent to managementand staff.

Consultative meetings were held with Board of Directors and Management. A draft Strategic Plan was then developed and presented to the Board of Directors and Senior Management of KACWASCO for review. Their feedback was later received and incorporated into a draft leading to this Final reviewed Strategic Plan6.

CHAPTER TWO

2.0 INSTITUTIONAL REVIEW

2.1 MANDATE AND CORE FUNTIONS

Pursuant to Section 78. (1) of the Water Act 2016, KACWASCO operates as the Kakamega County WSP that extracts, produces, transmits, and distributes water and provides sanitation services to the residents in the defined urban and peri-urban areas of Kakamega County. It also collects and treats waste water generated in the county. The KACWASCO area of coverage is divided into four areas and five schemes. The areas include Kakamega, Shinyalu, Shitoli, and Mumias. Theschemes are Tindinyo, Butere, Murhanda, Malava and Lumakanda.

KACWASCO's responsibility is to ensure provision of water and sanitation services, good custo merrelations and satisfaction, adequate maintenance of assets and attaining performance levels set by the regulator. The Kakamega County Water and Sanitation Services Act, 2021 defines the Water Service Provider's core mandate under section 10.

2.2 VISION AND MISSION STATEMENTS

The KACWASCO's vision and mission states as follows:

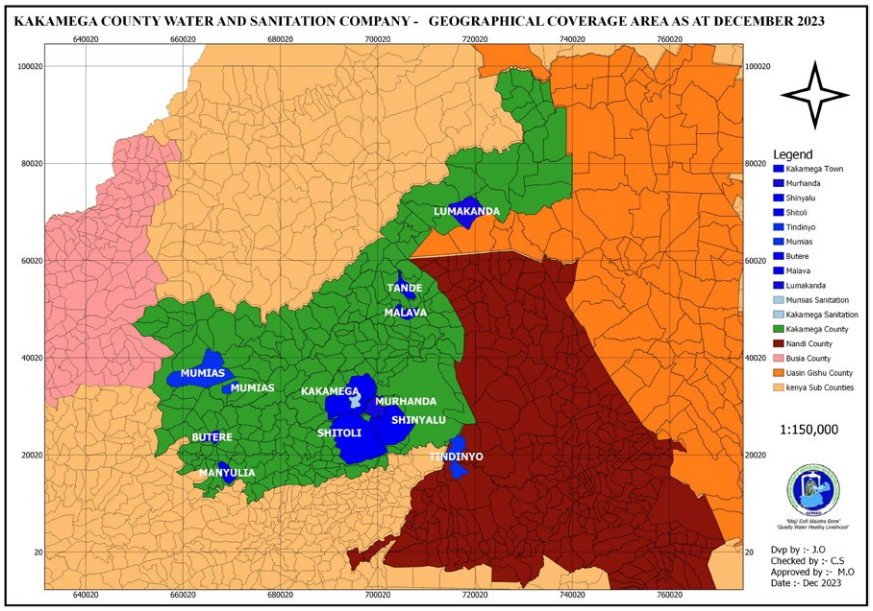
2..2.1 KACWASCO VISION

To be an effective and efficient water and sanitation service provider.

2.2.2 KACWASCO MISSION

To sustainably provide quality, affordable, reliable water and sanitation services to our customers in accordance with statutory requirements.

GEOGRAPHICAL SUMMARY OF KACWASCO - WATER AND SANITATION SERVICE AREA



KACWASCO'S Water and Sanitation service area

2.3 KACWASCO CORE VALUES

The company's values and working ethos are as follows.

i. Integrity
ii. Honesty
iii. Equity/ Fairness
iv. Professionalism
v. Customer Focus
vi. Teamwork
vii. Transparency and Accountability

KACWASCO Board of directors are committed to strengthening corporate governance through the implementation of the following measures:

1. Development and review of company policies and procedures.
2. Support management on resource mobilization.
3. Institutionalizing customer focus for better service delivery and profitability.
4. Training for capacity building, skills and competency development for staff and directors.
5. Restructuring

CHAPTER THREE

3.0 SITUATIONAL ANALYSIS

This chapter highlights a critical review of KACWASCO's current internal and external environment using SWOT and PESTEL analyses tools.

3.1 EVALUATION OF PAST PERFORMANCE

The financial performance of the company reviewed for a period of Six (6) years as illustrated below:

3.1.1 INCOME STATEMENT

Table 3.1 shows how the company performed in the past six years. In 2015/2016, the company operating as WesternWater Services company was responsible for the provision of water and sanitation services tothe residence of Kakamega town and its environs. The areas of service coverage included Kakamega, Mumias, Nambale, Butere, Shitoli, Shinyalu and Tindinyo. KACWASCO is currently executingthe same mandate in basically the same geographical coverage making it possible to include the 2015-2016 performance in this analysis. In terms of overall performance, the company has been returning losses over the past six years. This calls for deliberate strategies in the reviewed strategic plan to turn around the company and make it a profitable enterprise. To achieve this, the 2023-2026 reviewed strategic plan has maintained financial stewardship and sustainability as a key priority area for the company.

Table 3.1: *Income statements for the past six years*

2015/2016		2016/2017	2017/2018	2018/2019	2019/2020
Ksh		**Ksh**	**Ksh**	**Ksh**	**Ksh**
Sales	244,086,877	216,649,130	211,929,793	239,444,801	223,269,397
Less cost ofsales	(58,832,964)	(37,657,534)	(37,052,568)	(30,668,374)	(33,980,708)
Gross profit	178,991,596	182,579,946	174,877,135	213,603,747	201,654,843
Total Expenses including finance cost	(196,478,748)	(195,218,854)	(209,360,605)	(246,598,932)	(214,311,384)
Net Profit/(Loss)	(7,117,895)	(12,638,908)	(31,532,970)	(32,995,185)	(12,656,540)

Item	2020/2021	2021/2022	2022/2023
Sales	248,084,968	298,198,255	336,493,614
Grant Income	-	65,225,187	38,668,388
Other Income	3,450,378		
Direct Costs	(26,905,798)	(38,858,702)	
Costs for operation	(350,053,531)	(324,459,718)	(383,201,987)
Surplus/Deficit	**(125,423,983)**	**105,022**	**(8,039,985)**

3.1.2 SALES

The sales performance shows an uneven trend over the last six-year period. Looking at the sales trend (Table 3.2), 2015-2016 was the best performyear, while 2016-2017 was the worst. The 2019-2020 income statement shows a drop in the sales by Ksh16.17million. One of the strategic objectives for the 2023-2026 reviewed strategic plan is to increase annual revenue from Ksh 223 million in 2021 to Ksh 350 million by 2026.

Table 3.2: *Sales trend in the past six years*

2015/2016		2016/2017	2017/2018	2018/2019	2019/2020
Kshs		Kshs	Kshs	Kshs	Kshs
Sale of water	183,063,800	162,989,293	160,796,143	193,061,177	177,522,043
Sewer Charges	49,633,977	43,142,237	39,627,214	34,762,674	31,964,691
Meter Rent	11,389,100	10,517,600	11,504,328	11,620,590	10,685,270
Total	244,086,877	216,649,130	211,927,685	239,444,441	220,172,004

3.1.3 COST OF SALES

The cost of sales is a key component in establishing the company's performance. An increase in the production cost will have a direct effect on the profitability of the company. Table 3.3 shows the cost of production in 2019-2010 to be higher than of 2018-2019 despite a drop in sales in 2019-2020. One of the ways to increase profitability is to control the production costs. In the planning period 2023-2026, KACWASCO should optimize on its production costs to increase profit margins.

Table 3.3: *Cost of Sales*

2015/2016		2016/2017	2017/2018	2018/2019	2019/2020
Kshs		Kshs	Kshs	Kshs	Kshs
Cost of Sales	58,832,964	37,657,534	37,052,568	30,668,374	33,980,708

3.1.4 OPERATIONS, MAINTENANCE AND STAFF COSTS

Operations and maintenance (O&M) costs are critical for KACWASCO's cost efficiency and profitability. To enhance continuous provision of water and sanitation services, the company should provide adequate resources for operations and maintenance. Table 3.4 shows a drop in the O&M cost by one half in 2019-2020 compared to 2018-2019. This indicates that very minimal maintenance works were done in 2019-2020, pointing to possible disruption of services leading to reduced revenue.In the planning period 2023-2026, KACWASCO will develop and implement a maintenance schedule to ensure uninterrupted provision of water and sanitation services.

Table 3.4 shows that the staff costs as a percentage of revenue have been increasing steadily from 42.5% in 2016 to 60.1% in 2020. This is a worrying trend, which may not be sustainable in the long run. The company plans to contain staff costs at below 50% of its revenue. To achieve this, the company will have to increase its revenue by leveraging on its current staff costs. The 2023-2026 reviewed strategic plan has envisioned increasing staff productivity through institutionalstrengthening and capacity building.

