



# MALINDI WATER AND SANITATION COMPANY (MAWASCO)



**STRATEGIC PLAN**  
**2024/25 – 2033/34**







### VISION

A premier water  
and sanitation  
service provider



### MISSION

To reliably  
provide sufficient  
quality water and  
sanitation services  
in a sustainable  
manner that  
meets our  
customers'  
expectations



### CORE VALUES

- a) Customer Focus
- b) Innovativeness
- c) Integrity
- d) Team-work
- e) Excellence





**H.E. The Governor, Kilifi County,  
Gideon Mung'aro**



## FOREWORD



The development of this 10-year strategic plan for MAWASCO is a key milestone for the company that will see us operate on key strategic pillars in order to attain the desired planned objectives. The plan will provide a focus and alignment of stakeholders' interests and efforts to the key result areas that MAWASCO intends to prioritize in these 10-year planning period.

The plan has been formulated with acknowledgement of the critical role of the water sector in the development and growth of the County Governments. The constitution of Kenya recognizes access to water as a fundamental human right. The plan will therefore craft and implement strategies for growing water coverage in the company's service area. This however calls for dedicated efforts from all stakeholders in the water sector.

Implementation of this plan will be periodically monitored and evaluated by the Board of Directors in order to ensure the company is abreast with any emerging issues in the water sector. Further to this, the periodic reviews will ensure performance gaps are identified on time and the necessary remedial actions taken to ensure the plan is successfully implemented. This 10-Year plan intends to achieve preset strategic objectives for which proper strategies and activities have been identified for implementation.

The plan has been prepared with appreciation of the fact that the company operates in a dynamic environment where change is certainly inevitable. As such, this 10-strategic plan is not cast on stone, it is guide for the future, not a guarantor of that future. It will therefore be reviewed from time to time in line with the Monitoring, Evaluation, Accountability and Learning (MEAL) Framework. These reviews could be informed by among others; changes in government policies and operating environment, changes in resources availability as well as the feedback obtained from the MEAL framework.

The Board of Directors recognize that effective collaboration and teamwork among the key stakeholders will be critical for the strategic plan to be effectively implemented. To this end, the Board will closely work together with all stakeholders to allow a conducive environment to allow the company attain its strategic objectives. The Board shall be committed to ensuring successful implementation and operationalization of the plan and in general promote adherence to good corporate governance practices. In addition, the Board shall endeavor to create a proper and conducive operating environment to enable the company live up to its full potential.

Finally, I wish to register my sincere gratitude to the directors, management and staff for their unreserved commitment and devotion to the strategic plan formulation process. Through absolute dedication and collaboration, I have no doubt whatsoever that we will be able to successfully implement this 10-Year Strategic Plan.

**Samson Mkutano Mapinga**

**Chairman, Board of Directors**



## PREFACE



I am honored to present to you the future of MAWASCO. I am positive that the strategic objectives and strategies we have set for ourselves are the perfect choices to enhance the company's ability fulfill its mandate. As a company, we are mandated to provide water and sanitation services to the residents of Magarini, Malindi, Matsangoni and Watamu areas within Kilifi County.

This plan has been formulated through a very participatory process involving the company's Board of Directors, staff and key stakeholders under the guidance of a consultant. Drawing from this, the process has been enriched by incorporating the views and ideas of all stakeholders. This will enhance ownership at all levels of the company which consequently ensures effective implementation. This 10-year strategic plan will be the tool of communication

that will be used for engaging all stakeholders in order to ensure efforts are directed towards attainment of company mandate.

The development of this plan was preceded by an extensive review of the previous 2018/19-2023/24 strategic plan where a report and presentations were provided on the progress of implementation thus far. Key challenges in implementation as well as the lessons learnt were identified. These will prove useful going into a new 10-year strategic plan period. Strategies and measures will be put forth to mitigate against the past as well as potential challenges and risks in implementation.

A comprehensive internal and external environment assessment was done which involved identification of challenges, strengths and weaknesses as well as threats and opportunities. Further to this, the company carried out stakeholder and risk analyses with the view to identifying its stakeholders, their expectations as well as the company expectations from them. The risk analysis was critical for identifying potential risks in implementation. In line with the company mandate, the analyses helped in the formulation of the vision, mission and core values as well as establishing the key result areas and the strategic objectives to be attained in each key result area and consequently the appropriate strategies and activities were determined.

To enhance the company's strategic direction, the plan has identified 4 key result areas within which the formulated strategic objectives, strategies and activities of MAWASCO will fall during the 2024/25-2033/34 plan period. These are; **b) Water and Sanitation Infrastructure Management and Network Efficiency; b) Effective Customer Engagement and Financial Viability; c) Financial Sustainability and; d) Institutional Strengthening.** The strategies and activities to be implemented under each of these KRAs will be funded both internally and externally.

The 10-year strategic plan will be scaled down into annual workplans with concise performance targets at all levels of the company's operations. The heads of departments will be responsible for meeting set departmental targets in adherence to the developed performance management system which would align the company, departmental and individual performance. The management is committed to create and institutionalize a proper corporate culture that promotes successful implementation of this 10-year strategic plan guided by our core values; **a) Customer focus; b) Innovativeness; c) Teamwork; d) Integrity** and; **e) Excellence** i.e., (CITIE).

I believe that with commitment of the management and staff at all levels coupled with appropriate support from our Board of Directors, we will attain our vision; ***"To be a premier water and sanitation service provider"*** and mission; ***"To reliably provide sufficient quality water and sanitation services in a sustainable manner that meets our customers' expectations"*** within this 10-year strategic plan period.

In conclusion, I take this noble opportunity to thank the Board of Directors, staff and all key external stakeholders for their active involvement, collaboration and valuable input towards the development of this 10-year strategic plan.

**Mr. Felix Wanje**

**Managing Director**

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## KEY CONCEPTS AND TERMINOLOGIES

<b>Baseline</b>	A description of the initial state of an indicator before the start of a project/programme, against which progress can be assessed or comparisons made.
<b>Indicator</b>	A means of measuring progress/change that results from an intervention. It measures a change in a situation or condition and confirms progress towards achievement of a specific result. It is used to measure a project impact, outcomes, outputs and inputs that are monitored during project implementation to assess progress.
<b>Key Activities</b>	Actions taken or work performed, through which inputs are mobilized to produce outputs.
<b>Key Results Areas</b>	They are the broad areas in which you are expected to deliver results.
<b>Outcome</b>	The intermediate results generated relative to the objective of the intervention. It describes the actual change in conditions/situation as a result of an intervention output(s) such as changed practices as a result of a programme or project.
<b>Output</b>	Products, services, or immediate results, tangible or intangible resulting directly from the implementation of activities or applying inputs.
<b>Project</b>	A project is a set of coordinated activities implemented to meet specific objectives within defined time, cost and performance parameters.
<b>Strategic Goal</b>	General qualitative statements on what an organization is hoping to achieve in the long term. Each strategic goal is linked to a strategic issue. Goals are the foundations of a plan and need to be set at the start of the planning process.
<b>Strategic Issues</b>	These are problems or opportunities emanating from situational analysis that an organization has to manage in order to be able to fulfil its mandate and mission.
<b>Strategic Objectives</b>	These are what the organization commits itself to accomplish in the long term; they establish performance levels to be achieved or priority issues and measures of success in fulfilling critical mission statement elements.
<b>Strategies</b>	Broad abstractions which are descriptive of the means for achieving the strategic objectives.
<b>Target</b>	A result to be achieved within a given time frame through application of available inputs.
<b>Top Leadership</b>	Individuals or groups of people who carry the Vision of an organization and are responsible for achieving its mandate.
<b>Value Chain</b>	A description of the production-to-market linkages, generating value to the customer through efficient processes and procedures.
<b>Non-Revenue Water (NRW)</b>	NRW refers to the difference between the amount of water put into the distribution system and the amount of water billed or authorized as consumption. It includes





both commercial (apparent) losses, such as billing inaccuracies and physical (real) losses, which include leaks in the distribution system.

**Utility**

A water service provider licensed by WASREB to provide water services.

**Water Services**

Supply of water, sewerage services and all other incidental services.

**Revenue Collection Efficiency**

Refers to the consistency between the amount of revenue collected and the amount billed. It assesses the efficiency of revenue management system in a utility.

**Water Tariff**

Refers to the justified price charged for water services to cover the reasonable cost of providing the service.

**Personnel Expenditure**

Refers to salaries, allowances, allowable pension and service as well as gratuities payable to employees in the course of their employment.

**Operations and Maintenance (O&M) Expenditure**

Means all justified recurrent expenditure incurred by the utility during its business.