Table 3.4: *Operations, Maintenance, and Staff costs.*

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
	Ksh	Ksh	Ksh	Ksh	Ksh
Operations and Maintenance	7,156,145	10,829,907	11,753,442	12,926,449	6,311,831
Staff Cost	103,723,007	101,936,756	101,936,756	141,569,012	134,244,923
Staff Cost as a % of Sales	42.5%	47%	48%	59%	60%

3.1.5. NON-REVENUE WATER ANALYSIS

Non-Revenue Water denies KACWASCO a significant portion of revenue that it should earn from the sale of water. The NRW is produced at a cost and yet it does not earn the company any revenue. If the non-revenue water is reduced, revenue earned by KACWASCO will increase significantly. The 2021-2026 strategic plan gives priority to addressing the NRW challenges. The plan sets out to reduce non-revenue water from 44% in 2021 to 35% by 2026. Table 3.5 shows the performance of KACWASCO in the last five years

Table 3.5: *Non-revenue water trend for the past five years*

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
NRW m^3	2,493,908	1,987,469	2,924,021	2,761,298	2,786,441
NRW%	51%	47.15%	52%	49%	44%

3.1.6. WATER PRODUCTION

The water production trend for the past six years is shown in Table 3.6. It is noticeable that the trend is uneven over the period. It would be good for the company to have a steady increase in water production in the next three years. The 2023-2026 KACWASCO strategic plan projects to increase water production from the current 5,000,000 m3 per year to 8,000,000m3 per year by 2026. Currently the company has 19,775 water connections and 4,200 sewer connections. During the planning period (2023-2026), the company projects to increase water and sewerage connections to 40,000 and 6,100, respectively.

Table 3.6*: Water production in the past six years.*

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
Water Production m3	4,921,812	4,214,851	5,572,884	5,612,519	5,637,662

3.1.7 STATEMENT OF FINANCIAL POSITION

The financial position of KACWASCO for the past six years was analyzed and key areas of concern highlighted trade receivables, trade payables, revenue reserves and long-term payables. Table 3.7 shows a steady increase in trade receivables from Ksh. 183 million in 2015-2016 to Ksh 230 million in 2019-2020. This is a worrying trend that needs attention. The table shows that trade payables were highest in 2018-2019 at Ksh 404,403,270 and have since reduced to Ksh 78,720,812.

Revenue reserves have grown steadily from a negative of Ksh 246,828,081 in 2015-2016 to a negative of Ksh 336,651,684 in 2019-2020. This is not good for the company. To address the adverse performance and financial position of the company, the 2023-2026 strategic plan aims at reducing accounts receivables from Ksh 230 million in 2019-2020 to less than Ksh 50million by 2026. It also seeks to enhance collection efficiency up to 98% level by 2026.

Table 3.7: *Statements of Financial Position for the past six years*

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020
	KSh	KSh	KSh	KSh	KSh
NON-CURRENTASSETS					
Property, Plant & Equipment	11,496,618	7,019,741	13,556,140	9,817,825	16,227,156
CURRENT ASSETS					
Inventories	9,395,007	6,196,491	7,354,772	6,758,603	8,507,695
Trade & Other	183,029,093	177,888,098	197,452,355	203,006,433	229,569,292
Receivables					
Cash and Bank	13,635,593	14,958,209	92,497,753	97,301,241	121,327,513
Balances					
Prepayments				-	81,660
(WIBA)					
Total Current Assets	206,059,693	199,042,798	297,304,880	307,066,277	359,486,160
CURRENTLIABILITIES					
Short Term	2,000,000	1,333,333	1,333,333	1,333,333	1,333,333
Borrowing					
Trade Payables	314,241,749	316,053,552	365,385,003	404,403,270	78,720,812
Total Current	316,241,749	317,386,885	366,718,336	405,736,603	80,054,145
Liabilities					
Net Current Assets	(110,182,056)	(118,344,087)	(55,857,316)	(98,670,326)	279,432,015
TOTAL NET ASSETS	**(98,685,438)**	**(111,324,346)**	**(55,857,316**	**(88,852,501)**	**295,659,171**

CAPITAL EMPLOYED					
Share Capital	100,000	100,000	100,000	100,000	100,000
Revenue Reserve	(246,828,081)	(259,466,989)	(290,999,959)	(323,995,144)	(336,651,684)
County Government	148,042,643	148,042,643	87,000,000	87,000,000	87,000,000
of Kakamega					
Capitalized Inventory				148,042,643	148,042,643
	(98,685,438)	(111,324,346)	(55,857,316)	(88,852,501)	(101,509,041)
LONG TERM LIABILITIES					
Other Payables	--	--	---	--	397,168,213
TOTAL EQUITY	(98,685,438)	(111,324,346)	(55,857,316)	(88,852,501)	295,659,171

3.2ENVIRONMENTAL ANALYSIS

A detailed environmental analysis was conducted to identify all the external and internal elements that will affect the performance of KACWASCO in the period of the strategic plan. This is paramount for decision making in the various implementation stages and ultimately affects the success of the reviewed strategic plan.

3.2.1 SWOT ANALYSIS

An analysis of the company's strengths, weaknesses, opportunities, and threats was importantfor the formulation of the strategy. SWOT analysis helped to determine strategic factors that informed strategies for achieving identified themes and objectives for the 2023-2026 strategic plan. An analysis of the Company's strength and weakness provided a clear understanding of its internal environment, while a review of its external environment helped to identify the company's opportunities and threats. Stakeholders, representing different aspects of the company were involved in performing SWOT analysis. The objective of involving various stakeholders was to have different points of view. Table 3.8 below shows the company's SWOTanalysis.

Table 3.8: *SWOT Analysis*

Strengths	Weaknesses
i. Highly qualified and professional staff. ii. Well-equipped water quality testing unit. iii. Favourable climate for plenty surface water. iv. Governance structures established. v. Company fully incorporated and legally registered. vi. Wide coverage of water services vii. Youthful workforce.	i. Dilapidated water and sanitation infrastructure ii. High Non-Revenue Water iii. High cost of production; use of pumping water system. iv. Financial Constraints v. Huge debts. vi. Lack of proper and accurate record vii. Old and inadequate sewage treatment plant. viii. Water treatment plant not adequate to meet demand. ix. Inadequate sewerage line/ infrastructure. x. Lengthy delays in connecting new customers. xi. Outdated tariff in use. xii. Poor and inadequate transportation which hinders surveillance, maintenance work and meter reading. xiii. Customer and staff collusion for illegal connections. xiv. Metering challenges.
Opportunities	**Threats**
i. High demand for water especially in urban centres that exceed current supply. ii. Large coverage area. iii. Adequate underground and surface water sources in the area. iv. Use of technology. v. Increasing population. vi. Growth in Institutions and industries. vii. Land topography favours use of gravity to supply water at low cost.	i. Over-dependence on water source from neighbouring county. ii. Disappointed customers may terminate the company services. iii. Political interference iv. Deforestation of catchment areas v. Changes in legislation. vi. Defaulters of water bills. vii. LVNWSB and conflicts with other counties can affect the company operations. viii. Customer shift to alternative sources of water. ix. Severed relationship with some development partners and political leadership.

3.3.2 PESTEL ANALYSIS

A comprehensive review of the external environment was conducted on the company usingthe Political Economic Sociological Technological Environmental and Legal (PESTEL) methodology.

Table 3.9: *Stakeholder's Analysis*

Factor	Issues	Effect	Mitigation Measures
Political	▸ Change in governance at national and County level ▸ Change in government policies ▸ Political interference	▸ Potential conflict in trans-boundary water resources ▸ Competition for water resources	▸ Collaboration with relevant County governments
Economic	▸ Weak macroeconomic environment	▸ High cost of operation ▸ Low purchasing power ofconsumers ▸ Limited financial supportfrom government and development partners ▸ Weak infrastructural support	▸ Adopt cost saving initiatives. ▸ Tariff review ▸ Minimize wastage. ▸ Seek and strengthen collaboration with development partnersand private sector
Sociological	▸ High population growth and urbanization ▸ Vandalism and illegalconnections ▸ Believe that water is public good	▸ Increased demand forwater and sanitation ▸ Mushrooming informal settlements ▸ High maintenance costsand non-revenue water ▸ Increased NRW and water theft	▸ Expand water and Strengthen security and surveillance ▸ Sensitization of thepublic ▸ Enhance measures to reduce NRW significantly
Technological	▸ Emerging technological advances	▸ High non-revenue water ▸ Inefficiency in service delivery ▸ High operational costs	▸ Leverage ICT in automating operations(e.g., ERP system)

Environmental	▸ Natural disasters e.g.,floods ▸ Weak solid waste management system ▸ Climate change ▸ Discharge of effluent /raw sludge into the environment	▸ Destruction of water infrastructure ▸ Increased pollution ▸ Deforestation and destruction of water Sources ▸ Pollution of the environment including water bodies	▸ Investing in flood-mitigation dams ▸ Repairs/ maintenance ▸ Adopt modern waste management technologies ▸ Create awareness on environmental Conservation ▸ Regular monitoring of effluent discharge including enforcement of SOPs for VTOs and pit emptiers.
Legal	▸ New government regulations, Acts ▸ Changes in existing legislation	▸ Shift in the managementand use of water and sanitation resources	▸ Ensure compliance with legislation

3.3.3 STAKEHOLDER ANALYSIS

Stakeholders are critical for the success of any organization. In recognition of their role in the successful implementation of the 202-2026 strategic plan, a stakeholder's mapping and analysis was conducted. Through stakeholder analysis, qualitative information was gathered representing various interests. This gave a clear strategic view of various possible stakeholders' expectations. Among external stakeholders analyzed were county government officials, ustomers, uppliers, regulatory bodies, and embers of the general public. Internal stakeholders analyzed included company staff at all levels i.e., senior, middle, and lower- cadre management together with subordinate staff. Other internal stakeholders who participated in the analysis were, the company chief executive officer, the chair of the board of directors, chairs of various board committees and the entire membership of the board. Table 3.10 shows the various stakeholders, company expectations and stakeholders' expectations.

Table 3.10: *Stakeholders Analysis*

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
1	**Customers**	▸ Provision of safe and adequate drinking water ▸ Provision of adequate sanitation services ▸ Quick resolution of complaints ▸ Prompt repair of pipe bursts ▸ Accurate and timely bills ▸ Participate in company meetings and decisions touching on service provision. ▸ Good customer care ▸ Prompt connections of new customers ▸ Reliable meters ▸ Effective communication on service disruptions and any other information ▸ Affordable rates/ tariffs for water and sanitation services	▸ Prompt payment of water bills ▸ Prompt payment for sanitation services ▸ Report pipe burst and vandalism of company facilities. ▸ Prevent illegal connections. ▸ Prevent or report vandalism of company facilities. ▸ Participate in stakeholder's consultation/ forums. ▸ Proper care of water and sanitation infrastructure ▸ Market the company by referring other customers to the company.

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
2	**Board of Directors**	▸ Good stewardship of company resources by management ▸ Adherence to regulations and company policies ▸ Effective and efficient service delivery to customers ▸ Observance of the BOD decisions/direction ▸ Transparency, honesty, and integrity in company operations ▸ Accountability for company resources through reports ▸ Highly motivated and productive staff. ▸ Good company performance ▸ Sound relationship with all stakeholders.	▸ .Provide strategic direction for the company. ▸ Establish governance system/ structures. ▸ Govern the company and the relationship with the .MD ▸ Fiduciary duty to protect the organization's assets. ▸ Lobbying support from development partners and the government. ▸ Restructuring ▸ Not to meddle in the day-to-day operations of the company

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
3	**Company Staff**	▸ Good terms of employment ▸ Professional development and capacity building ▸ Conducive work environment ▸ Job security and sustainability of the company ▸ Motivation and rewards system ▸ Payment of salaries on time ▸ Proper dissemination of information and communication ▸ Clear reporting lines and structure ▸ Rights of membership to union. ▸ Proper facilitation for work or assigned duties. ▸ Participation in company decisions	▸ Professionalism and diligence in carrying out day-to -day work. ▸ Commitment to the company's mandate ▸ Uphold high standards of performance in service delivery. ▸ Adherence to company policies ▸ Uphold company image, empathy, respect, and discipline. ▸ Commitment to the company service charter ▸ Dedicated and quality. ▸ Workmanship. ▸ Compliance with set rules and regulation in the work culture ▸ Creativity and innovation ▸ Efficiency and effective service delivery. ▸ pursuance of company mission, vision, and core values
4	**Suppliers**	▸ Fairness and equal opportunity ▸ Prompt payment for goods and services supplied. ▸ Transparent procurement processes ▸ Clear specification of goods and services to be supplied. ▸ Observance of contract terms by the company.	▸ Timely delivery of goods and service ▸ Reliable supply of products and services ▸ Provide quality goods and services at reasonable rates. ▸ Adherence to the terms in the contract.

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
5	**County Government**	▸ Provision of quality water and sanitation services to residents and its premises. ▸ Employment to residents ▸ Implement county strategic. decisions ▸ Involvement in decision making on Water Sector. ▸ Corporate Social Responsibility (CSR)	▸ Provide funding for expansion and maintenance of water and sanitation infrastructure. ▸ Develop a water master plan. ▸ Formulate county level policies on water and sanitation. ▸ Have representation on the company board to champion county expectations. ▸ Participate in stakeholder's meetings/forum. ▸ Engage talks with development partners for financial and technical support to the company. ▸ Make legislation for the county water and sanitation sector. ▸ Engage other county governments and water authorities on behalf of KACWASCO for partnerships and collaboration. ▸ Facilitate appointment of senior management of the company and board of directors. ▸ Provide a favorable environment for the operations of the company devoid of political interference.

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
6	**National Government/ Ministry of Water and Irrigation**	▸ Compliance with the Water Act 2016 and other relevant Regulations ▸ Deliver on the mandate. ▸ Implement National government agenda on water and sanitation at county level	▸ Provision of predictable operating environment. ▸ Provision of financial and technical support through the ministry and regulatory bodies. ▸ Enactment of laws regulating the water and sanitation sector. ▸ Establishment of water and sanitation regulatory framework
7	**General Public**	▸ Provision of employment for the community ▸ Participation in stakeholder's Forum ▸ Sharing water source ▸ Preserving the environment ▸ Support CSR activities ▸ Water supply to health facilities and schools. ▸ Provision of licenses for drilling boreholes and private sanitation facilities	▸ Provide labour for company works. ▸ Take Part in stakeholder's meeting. ▸ Participate in CSR activities ▸ Elect and lobby local leadership to support water and sanitation projects through county forums/ assembly. ▸ Prevent vandalism of company equipment/ apparatus. ▸ Stop deforestation. ▸ Preserve the environment
8	**Water Services Regulatory Board (WASREB)**	▸ Compliance with WASREB Regulations ▸ Registration with WASREB ▸ Application for tariffapproval	▸ Equity in regulations ▸ Provide annual impact report. ▸ Prompt approval of tariff
9	**Water Resources Authority**	▸ Compliance with water rules and regulations ▸ Submission of WARIS report ▸ Payment of statutory levies ▸ Acquisition ofwater abstraction permits	▸ Conservation and protection ofwater resources ▸ Efficient management of water catchment areas

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
10	**Water Sector Trust Fund (WSTF)**	▸ Funding proposals for financial support ▸ Accountability for funds disbursed/ secured.	▸ Fair appraisal of proposals and timely release of funds for water projects.
11	**Financial Institutions**	▸ Utilization of financial facilities and services ▸ Timely settlement of financial Obligations	▸ Provision of efficient banking services and credit facilities ▸ Prompt services
12	**Kenya Bureau of Standards**	▸ ·Adherence to set standards of water and sanitation services	▸ Develop standard for water and sanitation services. ▸ Supervise compliance of set standards for water and sanitation services. ▸ Approve water quality and testing Labs
13	**Water Services Providers Association**	▸ Enlist into membership of the association. ▸ Participate in members Forums	▸ Provide forum for sharing or exchanging ideas and experiences. ▸ Advocate for issues or challenges facing water service provision.
14	**National Environment Management Authority (NEMA)**	▸ Conformity with the Environment Management and Coordination Act (EMCA)1999 and other relevant regulations	▸ Conservation of the environment
15	**Water Tribunal**	▸ Fairness in provision of water and sanitation service to customers and in dealing with other water sector stakeholders.	▸ Judicious resolution of conflicts.
16	**Lake Victoria North Water Works Development Agency**	▸ Deliver on the mandate. ▸ Compliance with the Water Act 2016 and other relevant regulations ▸ Efficient utilization of resources	▸ Fairness in the regulation of WSPs under its jurisdiction ▸ Provision of development support ▸ Tim ely dissemination of information ▸ Provision of technical support

S/ No	Stakeholder	Stakeholder's expectation	Company expectation
17	**Development Partners**	▸ Proposals for development support ▸ Accountability for development support provided to thecompany. ▸ Legally and appropriately registered company for consideration and support.	▸ Favorable terms for development support ▸ Continued relationship. ▸ Financial and technical support

Kakamega Sewerage Plant

Waste water staff unblocking Manholes

Tindinyo water treatment plant

CHAPTER FOUR

4.0 STRATEGIC THEMES

4.2 NON-WATER REVENUE WATER MANAGEMENT

While KACWASCO will continue to invest and improve its water supply infrastructure, a focus on significantly reducing the levels of NRW will be prioritized. Both physical and commercial losses have accounted for high NRW recorded in the past. The company has lost high volumes of clean water due to leaks and bursts, illegal connections, aging pipe networks, and meter tampering and related inaccuracies. Past efforts have not yielded the desired target of reducing NRW levels from 41% to 25% over the plan period 2023 to 2026. The company recognizes the implications of high NRW for its financial viability and sustainability. As such, during this plan period, the company is deliberate in reversing past trends in NRW by investing adequately in areas that will reduce significantly both physical and commercial water losses. Some of the proposals during the plan period include development of a NRW management policy, attainment of 100% metering level and sensitization of staff and citizens on NRW issues (induction of new staff, awareness on penalties, reporting of illegal connections and bursts / leakages, etc.)

4.3 OPERATIONAL EFFICIENCY, CUSTOMER SERVICE AND PRO-POOR

Improved operational efficiency and customer service is paramount for KACWASCO to maintain and enhance customer relationship and retention. The company purposes to increase its customer base by putting in place strategies that will enhance customer experience and efficiency in all its operations. As a way of increasing company performance and meeting customer needs, the company plans to streamline its operations, processes and policies in a way that will improve effectiveness and efficiency in service delivery. During the planned period, strategies will target areas including but not limited to, replacement, repairs and maintenance of equipment, automation, and customer experience. Some of the proposals during the plan period include providing reliable, affordable and sustainable access to safe drinking water and sanitation to people living within the urban low-income areas, reducing NRW within the low-income areas and maintaining a customer focus for pro poor service delivery.