## ABBREVIATIONS AND ACRONYMS

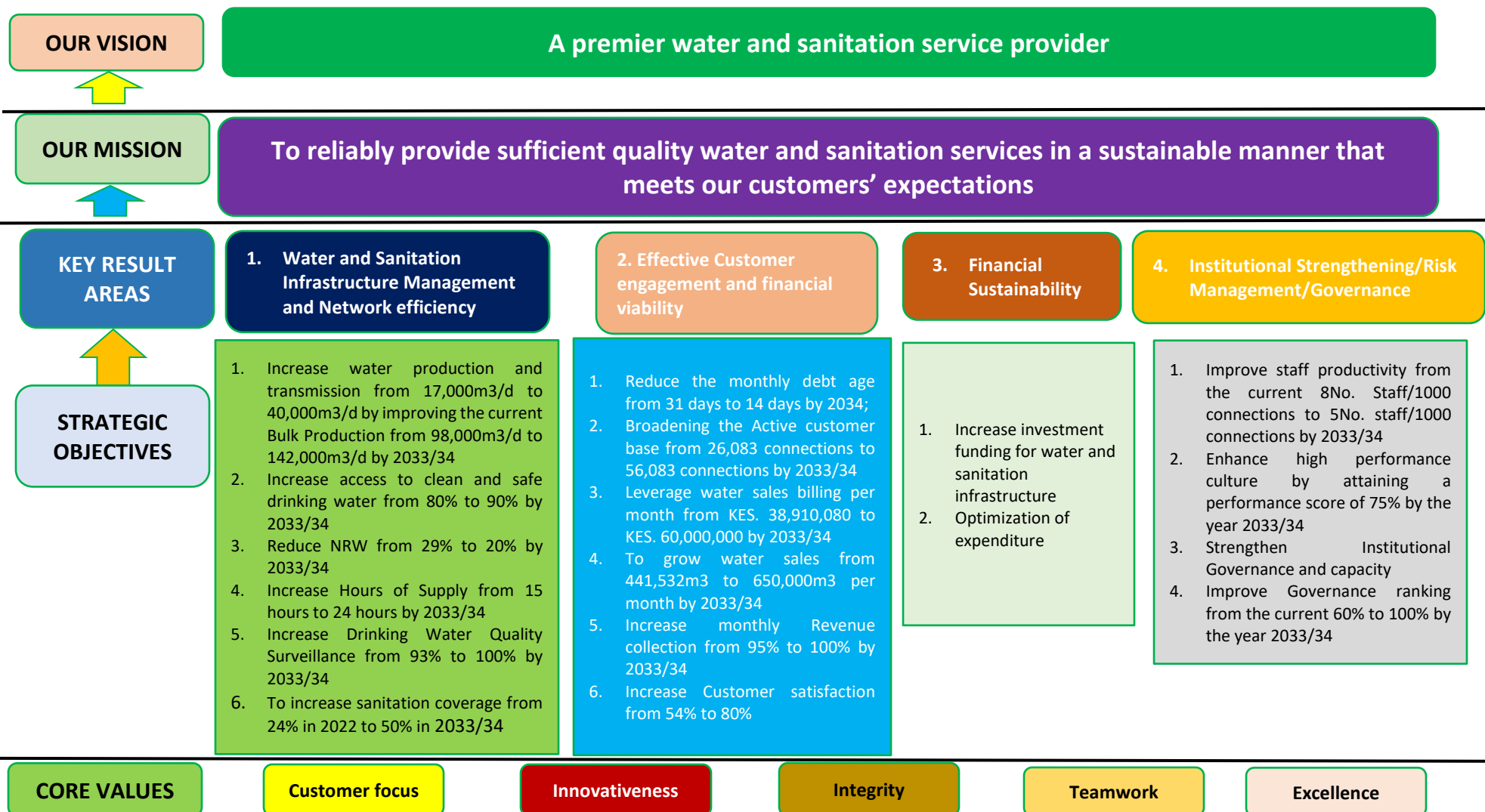
<b>ADB</b>	African Development Bank
<b>AGM</b>	Annual General Meeting
<b>BOD</b>	Board of Directors
<b>CBOs</b>	Community Based Organizations
<b>CIS</b>	Customer Identification Survey
<b>CWSB</b>	Coast Water Services Board
<b>CWWDA</b>	Coast Water Works Development Agency
<b>DMA</b>	District Metering Area
<b>FSTP</b>	Fecal Sludge Treatment Plant
<b>FY</b>	Financial Year
<b>HRMIS</b>	Human Resources Management Information Systems
<b>IWA</b>	International Water Association
<b>JE</b>	Job Evaluation
<b>KENHA</b>	Kenya National Highways Authority
<b>KIMAWASCO</b>	Kilifi-Mariakani Water and Sewerage Company
<b>KPIs</b>	Key Performance Indicators
<b>KRA</b>	Key Result Area
<b>KURA</b>	Kenya Urban Roads Authority
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MAWASCO</b>	Malindi Water and Sewerage Company
<b>MD</b>	Managing Director
<b>MEAL</b>	Monitoring Evaluation, Accountability and Learning
<b>MOWASSCO</b>	Mombasa Water Supply and Sanitation Company
<b>MoWSI</b>	Ministry of Water Sanitation and Irrigation
<b>NEMA</b>	National Environmental Management Authority
<b>NLC</b>	National Lands Commission