4.4 FINANCIAL STEWARDSHIP AND SUSTAINABILITY

Financial stewardship is about caring, planning and management of financial resources. It requiresa good system that ensures strong financial management, internal controls of company resources and promotes the principles of probity and prudence. A sound financial management system positively contributes to better decision making, greater efficiency and improved service delivery. Financial sustainability is the ability to generate resources to meet the present and future needs of the company. This is critical to ensure continued service delivery. To achieve financial sustainability,KACWASCO shall develop strategies that can enhance generation of funds locally and externally to finance its activities. Sustainability is achieved by increasing revenue, improving billing efficiency,implementing cost reduction measures, improving collection efficiency, reducing the levels of debts, automation of business processes and having a suitable financial management system.

4.5 INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING

Institutional strengthening and capacity building are essential for effective delivery of services to stakeholders. It is critical for organizational sustainability. Institutional strengthening increases the capability of institutions to perform their functions. This helps organizations to strengthen, create, adapt, and maintain capacity overtime. The objective is to facilitate effective working of the company, and to construct approaches to how KACWASCO can be innovatively engineered to deliver smartly and effectively on its mandate from stakeholders. It is also concerned with the strengthening of human resource, finance, management, governance, business processes, structure, ethics, and culture of the organization. In the next five years, KACWASCO will formulate, review, and implement appropriate policies geared towards strengthening the institution and building capacity. In this strategic plan, KACWASCO has identified several objectives, strategies, and activities to specificallyaddress institutional strengthening and capacity building as one of the key priority areas in the strategy period 2023-2026.

4.6 WATER AND SANITATION INFRASTRUCTURE

Water and sanitation infrastructure are a key priority area for KACWASCO in the 2023-2026 strategic plan period. The current water and sanitation infrastructure are inadequate in meeting customer demands. There is need to expand the coverage of water and sewer services in the county, hence making it a priority for the planning period The water and sewerage infrastructure requires rehabilitation. As a priority area, KACWASCO will work towards expanding the infrastructure in addressing the growing demand for these services. To achieve this, there is need to increase water production and supply to meet the high demand especially in Kakamega town and its environs. During the current planning period 2023-2026, KACWASCO will focus on improving water and sanitation infrastructure from 50% in 2021 to 90% in 2026. To effectively realize this priority area, KACWASCO will focus on construction of storage reservoirs, redesigning of distribution networks, replacement of old dilapidated networks, and expansion of distribution networks, among other activities.

4.7 MONITORING AND EVALUATION

Monitoring and Evaluation is critical for the successful implementation of this strategic plan. A suitable Monitoring and Evaluation (M&E) Framework should be put in place to enable KACWASCO measure performance against set deliverables. KACWASCO purposes to develop a robust M&E framework that will ensures reliable measures of performance are available over the entire planning period. It is intended that these measures of performance will be embedded in the organization's performance management system. A detailed description of the M&E framework is provided in chapter eight of this strategic plan. Overall, the M&E implementation framework targets to achieve 95% plan implementation by 2026. Some of the key priorities include setting up an M&E management system, staff performance management and set up and implementation of a research and development unit.

The table 4.1 outlines the strategic themes (Priority areas), objectives and strategies for the planning period 2023-2026.

Table 4.1: *KACWASCO Strategic Themes, Objectives and Strategies*

Strategic Theme	Objective	Strategies
Non-Revenue Water Management	▸ To reduce Non-Revenue Water from 41% 25% by 2026	▸ Establish a NRW management policy ▸ Quick detection of leaks and bursts ▸ Enhance meteraccuracy ▸ Ensure 100% Metering ▸ Strengthen capacity of NRW unit ▸ Reduce illegal connections ▸ Develop an accurate customer database.
Operational Efficiency, Customer Service and Pro-poor	▸ To provide uninterrupted water and sanitation services ▸ To achieve 100% automation and integration of all business operations ▸ To increase customer satisfaction, and ratings from 71% to 95% levels ▸ To improve quality of life in identified low-income areas through pro-poor interventions	▸ Automation of all business operations ▸ Enhance customer satisfaction level by 2026 ▸ Strengthen engagement with customers ▸ Improve livelihood of individuals in low-income areas ▸ Enhance sanitation and Hygiene
Financial Stewardship and Sustainability	▸ To increase annual revenue from Ksh. million in 2023 to Ksh. 350 million by 2026 ▸ To increase revenue streams ▸ To reduce accounts receivables from Ksh 230 million in 2021 to Less than Ksh. 50 million ▸ To improve collection efficiency from 95% in 2023 to 98% by 2026 ▸ To strengthen financial management processes ▸ To increase billing efficiency from 68% in 2021 to 98% by 2026	▸ Grow and retain customers. ▸ Improve meter reading accuracy ▸ Review water and sewerage tariff structure ▸ Diversify revenue sources ▸ Enhance debt management ▸ Enhance efficiency in revenue collection. ▸ Institute a financial management system. ▸ Strengthen internal controls Strengthen procurement processes ▸ Ensure effective asset Protection Optimize production cost ▸ Enhance billing efficiency.

Institutional Strengthening and Capacity Building	▸ To improve corporate governance, Strengthen Board Capacity practices ▸ To increase employees' satisfaction. ▸ Build a qualified and motivated level from 45% in 2021 to 95 % by staff. 2026 ▸ To achieve 95% staff productivity level by 2026 ▸ To improve Company image and visibility	▸ Improve working conditions and environment ▸ Staff rationalization\ ▸ Institute a fully-fledged performance management system ▸ Strengthen Organization structures ▸ Strengthen company image and brand ▸ Strengthen engagement with stakeholders
Water and Sanitation Infrastructure	▸ To increase water production from 5,000,000m3 per year to 8,000,000m3 by year 2026 ▸ To increase water supply coverage ▸ To increase sanitation coverage from 14% to 40% ▸ To ensure 100% adherence to drinking water and wastewater standards and regulations.	▸ Rehabilitation of the existing water Treatment infrastructure ▸ Automation of chemical dossing systems at Tindinyo and Nambacha ▸ Rehabilitation of Boreholes ▸ Expand water distribution network from 78% to 95% ▸ Increase water storage capacity from 12,800M3 to 18,300M3 ▸ Expand sewer network coverage ▸ Enhance water quality assurance infrastructure. ▸ Implement wastewater standards
Monitoring and Evaluation	▸ To achieve at least 95% of strategic plan implementation.	▸ Set up and strengthen monitoring and evaluation system ▸ Strengthen framework for performance management

CHAPTER FIVE

IMPLEMENTATION MATRIX

CONSOLIDATE IMPLEMENTTAION MATRIX

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
THEME 1: NON-REVENUE WATER MANAGEMENT							
Objective 1: To reduce Non-Revenue Water from 41% to 25% by 2026							
Establish a NRW management policy	Reduced NRW	Develop and implement NRW management policy and strategy	Approved NRW management policy and strategy	PLO	December 2023	Done	December, 2023
Quick detection of leaks and bursts	Reduced physical NRW.	To update all company pipe networks in the GIS system	100% of pipe network mapped in the GIS system	TM	June 2024	80 % mapped	June 2026
		Purchase and install leak detectors and pressure loggers	Purchased Detectors and pressure loggers	TM	Dec 2022	Purchased leak detectors, pressure loggers pending purchase	September2024

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
		Prompt repair of identified leaks and bursts	Time taken to repaired reported leaks and bursts	TM	24 hours upon report	Reported quarterly	June 2026
		Develop TOR for line patrol and Conduct daily Line patrol	No. of patrols and monthly reports submitted	TM	Daily	Monthly reporting	June 2026
Enhance meter accuracy	Reduced commercial NRW	Purchase Meter Test bench	Meter test bench purchased.	TM	June 2022	Pending assembling	June 2024
		Conduct monthly ad hoc meter checks and routine patrols along the NRW hotspots	No. of Ad hoc meter checks and patrol reports	TM	Continuous	Monthly reporting	June 2026
		Perform meter testing and calibration.	100% of meters tested and calibrated	TM	Continuous	Quarterly report	June 2026
		Service faulty and stuck water meters	No. of serviced old meters	TM	Continuous	Quarterly report	June 2026
		Locate and raise meters	No. of meters located and raised	TM	Continuous	Quarterly report	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
		Replace 50% of the zonal meters and bulk to manage the District Metering Areas (DMAs)	50% of zonal meters replaced	TM	June 2023	DMAs mapped out. Meters to be procured	June 2024
		Install production and master meters to monitor NRW levels	Production and master meters fully installed	TM	June 2022	Pending purchase	June 2024
Ensure 100% Metering	Reduce Commercial NRW	Install Meters for all new customers	No. of new meters installed	TM	Continuous	Monthly installation of 500 meters	June 2026
Strengthen capacity of NRW unit	Reduced commercial NRW	Identify training needs and conduct training of meter readers/ artisans on NRM management	No. of trainings conducted	HRM	June 2022	Done for the FY 2023/24	June 2026
		Conduct inductions for new artisans recruited	No. of inductions conducted	HRM	Continuous	Done for the FY 2023/24	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
Reduce illegal connections	Reduced commercial losses	Track illegal connections and apprehend offenders	No. of illegal connections regularized	PLO	Continuous	Quarterly reports	June 2026
		Sensitize customers on responsibility to report illegal connections	Number of sensitization forums or activities conducted	CSM	Annually	Quarterly reports	June 2026
			Number of illegal connections reported by customers	PLO	Annually	Quarterly reports	June 2026
	Reduced illegal connection	Random inspection of disconnected/ inactive accounts	Inspection reports on disconnected accounts	PLO	Continuous	Quarterly reports	June 2026
Develop an accurate customer database	System clean up	Develop and install NRW MIS	NRW MIS developed and installed	TM	June 2022	In progress	June 2024
		Clean up and update customer database	Customer database updated	CFM	June 2022	20% Done	June 2024