<b>NRW</b>	Non-Revenue Water
<b>O&amp;M</b>	Operations and Maintenance
<b>PAPs</b>	Project Affected Persons
<b>PESTEL</b>	Political, Economic, Social, Technological, Environmental, Legal
<b>PMS</b>	Performance Management System
<b>SOPs</b>	Standard Operating Procedures
<b>SPA</b>	Service Provision Agreement
<b>SWOT</b>	Strengths, Weaknesses, Opportunities and Threats
<b>TNA</b>	Training Needs Assessment
<b>UBSUP</b>	Up-scaling Basic Sanitation for the Urban Poor
<b>USAID</b>	United States Agency for International Development
<b>UTF</b>	Utility Turn-Around Framework
<b>WASPA</b>	Water Service Providers Association
<b>WASREB</b>	Water Services Regulatory Board
<b>WAT</b>	Water Appeal Tribunal
<b>WRA</b>	Water Resources Authority
<b>WSDP</b>	Water and Sanitation Development Project
<b>WSP</b>	Water Service Provider
<b>WSTF</b>	Water Sector Trust Fund
<b>WWTP</b>	Waste Water Treatment Plant

## MAWASCO STRATEGY MAP

Figure 1: MAWASCO Strategy Map





## EXECUTIVE SUMMARY

Malindi Water and Sewerage company (MAWASCO) was incorporated as a private company limited by ordinary share capital on 24<sup>th</sup> August, 2005. The company became operational on 1<sup>st</sup> February, 2006 as a public owned company incorporated under the Company's Act (Cap 486) of the Laws of Kenya and wholly owned by the County Government of Kilifi. Its mandate is provision of water and sanitation services within Kilifi County, specifically in Malindi, Magharini and Kilifi Sub-counties. MAWASCO's area of service covers about 8,300 km<sup>2</sup>. In line with the Water Act, 2016, the company operations fall under the Coast Water Works Development Agency.

The company's existing water supply system comprises; bulk water supply system supplemented by boreholes sunk around its service areas. It has one major sources of water; Baricho Well field (27,000 m<sup>3</sup>/day). There are about 38,933 water connections and no sewer connections.

MAWASCO has a clear organizational and reporting structure from the Board of directors to the management team and finally to the staff level. The company's organogram details the hierarchical relationships between the Board, the departments and sections, the various job positions in the departments and sections and their actual staffing.

The Company's Board of Directors (BOD) recognize the importance of good water governance towards ensuring continuous realization and achievement of the right to water. The BOD is well aware of corporate governance guidelines as stipulated by the regulator and the Mwongozo Code of Conduct.

MAWASCO has been implementing the 2019-2024 strategic plan. With regards to this, a mid-term review was conducted in the third quarter of 2021/2022 FY. The mid-term review necessitated the development of this revised 10-year strategic plan (2022/23-2031/32). A review of the implementation status of the previous strategic plan (2019-2024) resulted in the documentation of key achievements, challenges and lessons learnt during the running period.

This 10-year strategic plan was developed in a very participatory approach, which allowed the incorporation of different views of different stakeholders. In development of the strategic plan, a situational analysis was undertaken to establish the current status of the company and the entire water sector and issues that need to be addressed in the next 10 years. Environmental assessment identified areas where MAWASCO needs to concentrate on in order to align its activities to the best practices, build on strengths and minimize weaknesses while capitalizing on its opportunities and shielding against threats from the external environment. In addition, a stakeholder analysis was conducted in order to identify MAWASCO's key stakeholders and their interests as well as the expectations of the company from the stakeholders.

This analysis will enable the company to craft strategies and programs to help meet the expectations of the different stakeholders. Drawing from the findings of the situational analysis, the best practices and steps made towards implementation of the 2019/20-2023/24 strategic plan, the company's strategic direction was established and is presented below;

## Vision

‘A premier water and sanitation service provider’

## Mission

‘To reliably provide sufficient quality water and sanitation services in a sustainable manner that meets our customers’ expectations’

## Core Values

- a) Customer focus
- b) Innovativeness
- c) Integrity
- d) Teamwork
- e) Excellence

Table 1: KRAs and strategic objectives

Key Result Area (KRA)	Strategic objectives
<b>1. Water and Sanitation Infrastructure Management &amp; Network Efficiency Improvement</b>	1. Increase water production and transmission from 17,000m <sup>3</sup> /d to 32,000m <sup>3</sup> /d by improving the current Bulk Production from 98,000m <sup>3</sup> /d to 142,000m <sup>3</sup> /d by 2034.
	2. Increase access to clean and safe drinking water from 72% to 90% by 2034.
	3. Reduce NRW from 28% to 18% by 2034
	4. Increase Hours of Supply from 20hrs to 24hrs by 2034
	5. Increase Drinking Water Quality Surveillance from 93% to 100% by 2034
	6. To increase sanitation coverage from 24% in 2022 to 50% in 2034
<b>2. Effective customer engagement and Financial Viability</b>	1. Increase in monthly customer bills response from 65% to 100% by 2034
	2. Broadening the Active customer base from 26,083 connections to 56,083 connections by 2034
	3. Leverage water sales billing per month from KES. 38,910,080 to KES. 60,000,000 by 2034
	4. To grow water sales from 441,532m <sup>3</sup> to 650,000m <sup>3</sup> per month by 2034

Key Result Area (KRA)	Strategic objectives
	5. Increase monthly Revenue collection from 97% to 105% by 2034
	6. Diversification of Business operations by creating 2no. New Investments by 2034
<b>3. Financial Sustainability</b>	1. To monitor revenue and expenditure financial performance to set budgets targets and report on performance
	2. Prioritize revenue generation areas
	3. Review the operational expenditure
<b>4. Institutional Strengthening/ Risk Management/ Governance</b>	1. Improve staff productivity from the current 8No. Staff/1000 connections to 5No. staff/1000 connections by 2034
	2. Enhance high performance culture by attaining a performance score of 75% by the year 2034
	3. Strengthen Institutional Governance and capacity
	4. Improve Governance ranking from the current 60% to 100% by the year 2034

In a bid to operationalize the strategic objectives, an implementation plan was developed where strategic issues, strategic goals, Key Result areas, strategic objectives and outputs performance indicators, timelines, resource needs and persons accountable as well as support positions were identified for each planned strategic objective, strategy and activity.

Finances for the strategic plan will be obtained from revenue collection from water and sanitation services offered and support from the County Government of Kilifi, development partners, donors, and the national government. To monitor and review progress, a detailed monitoring, evaluation and reporting framework has been developed, together with annual key performance indicators. The framework will track achievements and ensure Mawasco's operations are driven towards attainment of its strategic objectives. To enhance implementation, a coordination and risk management framework has also been incorporated in the plan. This will direct the company in managing potential risks that could affect implementation of the strategic plan. Over the plan period, Mawasco will require approximately Kshs. 32.8 billion to fully implement the planned initiatives in the plan.

# CHAPTER 1: INTRODUCTION

- **Strategy as An Imperative for MAWASCO's Success**
- **The Context of Strategic Planning**
- **History of MAWASCO**
- **Methodology of Developing the Strategic Plan**



**STRATEGIC  
PLAN**

**2024/25-2033/34**



## CHAPTER ONE

### 1 INTRODUCTION

This chapter provides an overview of MAWASCO's background, its mandate and functions as per the Water Act 2016. It also contains an overview of the importance of strategy for organizational success. In addition, the chapter outlines the context of MAWASCO's strategic planning, exploring the national development priorities, regional and international development frameworks and policies and how the plan will contribute towards attainment of these priorities. In addition, the plan outlines the background of the institution and its supply system. The section also outlines the methodology adopted in the development of this strategic plan.

#### 1.1 Strategy as an Imperative for MAWASCO's Success

Malindi Water and Sewerage Company (MAWASCO) was incorporated as a private company on 24<sup>th</sup> August, 2005 and began its operations on 1<sup>st</sup> February, 2006. It is a public-owned company incorporated under the Company' Act (Cap 486) of the Laws of Kenya and wholly owned by the County Government of Kilifi.

The Strategic Plan will guide MAWASCO towards attainment of its strategic goals through provision of a clear direction and dynamic strategies. The plan will promote improved performance through setting performance targets, milestones and performance indicators against which progress will be measured and enhance accountability towards realization of the vision of the company.

MAWASCO operates in a complex, volatile, unpredictable, and dynamic environment. This strategic plan will address these challenges in order to ensure that success of the company is maintained. It will enhance flexibility, innovativeness and receptiveness to changing circumstances. MAWASCO's formulated strategy will enable it to flourish amidst the uncertainties and achieve its mandate.

This 10-year strategic plan will enhance the efficiency and effectiveness of MAWASCO through prioritization of resources to high impact areas, aligning activities to strategic objectives and elimination of wastages caused by redundancies. Through dedicated implementation, this plan will optimize the contribution and impact of MAWASCO towards social and economic growth of Kilifi County.

#### 1.2 The Context of Strategic Planning

MAWASCO's 10-year Strategic Plan has been developed with consideration of the following international, regional and national development frameworks and policies.

##### 1.2.1 United Nations 2030 Agenda for Sustainable Development

The Sustainable Development Goals (SDGs) comprise a set of 17 global goals with 169 targets set by the United Nations aimed at 'transforming the world' (United Nations, 'Transforming Our World: The 2030 Agenda for Sustainable Development', 2015). The SDGs provide a universal framework to tackle the largest problems facing Kenya and the planet as a whole and are a call to action to end poverty and inequality, protect the environment, and ensure that everyone has access to health, justice and prosperity.

Malindi Water and Sewerage Company plays a critical role in realizing the Sustainable Development Goals (SDGs), more so the SDG 6: “Ensuring access to safe Water and Sanitation for all”. To actively contribute towards attainment of the SDGs, the Board of Directors commits to actively lobby for investments in water and sanitation facilities in the company’s service area, protection and restoration of water catchment areas, enhancing water-use efficiency and facilitating hygiene education.