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
THEME 2: OPERATIONAL EFFICIENCY, CUSTOMER SERVICE AND PRO-POOR							
Objective 1: To provide uninterrupted water and sanitation services.							
Reduce interruption of water and sanitation services	Continuous provision of water and sanitation services	Prompt response to disruption of water and sanitation services	Number of timely responses to disruptions	TM	Continuous	Quarterly reports	June 2024
		Setup a call Centre to receive and respond to customer queries	Call Centre established	CFM	June 2022	Set up in progress	June 2024
Ensure constant maintenance and replacement of faulty system.	Reduced disruption in service delivery	Develop and implement a network maintenance schedule	Maintenance schedule in place	TM	June 2022	Schedule developed, implementation in progress	June 2026
	Continuous supplies/ availability of materials	Pay suppliers promptly	No. of promptly supplied materials	PM	Continuous	Quarterly reports	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
Objective 2: To achieve 100% automation and integration of all business operations.							
Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
Automation of all business operations	Improved efficiency in all business operations	Purchase an Enterprise Resource Planning (ERP) system	ERP system in place	CFM	December 2021	ERP system purchased	Done
		Operationalization of ERP modules/ components	100% operationalization of the ERP-Finance & Accounting module, procurement, NRW, production	CFM	December 2022	In progress	December, 2023
		Purchase all required ICT equipment for ERP operationalization	All required ICT equipment acquired	CFM	December 2021	In progress	June, 2024
		Integrate all business operations into the ERP system	All business operations integrated	CFM	June 2022	Done	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
		Conduct training on ERP for all relevant staff	All relevant staff trained	HRM	December 2021	Done	Done
		Develop ICT policy, governance standards and Master plan	ICT Policy 2022 developed and Procedures Standardized	CFM	June 2023	In progress	June 2024
		Setup Internet Connectivity to all schemes	All schemes' stations fully connected with Internet	CFM	June 2022	In progress	June 2024
		Train all staff on ICT operations	Trainings reports	HRM	Continuous	Done FY 2023/24	June 2026
Objective 3: To increase customer satisfaction level and ratings from 71% to 95% by 2026.							
Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
Grow and retain customers.	Increased revenue	Increase number of customers connected from 25,000 to 45,000 in 2026	No. of new customers connected	CFM	Continuous	So far 1,688 new customers have been connected since July 2021	June 2026
		Conduct scheme and area- based marketing campaigns	Quarterly marketing campaign reports	CFM	Continuous	marketing and communication plan in place.	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
		Target and connect new Large consumers	No. of new large consumers connected	CFM	Continuous	Quarterly report	June 2026
		Develop and operationalize a customer retention plan	Customer retention plan operationalized	CFM	Continuous	Customer retention plan developed	June 2026
		Conduct monthly marketing campaigns	Market campaign reports-undertake schemes targeted outreach activities	CFM	Continuous	marketing and communication plan document in place.	June 2026
Improve meter reading accuracy	Increased revenue	Organize meter reading areas into equal zones	Meter reading zones established	CFM	December, 2023	In progress	June 2024
		Map all meters onto the GIS	Number of meters mapped onto GIS	TM	June 2022	100% done	Done
		Educate customers on how to read meters	Number of meter readings by customers	CFM	June 2022	In progress	June 2024

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
Enhance customer satisfaction levels	Satisfied customers	Revise customer service charter	Customer service charter revised	CFM	March 2022	Done	Done
		Operationalize revised customer service charter	Customer service charter operationalized	CFM	March 2022	Done	Done
		Respond promptly to customer issues as per service charter	No. of customer queries resolved as per service charter	CFM	Continuous	Quarterly report	June 2026
		Conduct regular customer satisfaction survey	Customer satisfaction survey reports	CFM	Biannually	In progress	June 2025
		Train staff on customer care	No. of Trainings conducted	HRM	March 2022	Done for FY 2023/24	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
Objective 4: To improve service provision in identified low-income areas.							
Provide reliable, affordable and sustainable access to safe drinking water to people living within the urban low-income areas	Enhance water service provision within LIAs	Construction of 6 water kiosks	No of new constructed water kiosks	TM	June 2023	MOU with WKWP and activities co created	June 2026
		Annual Rehabilitation and replacement of old, dilapidated distribution lines	No of old and dilapidated distribution lines rehabilitated or replaced	TM	Annual	Quarterly reporting on the lines rehabilitated	June 2026
		Annual Extension of 1km water distribution networks	No of new water distribution lines laid	TM	Annual	Quarterly reporting	June 2026
		Connection of 200 new customers	No. of new customers connected	TM	Annual	Quarterly reporting	June 2025

Strategies	Expected outcomes	Activities	Output indicator	Responsibility	Timeframe	Current implementation status	Expected implementation timeframe
-Provide reliable, affordable and sustainable access to basic sanitation to people living within the urban low-income areas by 2 %annually	Enhance sanitation service provision within LIAs	Partner with other organizations which provide alternative sanitation solutions	No of partnerships with other organizations which provide alternative sanitation solution	PLO	Annual	Quarterly reporting	June 2026
		Construction of 1no. decentralized treatment facility	New decentralized treatment facility constructed	TM	June 2024	Resource mobilization in progress	June 2026
		Extension of 1km sewer line networks	Number of new sewer Connections	TM	Continuous	Quarterly reporting	June 2026
		Construction of 200 onsite sanitation facilities within LIAs	No. of onsite sanitation facilities constructed within LIAs areas	TM	June 2024	Resource mobilization in progress	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
		Conduct a survey to establish the sanitation needs and impact to the low-income areas	Survey report Demand creation awareness campaign reports	TM	Annual	MOU with WKSP executed Implementa-tion of co-cre-ated activities to be under-taken	June 2026
To reduce NRW in low-income settlements.	Reduced NRW	Mitigating water theft through in-stallation of 200 household connections	No of household connection done.	CFM	Annual	Quarterly reporting	June 2026
		Elimination of illegal water connection	No of illegal water connec-tions regularized	PLO	Continuous	Quarterly reporting	June 2026
		Replacement and servicing of faulty meters 100%	No of faulty meters serviced	TM	Continuous	Quarterly reporting	June 2026
		Rehabilitation of dilapidated water supply network	No, of dilapidat-ed water pipeline rehabilitated	TM	Continuous	Quarterly reporting	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
		Streamlin-ing of water kiosks vendors through 100% signing of contracts	No. of signed water kiosk contracts with the vendors	PLO	Within two weeks of on-boarding	Quarterly reporting	June 2026
To become customer centric by focusing on pro-poor service delivery	Improve quality of life in the LIAs	Promoting stakeholder engagement ,marketing, community outreach and participation in pro-poor services	Reports on ac-tivities/engage-ments	CFM	Continuous	Quarterly reporting	June 2026
		Develop a social connec-tion policy to ensure afford-ability to the LIAs	Approved social connection policy	PLO	Dec 2023	Policy approved by the BOD	Done
		Develop a Pro-poor strategic plan in line with the WSTF guide-lines	Approved pro-poor strategic plan	PLO	Dec 2023	Strategy approved by the BOD	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
		Review and implement the pro-poor policy to be in line with the company's strategic plan	Approved reviewed pro-poor policy	PLO	Dec 2023	Pro poor policy reviewed	Done
		Prompt, complete and proactive reso-lution of com-plaints from LIA customers	No of complaints resolved Reports on 24 hours resolve of complaints	CFM	Continuous	quarterly reporting	June 2026
THEME 3: FINANCIAL STEWARDSHIP AND SUSTAINABILITY							
Objective 1: To increase annual revenue from Ksh.223 million in 2021 to Ksh. 350 million by 2026							
Ensure 100%-meter reading	Increased revenue	Use mobile technology to read and transmit meter readings	100% adoption of mobile technology/ meter reading	CFM	Dec 2023	In progress	June 2024

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
Review water and sewerage tariff structure	Increased revenue	Evaluate effectiveness of existing tariff structure	Indexed tariff	MD	June 2023	Indexed Tariff gazetted to be implement-ed effective January 2024	Done
		Conduct stakeholders' participation in tariff review	Stakeholders' participation report	MD	Dec 2021	Public par-ticipation conducted and tariff approved, gazetted by WASREB	Done
		Process approvals for the proposed tariff structure	Relevant approvals	MD	Dec 2021	Tariff approved and gazetted by WASREB	Done
		Implement new tariff structure.	New tariff fully applied	MD	Dec 2021	Tariff fully im-plemented	Done
Objective 2: To increase revenue streams.							
Strategies	Expected outcomes	Activities	Expected Outputs	Responsi-ble	Timeframe	Current im-plementation status	Expected im-plementation timeframe.