The Board and management will also foster partnerships with relevant stakeholders including governmental and private bodies, industry players and international entities with the view to enhancing access to water and sanitation services. In so doing, the company will help advance Kenya’s efforts towards attainment of the United Nations’ Sustainable Development Goals.

### 1.2.2 Africa Union Agenda 2063

The vision of the African Union Agenda is to build an integrated, prosperous and peaceful Africa, driven and operated by its own citizens and representing a dynamic force in the international arena. It has identified eight aspirations which serve as pillars for the African continent in the foreseeable future. The Agenda 2063 translates the ideal aspirations into concrete objectives, milestones, goals, targets and actions. It builds on, and seeks to accelerate the implementation of past and existing continental initiatives for sustainable growth and development. In the water sector, some of the goals and priority areas relevant to the development of Africa include;

- a) **Universal Access to Water and Sanitation:** The goal is to achieve universal access to clean and safe drinking water and adequate sanitation facilities for all Africans. This entails ensuring access to basic water supply, improved sanitation, and promoting hygiene practices to improve health outcomes and living standards.
- b) **Sustainable Management of Water Resources:** The aim is to sustainably manage water resources to meet current and future needs. This involves such initiatives as, integrated water resources management, protecting water catchment areas and enhancing resilience to climate change impacts on water availability and quality.
- c) **Water security and Water-Energy-Food Nexus:** This is aimed at achieving water security, ensuring the availability and sustainable management of water resources for various uses; agriculture; energy generation and industrial activities. The connection between water, energy and food aims at optimizing the interlinkages and trade-offs between water, energy and food production to enhance resource efficiency whilst ensuring water and food security.
- d) **Water infrastructure development:** The objective is to enhance water infrastructure development to improve access to water supply and sanitation services. This involves the construction, rehabilitation and maintenance of water supply systems, waste water treatment facilities and irrigation infrastructure to support productivity in agriculture and consequently enhance socio-economic development.
- e) **Research and Innovation:** This aims at promoting research, innovation and capacity building in the water and sanitation sector. This involves encouraging research on water-related challenges, water and sanitation services technology development and strengthening capacity for efficient management of water resources.

Table 2: Agenda Priority Areas and MAWASCO's Role Towards their Attainment

S/No.	Agenda 2063 Priority Areas	Role of Malindi Water and Sewerage Company
1.	Universal Access to Water and Sanitation	MAWASCO will increase the annual water production by exploring additional sources of water and formulating strategies for reducing NRW. This will ensure the existing unmet demand is bridged consequently increasing access. Additionally, the company will increase the pipeline network in a bid to reach more people. This will majorly be undertaken in the unserved and underserved areas in MAWASCO's service area. In an effort to increase sanitation access, the company is also looking to fully operationalize sewerage services by developing a sewer system and fecal sludge treatment facility for treating wastewater.
2.	Sustainable Management of Water Resources:	MAWASCO will ensure protection of all its water catchment areas. Such initiatives will be the demarcation and fencing of all the catchment areas to enhance water quality protection, limiting and regulating access to these areas to protect biodiversity, and preventing livestock contamination.
3.	Water security and Water-Energy-Food Nexus	MAWASCO acknowledges the critical role played by water towards promoting agriculture, energy generation and industrial activities. As such, the company will undertake initiatives to increase production for the urban and peri-urban areas as well as minimizing losses inform of NRW. Increased supply will ensure sufficient water firstly for domestic use, agriculture and energy generation.
4.	Water infrastructure development	MAWASCO will undertake development and management of new water and sanitation infrastructure as well as rehabilitation of the existing systems to enhance efficiency and improved service delivery. This will include among others; extending water supply lines to unserved and underserved areas, replacement and rehabilitation of water supply pipeline networks.
5.	Research and innovation	MAWASCO has put in place strategies towards innovation by promoting automation of company processes through application of suitable systems which are integrated to enhance efficiency and effectiveness.

### 1.2.3 East African Community Vision 2050

Vision 2050 aims at providing a platform for the East African Region to enhance transformation for growth and development and move the people to higher income groups and consequently attain upper middle-income statuses. The critical development areas identified under the EAC Vision 2050 include:

- Unbalanced distribution of economic and social infrastructure;
- Inadequate social cohesion;
- Lack of human capital;
- Sub-optimal utilization of natural resources;

- e) Inadequate exploitation of mineral resources;
- f) Poor infrastructural facilities hampering development;
- g) Increasing unemployment especially among the youth;
- h) Inadequate investment in research and development;
- i) Low levels of industrialization and lack of competitiveness;
- j) Insufficient energy supplies and weak accountability;

The Vision 2050 aims at achieving 92.9% access to water and 90% access to improved sanitation. This is consistent with the Kenyan government aspirations, Kilifi County Government aspirations as well as the aspirations of MAWASCO.

The company plays a significant role in fortifying the East African Community Vision 2050. In the area of infrastructure development, MAWASCO will undertake appropriate water and sanitation infrastructure development for increased access to water for domestic and industrial use. This is critical towards ensuring regional economic growth and transformation.

Secondly, with regards to agriculture, food security and rural development, where augmented investment and enhanced agricultural productivity are key towards ensuring food security and rural economic transformation, MAWASCO plays an important role of ensuring reliable and adequate supply of water for agricultural use. This enhances food security and rural economic growth where excess agricultural produce is sold within and outside the region. Water is the lifeblood of economies and societies the world over.

Lastly, MAWASCO is key towards environmental and natural resource management that underscores the vitality of natural resource utilization, environmental preservation and value addition. MAWASCO will undertake protection of all its water catchment areas. This will include the demarcation and fencing the catchment areas to enhance water quality protection, limiting and regulating access to these areas to protect biodiversity.

#### 1.2.4 Constitution of Kenya

The Constitution of Kenya 2010 spells out the expectations of the people of Kenya in relation to access to water and sewerage services. Article 43 of the Kenyan Constitution 2010 entrenches water as a constitutional right by establishing a right to “reasonable standards of sanitation” and “clean and safe water in adequate quantities”. In addition, the CoK under Article 21 further places an obligation to the national government through the county governments to take steps to progressively realize this right. It is the mandate of the MAWASCO to provide water and sanitation services and hold the WATSAN assets on behalf of the public in order to facilitate access to water and sanitation for all. MAWASCO will pursue this mandate through provision of water and sewerage services in her licensed area of operation.

#### 1.2.5 Kenya Vision 2030, Bottom-Up Economic Transformation Agenda and 4th MTP

MAWASCO’s 2024/25 – 2033/34 has been aligned to the Kenya Vision 2030 development blueprint. Vision 2030 represents Kenya’s long-term plan, with the aim to making Kenya a globally competitive and prosperous country. The plan is anchored around three key pillars: Economic, Social and Political Governance. As regards WASH infrastructure, the Plan’s objective is to provide cost-effective world-class water and sewerage infrastructural facilities and services in support of Vision 2030. The plan has



prioritized the development and management of water and sewerage infrastructure to increase access to water and sewerage services under the Vision 2030. In the MTP IV, water has been identified as one of the enablers of Vision 2030 in the infrastructure sector. The infrastructure sector plays a critical role as an enabler of cost-effective public utilities and services for socio-economic development.

Presently, the Kenyan Government is implementing Bottom-Up Economic Transformation Agenda (BETA) that is operationalized through the MTP IV. This is anchored on five key pillars of Agriculture, MSMEs, Housing and Settlement, Health Care and Digital superhighway and creative Economy. MAWASCO has aligned the strategy to the BETA and will contribute in the following areas;

**a) Housing and Settlement**

Adequate and reliable supply of clean water and safe sanitation services is an essential component of housing and settlement to support development of affordable housing and encourage settlement. MAWASCO will collaborate with other sector players to ensure clean water and safe sanitation services are availed.

**b) Healthcare**

Water plays a critical role in health. The AU and EAC strategies are clear on the need for clean and safe water. The Government of Kenya has shifted investment in health towards Primary Health Care (PHC) and this calls for preventive and promotive health. PHC will require investment in affordable water and proper sanitation. MAWASCO will thus prioritize strategies, investments and services geared at making water and sanitation services available to all.

**c) Micro, Small and Medium Enterprises (MSMEs)**

To promote establishment of SMEs, MAWASCO will ensure that established market places are connected to piped water systems and have proper sanitation.

**d) Agriculture**

Food security is essential and water is critical in ensuring that rural communities are able to pursue agricultural activities without fear of lack of water. MAWASCO will ensure that water supply to the rural and urban areas is accelerated. Clean and safe water will ensure that the rural population is protected from preventable diseases and useful man hours spent in productive agriculture.

**e) Digital Superhighway and Creative Economy**

MAWASCO will be both a consumer and producer of digital transformation. The company's priority will be optimization of water service provision by adopting the top of the range market technology. These will encompass automation and digitization of the water systems. MAWASCO will also leverage on research and development through incubation and application of suitable water related technologies with the aim to improving water and sanitation services provision.

### 1.2.6 Sector Policies and Laws

MAWASCO plays a major role in managing and overseeing provision of water and sanitation services in Malindi, Magharini and Kilifi-North Sub-counties in Kilifi County. In developing this Strategic Plan, MAWASCO has integrated the following sectoral policies and laws:

#### 1.2.6.1 The Big Four Agenda, 2017

The Big Four Agenda is Kenya's blueprint for development and outlines four key areas: food security, affordable housing, manufacturing and affordable healthcare. It drives the third medium term plan (2018-2022) of Vision 2030, which is part of the country's development path for the period 2008 to 2030.