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
Diversify revenue sources.	Increased revenue streams	Identify alternative revenue sources.	Additional revenue sources identified and documented. Addition-al revenues generated from these other sources.	CFM	June 2022	In progress	June 2024
		Identify potential development partners and undertake im-plementation of develop-ment projects	Number of potential development partners identified and projects imple-mented	PLO	June 2022	Develop-ment partners identified ie CGK and WSTF,WKWP, WKSP Implementa-tion of part-nerships in progress	June 2026
		Initiate partnerships for financial and technical support	Number of new partnership agreements	PLO	Continuous	WSTF Malava UPC Project, WKWP WKSP	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
Objective 3: To reduce accounts receivables from Ksh 230 million in to Less than Ksh. 50 million							
Enhance debt management	Reduced debt levels	Review and implement an effective debt management policy	Reviewed debt management policy	PLO	March 2024	Policy review planned for third quarter	June 2024
		Conduct debt verification	100% of debts verified	CFM	Monthly	In progress Quarterly reports	June 2026
		Structure payment plans for debtors	Signed agreeable payment plan with debtors	CFM	Continuous	Implemented up to 2021	June 2026
		Set up debt management committee	Committee established	MD	Annual	Operational	June 2026
		Engage debt collection agents	Amounts of debts collected/ recovered Reports of irre-coverable debts	CFM	Annual	Imple-mented, in progress.	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
		Write off bad debts as per debt management policy	Reports of debts written off	CFM	Annually	Implemen-tation in progress	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
Objective 4: To improve collection efficiency from 95% in 2021 to 98% by 2026.							
Enhance efficiency in revenue collection.	Increased revenue collection/ Timely regular payments	Introduce alternative payment modes	Number of payment methods in place	CFM	December 2021	2 payment methods available	Done
		Flexible payment arrangements	(Instant pay, code pay etc)	CFM	Dec 2023	To be initiated	June 2026
		Implement 100% Cashless payments	100% Cashless payments implemented	CFM	December 2021	100% done	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
		Schedule regular follow-up payment reminders with customers	Follow up schedule in place	CFM	December 2021	Reminders send to customers 2 days before the due date of their bills. Demand notices sent to customers on expiry of the due dates of their bills.	Done
		Enforce payment deadlines and late payment penalties.	Percentage of revenue collected on time	CFM	December 2021	Done	Done
		Undertake Prompt disconnections	No of accounts disconnected	CFM	Continuous	Meter readers to take led in prompt disconnection and debt collection of pending bills aged above 30 days	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current im-plementation status	Expected im-plementation timeframe
		Sensitize relevant staff on integrity in revenue collection.	Number of sensitization sessions conducted	HRM	December 2021	Done To be continually undertaken	June 2026
		Sensitize customers on the need for timely and prompt payment	Number of sensitization sessions conducted.	CFM	Continuous	One done in the financial year 2022/2023.	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
Objective 5: To strengthen financial management processes.							
Institute a financial manage-ment system	Enhanced efficiency in financial processes	Procure and install a financial management system	Financial management system in place	CFM	March 2022	ERP implement-ed in 2021.	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
		Train staff on the installed financial management system	Percentage of relevant staff trained	CFM	March 2022	100% staff trained in June 2021 and April 2023 on EPR.	Done
		Integrate the financial management system with other business functions	Financial management system integrated	CFM	December 2021	Integrated with HR, billing and Procurement modules in the ERP.	Done
		Operationalize the financial management system	Financial management system fully operationalized	CFM	December 2021	Module challeng-es to be resolved	December 2023
		Review and implement financial management and audit policies	Reviewed Financial management and audit policies implemented	CFM	March 2023	Not done due to financial constraints.	March 2023

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
Strengthen internal controls	Strong internal controls	Review and implement internal control systems	Internal control system in place	IAM	March 2022	Done through various audits exercises and recommenda-tions forwarded to management.	June 2026
		Routine audits	Audit/ inspection reports	IAM	On need basis	Audits conducted as and when required	June 2026
Strengthen procure-ment processes	Strong procure-ment processes	Develop and implement a procurement plan	Procurement plan implemented	PM	Annually	Operational To be done annually	June 2026
		Institutionalize the public procurement guidelines	Public procurement guidelines adopted	PM	December 2021	Guidelines adopted.	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
Ensure effective asset manage-ment	Secure company assets	Develop a company asset register and the Asset Manage-ment policy	Company asset register in place Policy approved by the BOD	PLO	March 2022	Policy planned to be developed in the third quarter	June 2023
		Indemnify company assets	Indemnity agreements	PM	March 2022	Not done	June 2026
		Secure vital water infrastructure through fencing and onsite security	100% fencing on all water infrastructure	PLO	June 2022	Not fully implemented.	June 2026
		Establish a functional security and surveillance unit/section	Security and Surveillance unit created	PLO	March 2022	Not done due to financial constraints.	June 2024
Optimize production cost	Enhanced production efficiency	Install solar energy for pumping water	50% solarization	TM	June 2023	Not yet done	June 2024
		Replace old non-functional water pumps	100% of old water pumps replaced No of pumps	TM	June 2023	Not yet done due to financial constraints	June 2024

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
Objective 6: To increase billing efficiency from 68% in 2021 to 98 % by 2026.							
Enhance billing efficiency.	Improved efficiency in billing	Provide accurate and timely bills to customers	Number of accounts with accurate bills issued on time	CFM	Monthly	90% done	June 2024
		Digitize the billing process	100% digitized billing	CFM	December 2021	100% done Meter reading, installa-tion, account dis-connection, new account survey done through smart phones.	Done
		Prompt adjustment of erroneous bills	100% timely adjustment of erroneous bills	CFM	Monthly	In progress Quarterly reports	June 2026
		Structure a billing cycle	Billing cycle streamlined	CFM	December 2021	Billing cycle in place, all customers get their meter readings by 15th day of every month	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
		Bill customers on actual consumption and not estimates	100%-meter reading and actual billing	CFM	December 2021	An average of 74.1% are actual bills in the period of July, 2021 to May 2023	June 2025
THEME 4: INSTITUTIONAL STRENGTHENING AND CAPACITY BUILDING							
Objective 1: To improve corporate governance practices.							
Strengthen board capacity	Enhanced corporate Gover-nance	Undertake Training needs assessment for BOD	Training needs assessment report	Board Secretary	Annually	Completed	Done
		Conduct training	Training reports	Board Secretary	Annually As per the Board calendar	Done. 5 partnerships in place.	June 2026
		Support, approve and Build partnerships for resource mobilization	Partnerships established	Board Chair	Annual	Done. Evaluation report available. Board evaluation to be undertaken annually	June 2026
		Embed good corporate governance practices at board level	Board evaluation report	Board Chair	Annual	Operational	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
		Board and CEO succession plan	BOD succession plan	Board Chair	Annually	Operational	June 2026
		Board performances improve plan/Board evaluation	BOD evaluation report and Performance Improvement plan	Board Chair	Annually	In progress	June 2026
Objective 2: To increase employees' satisfaction level from 45% in 2021 to 95 % by 2026.							
Build a qualified and motivated staff.	Satisfied employees Improved productiv-ity	Conduct regular employee satisfaction surveys	Employee satisfaction survey report	HRM	Annually	To be undertaken in the next FY	June 2025
		Develop a Reward and Recognition Policy	Approved Reward and Recognition Policy in place	PLO	June 2022	Policy approved by the BOD	Done
		Conduct training needs assessments all the staff	Training needs assessment report	HRM	September 2021	Done annually	June 2026

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
		Train employees based on assessed needs	Number of training sessions conducted	HRM	Continuous	Establish a reporting mechanism for trainings	June 2026
		Evaluate the trainings conducted	Training evaluation report	HRM	Annually	To be initiated by quarterly reporting	June 2026
	Improved work ethics	Promote change in work culture	Number of culture change activities conducted	HRM	Continuous	Team building conducted	June 2026
		Undertake staff sensitization on Code of ethics and HR Policy Manual	Signed commitment to adherence to the Code of ethics by all employees.	HRM	March 2021	Done during induction of new employee	Done
Improve working conditions and environ-ment	Satisfied employees	Review schemes of service	Reviewed scheme of service	PLO	June 2022	Done and implemented. Contained in the HR manual	Done
		Develop Occupational Safety and Health Policy	Approved Occupational Safety and Health Policy in place.	PLO	December 2021	Approved policy in place	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
		Implement fully the Occupational Health and Safety requirements	Occupational Health and Safety fully implemented	HRM	June 2023	OHS committee in place.	June 2026
		Provide insurance covers to staff	Medical insurance cover, WIBA, GPA, Group life covers in place	HR	Annually	Medical insurance cover in place WIBA to be procured	June 2023
Objective 3: To achieve 95% staff productivity level by 2026.							
Restructur-ing	Stream-lined staff establish-ment	Conduct job evaluation for all staff	Job evaluation report	HRM	December 2021	To be undertaken upon restructur-ing	June 2024
		Undertake re-structuring of the Company	Consultancy report Implemen-tation reports of the recommen-dations	Board Chairman	December 2023	Process initiated	June 2024

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
Institute a fully-fledged perfor-mance manage-ment system	Measured perfor-mance	Develop and implement a performance management system	Performance management system fully implemented	MD	September 2021	Done System to be fully input on ERP Annual im-plementation and evaluation to be undertaken	June 2026
		Conduct performance appraisal	Appraisal reports for all staff	HRM	Semi Annually	Submitted up to Dec 2022	Dec 2023
		Reward performance in line with the Policy	Rewards system fully implemented	MD	Annually	To be undertaken annually	June 2026
Strengthen organization structures	Clarity of reporting structures	Review and implement organization structure	Approved organization structures fully implemented	MD	June 2022	Organogram to be reviewed while undertaking re-structuring	June 2024
Objective 4: To improve Company Image and Visibility.							
Strengthen company image and brand	Strong Company Image and Brand	Improve company image and brand	Improved Company Brand	CFM	June 2022	Customer care/ desk in place.	June 2026
		Revamp company website	Revamped website	CFM	March 2022	Communications team set up and regularly updates website and social media platforms.	Done

Strategies	Expected outcomes	Activities	Output indicator	Responsi-bility	Timeframe	Current imple-mentation status	Expected im-plementation timeframe
Strengthen engage-ment with stakehold-ers		Increase participation in CSR activities	Number of CSR activities conducted	CSM	Continuous	Several CSR activities were carried out including planting of treesTo be un-dertaken annually	June 2026
		Review a communication strategy, marketing and communica-tion plan for different stakeholders	Communica-tion strategy developed	PLO	June 2022	To be undertak-en in the fourth quarter	June 2024

Strategies	Expected outcomes	Activities	Expected Outputs	Respon-sible	Timeframe	Current im-plementation status	Expected im-plementation timeframe.
THEME 5: WATER AND SANITATION INFRASTRUCTURE							
Objective 1: To increase water production from 5,000,000 m3 to 8,000,000 m3 per day by 2026.							
Rehabilitation of the existing water Treatment infrastructure	Increased water production capacity	Conduct a Cost-benefit analysis for all major water infrastructure projects and priori-tize projects	Cost Benefit analysis reports	TM	March 2022	To be undertak-en	March 2024

Strategies	Expected outcomes	Activities	Expected Outputs	Respon-sible	Timeframe	Current im-plementation status	Expected im-plementation timeframe.
	Increased water production at Tindinyo T Works	Rehabilitation of Raw water line.	Percentage increase in water production	TM	December 2022	Rehabilitation works are 62% completion rate.	June 2024
		Replacement of sand filtration systems	Percentage increase in water production	TM	December 2022	Filter media replaced but still not effective. Works to be undertak-en	June 2026
		Construction of 2 No. sedimentation basins at Tindinyo	Constructed sedimentation basin	TM	June 2023	Not done due to financial constraints.	June 2026
	Increased water production by 4,500M3	Rehabilitate the existing water infrastructure at Shitoli and Kakamega.	Rehabilitated T-works	TM	June 2026	Proposed budgets sent to CGK for approval and financing.	June 2026
	Expanded water infrastructure	Develop a water master plan	Master plan in place	TM	June 2026	Not done. Leverage on CGK and LVNWWDA	June 2026

Strategies	Expected outcomes	Activities	Expected Outputs	Respon-sible	Timeframe	Current im-plementation status	Expected im-plementation timeframe.
Automation of chemical dossing systems at Tindinyo and Nambacha	Reduced cost of production	Installation of inline chlorine dossing units at Nambacha and Tindinyo	No of inline chlorine dosers installed.	TM	December 2024	Not done	June 2026
	Standard chemical dosage	Installation of steaming current detector (SCD) unit with automated dossing units	No of SCD units installed with auto-dosing units	TM	December 2023	Procurement initiated .	June 2024
Rehabilitation of boreholes	Increased water production	Rehabilitation of 6no. existing boreholes	No. of rehabilitated boreholes	TM	June 2023	Two completed at Sichirai and 1 at Butere Yard.	June 2026

Strategies	Expected outcomes	Activities	Expected Outputs	Respon-sible	Timeframe	Current im-plementation status	Expected im-plementation timeframe.
Objective 2: To increase water supply coverage from 78% to 95%							
Expand water distribution network	Increased water coverage	Rehabilitation of existing dilapidated pipe network 20km	No. of Km pipeline rehabilitated	TM	Continuous	Not done.	June 2026
		Increase water distribution pipeline and service line network to the un-served areas. 40Km	No. of Km extended	TM	Continuous	No further extensions were done due to inadequate water supply.	June 2026
		Metering of 15,000 new connections	No of metered connections installed.	TM	Continuous	In progress, to be reported quarterly	June 2026
		Replacement of 15,000 non-functioning meters	No. of meters replaced.	TM	Continuous	In progress, to be reported quarterly	June 2026
Increase water storage capacity from 12,800M3 to 18,300M3	Increased water storage capacity by 5,500M3	Construction of 5000M3 at Lirhanda.	No of tanks constructed	TM	June 2023	Construction in progress, 98% complete.	June 2024
		Rehabilitation of 8 existing water tanks. Construction of 4 new 150M3 tanks	No. of Tanks rehabilitated	TM	June 2023	Two completed at Manyulia and Sichirai	June 2026

Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
Objective 3: To increase sanitation coverage from 14% to 40%							
Expand sewer network coverage.	Increased sewerage coverage	Construction of friends hotel line and a septic tank to serve parts of town area	Septic tank constructed and No. of sewerage connections made	TM	Continuous	Not done	June 2026
		Construction of DTF 50 at Nabongo.	DTF constructed.	TM	June 2024	Not done	June 2026
		Construction of Amalemba feeder line, and Milimani-kamadep line,	Length of pipeline constructed	TM	Dec 2023	Proposed to be done through last mile connection	June 2024
		Rehabilitation of Amalemba Sewer, referral hospital sewer, MMUST and KFA sewer lines.	Length of pipeline rehabilitated.	TM	Dec 2023	Proposed to be done through last mile connection	June 2024
		Construction of a new sewerage facility at Matawa Mumias.	Completed sewerage system.	TM	June 2024	Not done	June 2024
		Construction of a DTF at Mumias.	Completed DTF	TM	June 2022	Completed and operational.	Done

Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
		Acquire additional 2No. Exhausters	Increase in the number of customers served by exhauster services.	PM	June 2023	Not done due to financial constraints.	June 2026
Onsite sanitation coverage for areas not covered by the sewerage system	Improved sanitation coverage, disposal and economic benefit	Train and Work with Manual pit emptier, ESP's, VTO's and support partners on enhancing onsite sanitation infrastructure and capacity building	No of onsite facilities build Reports on capacity building Revenue earned out of the fecal matter disposal	TM	June 2024	To be initiated	June 2026
Objective 4: To ensure 100% adherence to drinking water and wastewater standards and regulations.							
To improve water quality assurance infrastructure.	Compliance with WASREB, WHO and KEBS requirements	Improve water testing laboratory equipment at the T-works laboratory	No of fully function T-works testing laboratories	TM	June 2024	In progress, to be reported quarterly	June 2024
		100% water quality surveillance.	Water quality surveillance reports.	TM	Continuous	To be reported monthly	June 2026

Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
Implement wastewater standards	Compliance with effluent quality standards	Equipping of Central water testing laboratory and onsite wastewater laboratories.	Compliance percentage. No of equipment purchased	TM	Continuous	To be reported annually	June 2026

Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
THEME 6: MONITORING AND EVALUATION.							
Objective 1: To achieve at least 95% strategic plans implementation.							
Set up and strengthen monitoring and evaluation system	Strong M&E framework	Develop and implement a monitoring and evaluation plan for the company	M&E plan in place	MD	September 2021	Done To be developed annually	June 2026
		Establish an office for planning, monitoring and evaluation	PM&E unit established	MD	September 2021	Committee in place and operational No need of a unit at the moment	Done

Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
		Establish M&E management Committee (M&E MC)	M&E Committee in place	MD	September 2021	Committee is operational	Done
Develop and implement an effective framework for staff performance management	Strategic plan targets achieved	Draw up work plans for each department	Departmental work plans	Chairman M&E Committee	September 2021	Work plans exist. To be developed annually	June 2026
		Develop a M & E tool for reviewing performance	M&E tool developed	Chairman M&E Committee	September 2021	Performance contracts, and template for quarterly reporting and appraisals available. To be evaluated annually	June 2026
		Monitor and evaluate progress of plan implementation	M&E performance reports	Chairman M&E Committee	Monthly	Done quarterly.	June 2026

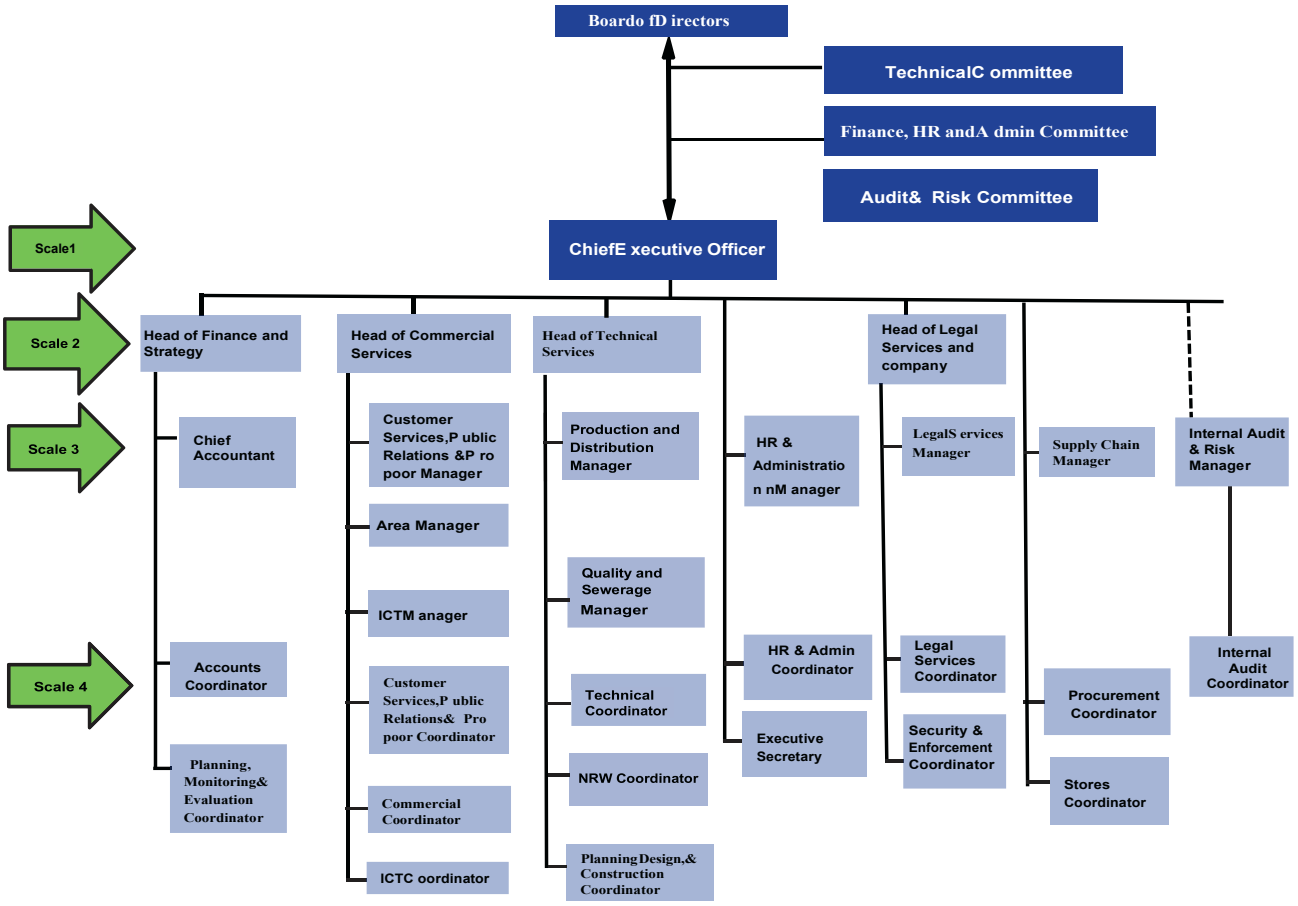
Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
		Review and report progress on implementation of the strategic plan	Reviewed M&E reports	Chairman M&E Committee	Quarterly	Done monthly.	June 2026
		Oversee external review of performance of the strategic plan	External M&E performance report	Chairman M&E Committee	Annually	Not yet done.	June 2024
Research and Development Unit	Develop and Implement Research and Development Unit	Appoint Research and Development officer.	Appointed R&D Officer	MD	June 2024	To be considered during restructuring	June 2024
		Develop R&D work plan	R&D Plan in place	MD	June 2024	To be developed once an officer is appointed	September 2024

Strategies	Expected outcomes	Activities	Expected Outputs	Responsible	Timeframe	Current implementation status	Expected implementation timeframe.
		Research on all challenges that hinder achievement of thematic areas. eg NRW	Reports on findings and recommendation to be implemented	R&D Officer	Continuous	Not done	June 2026
		Use of modern technology as a tool in monitoring and evaluation. Centralize data collection for easy monitoring and evaluation.	Effective Data collection center/ Champion established. Data collection officer appointed. Data available at a central point.	Chairman M&E Committee	Continuous	To be reported quarterly	June 2026

CHAPTER SIX

INSTITUTIONAL STRUCTURES

KACWASCO ORGANOGRAM



CHAPTER SEVEN

FINANCING THE STRATEGIC PLAN

The successful implementation of this reviewed strategic plan requires considerable financial resources. Revenues generated from the operations will not be adequate for financing the plan. This calls for alternative sources of funds to finance the plan. This is especially so for those activities which are capital in nature. In order to raise additional funds, the company will identify potential development partners, initiate alternative income generating activities and develop a funding framework for expansion. KACWASCO has in the past enjoyed support from several development partners and can work towards renewing these old partnerships and at the same time initiate new partnerships. The company will engage the county and national governments for budgetary support and grants, to finance the expansion of water and sanitation infrastructure. This is with the understanding that KACWASCO plays an important role in helping to actualize the country and global water sector goals for the welfare of citizens.

Table 7.1: *Estimated costs and sources of funds*

Theme	Estimated Costs (M Ksh)	Internal source of funds (M Ksh)	External source of funds (M Ksh)
Non-Revenue Water Management	224.2	100	124.2
Operational Efficiency, Customer Service andPro-poor Interventions	261.5	261.5	Nil
Financial Stewardship and Sustainability	102.7	102.7	Nil
Institutional Strengthening and CapacityBuilding	309	150	159
Water and Sanitation Infrastructure	2,656	250	2,406
Monitoring and Evaluation	1.6	1.6	Nil
GRAND TOTAL	**3,555**	**865.8**	**2689.2**

Internal- Internally-generated funds

External- County Government of Kakamega, Government of Kenya, Development partners

The budgets for implementing the activities as per the strategic themes have been factored in the consolidated implementation matrix.

CHAPTER EIGHT

8.0 MONITORING AND EVALUTAION

This chapter covers the mechanisms for monitoring and evaluation (M&E) of the implementation ofthe KACWASCO reviewed strategic plan. It highlights the key performance indicators that shall be continuously monitored in the next five years. Included, is the KACWASCO risk management framework that allows the company to identify potential risks and minimize its' risk exposure to ensure that theStrategic plan is implemented successfully.

8.1 MONITORING AND EVALUATION

A comprehensive Monitoring and Evaluation plan is critical for the successful implementation of this strategic plan. An adequate Monitoring and Evaluation Framework is in place to successfully implement this strategic plan. The framework will enable KACWASCO to measure performance against set deliverables. This will ensure an effective implementation of the set goals and objectivesin the strategic plan.

8.1.1 KACWASCO MONITORING AND EVALUATION FRAMEWORK

The Board of Directors are responsible for the implementation of the reviewed Strategic Plan. The Managing Director shall appoint a Committee to continuously monitor performance. The monitoring and evaluation process will involve preparation of annual work plans. The work plans will be linked to the objectives, strategies and activities as documented in the implementation matrix. The work plans will be cascaded to individual staff work plans which will then be linked to the KACWASCO performance management system. Although status of the implementation of the strategic plan should be addressed in each forum where departmental and individual performance is being discussed, the following actions will be undertaken to ensure successful implementation of the strategic plan:

i. Establish M&E implementation management committee . The M&E committee will hold monthly meetings to review the status of the strategic plan implementation.

ii. The M&E implementation committee will be reporting quarterly to the MD, senior management team, and Board of Directors on the progress of the strategic plan implementation. Where necessary the committee will adjust ensure that the overall strategic plan objectives remain on course.

iii. The Secretary for the Committee will be the Board Secretary for purposes of coordination of reporting to the Managing Director and the Board.

iv. KACWASCO will engage an external independent reviewer to review the strategic plan after every two years

8.2 KEY PERFORMANCE INDICATORS

The projected Key Performance Indicators are linked to the strategic plan's objectives and strategies. The key performance indicators documented in Table 8.1 below will provide guidance on a more objective review of the progress of the strategic plan implementation.

Table 8.1 *Performance indicators*

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Non-Revenue Water	46%	44%	42%	40%	38%	36%
Automation	50%	62%	74%	86%	98%	100%
Customer satisfaction	71%	75%	80%	85%	90%	95%
Annual revenue	223m	240m	270m	300m	330m	350m
Revenue monthly	18m	20m	22m	25m	27m	29m
Accounts receivable	230m	194m	158m	122m	86m	50m
Collectionefficiency	87%	90%	92%	93%	95%	95%
Billing efficiency	68%	74%	80%	86%	92%	98%
Employees'satisfaction	45%	55%	65%	75%	85%	95%
Staff productivitylevel	51%	50%	50%	50%	49%	47%
Water production(Million m3)	5	5.5	6	6.5	7	8
Water supplycoverage	58%	60%	62%	64%	66%	68%
sanitationcoverage	14%	19%	24%	29%	34%	40%
Water connections	19,775	21,000	25,000	30,000	35,000	40,000
Sewerage connections	4,200	4,600	5,000	5,400	5,800	6,100
Staff cost % ofsales	60%	58%	56%	54%	52%	50%

8.3 RISK MANAGEMENT FRAMEWORK

An effective risk management framework is critical for the success of the reviewed strategic plan. It is a structured process that is useful to identify and manage any potential threats with an aim to minimizeor eliminate their impact on the KACWASCO strategy in a dynamic environment. KACWASCO hasin place an effective risk management framework that will ensure the following:

i. That significant risk factors are identified and prioritized. These include financial, legal andcompliance, strategic, operational, and reputational risks.

ii. That the risk management framework and the systems in place are analyzed to ensure itsimplementation and effectiveness.

iii. That all risk factors raised in reports from management, internal and external auditors aremanaged promptly.

The Board of Directors are responsible to provide oversight and overallimplementation of the risk management framework.

KACWASCO Artisans at work

KACWASCO BOD with staff during bonding and team building session at water utility premises.

Kipkaren Water Treatment Plant

Nambacha Water Treatment plant

Handing over of motorbikes for field operations

KACWASCO Team during WASCO Games

Ongoing 5000m3 storage tank at Lirhanda

H.E the Governor commissions a Water Supply Scheme in Malava subcounty, Kakamega County

H.E. the Governor with the KACWASCO BOD during the corporate governance training

"Maji Safi, Maisha Bora"

"Quality Water, Healthy Livelihoods"

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