Firstly, MAWASCO will be instrumental towards enhanced food security through improved water service provision to the urban poor and marginalized rural and investment in catchment conservation of water sources and development of its staff capacity. Secondly in a bid to enhance affordable housing, the company will ensure improved water access in urban poor area housing developments and mapping of the Low-Income Areas (LIAs) in its service area. Thirdly, MAWASCO will enhance manufacturing through increased water access to the towns to support small and medium enterprises and explore public-private partnerships in the water sector. Lastly, in an effort to enhance affordable healthcare, MAWASCO will improve water access among the rural and urban areas for use in the healthcare centers, improve access to safe sanitation through construction of public ablution blocks and promoting water and sanitation hygiene in schools.

#### 1.2.6.2 National Water Services Strategy (2020-2025)

The Strategy provides a framework a framework for the implementation of government policies with respect to water supply, sewerage and basic sanitation in rural and urban settings. It guides institutions, WSPs, development partners and other stakeholders on the way sectoral goals are to be achieved. Summarily, the strategy aims at achieving 100% access to water and sanitation at an affordable cost by 2030. MAWASCO has thus formulated its strategies in alignment with the National Water Services Strategy (2020-2025) to ensure 100% access to water and sanitation within her areas of services in Kilifi County.

#### 1.2.6.3 National Water Master Plan (NWMP) 2030

One of the key sector plans is the National Water Master Plan. Launched on 26th March 2014, the National Water Master Plan 2030 is a product of an intensive study of Kenya's water resources and meteorological conditions to facilitate planning and development of the same. The objectives of the master plan were:

- a) To assess and evaluate availability, reliability, quality, and vulnerability of country's water resources up to the year 2050 taking into consideration climate change;
- b) To renew the National Water Master Plan towards the year 2030 with consideration of climate change;
- c) To formulate an action plan for the functions of WRA up to 2022 to strengthen the authority's capacity and capability;
- d) To strengthen the capacity of water resources development and management through transfer of technology and know-how in project implementation.

The National Water Master Plan 2030 provides a more integrated, proactive and comprehensive implementation plan for the Kenyan water sector. The prioritized strategies, investments and services in this plan geared at making water and sanitation services available to all are still aligned to the National Water Master Plan 2030. MAWASCO is looking to ensure increased access to water in both urban and rural areas through increased production and supply by exploring other new sources and laying additional pipelines and rehabilitating the dilapidated infrastructure whilst establishing DMAs for reduced NRW.

#### 1.2.6.4 The National Water Policy, 2021

The Policy's overall goal is to guide the achievement of sustainable management, development and use of water resources in the country while its overall objective is to provide a framework that is dynamic, innovative and effective for re-engineering the water sector. Specific objectives of the Policy include accelerating delivery of water supply services through progressive realization of the human right to water towards universal access, and strengthening sustainable water resource management.

To strengthen water resource management MAWASCO will ensure protection of all its water catchment areas to ensure water quality protection, enhance sustainable production and protect biodiversity.

#### 1.2.6.5 The National Climate Change Action Plan 2018-2022

This is a five-year plan that helps Kenya reduce greenhouse gas emissions and adapt to climate change. It sets out actions to implement the Climate Change Act (2016), which was the first climate dedicated legislation in Africa and is the legal framework of the climate change action plan. The plan spells out the following water-related actions: improving access to good water quality, increase water availability through development of water infrastructure and promoting water efficiency which MAWASCO is keen to achieve through the strategies formulated in this plan. These include increased water production through development of additional water sources and adoption of green sources energy such as solar in an effort to reduce greenhouse gas emissions and conserve the environment.

#### 1.2.6.6 The National Environment Policy, 2013

The Policy proposes a broad range of measures and actions responding to key environmental issues and challenges. It seeks to provide the framework for an integrated approach to planning and sustainable management of natural resources in the country, including water catchment areas which MAWASCO plays a pivotal role towards their protection through preservation of their surroundings and ensuring sustainable abstraction.

#### 1.2.6.7 Legislations

Embedded within the national legal framework, MAWASCO's Strategic Plan is fortified by various laws that govern and guide the provision of water and sanitation services in the country. Foremost is the Water Act, 2016, which provides for the sustainable water resource management, regulation, management and development of water and sanitation services infrastructure in line with the Constitution of Kenya, 2010. The Act mandates MAWASCO to provide water and sanitation services within its area of jurisdiction as specified in the license and to develop county water assets for water service provision. MAWASCO has thus linked this plan with the Act to ensure effective and efficient service delivery.

The Environmental Management and Coordination (Amendment) Act of 2015, in addition to providing legal regulations for management and protection of biological diversity, ensures access to genetic resources, wetlands, forests, marine and freshwater resources. Closely related are the Climate Change Act, 2016 and the Forest Conservation and Management Act, No.34 of 2016 which provide for the conservation of water catchment areas and incorporation of climate change adaptation and mitigation in the water sector. MAWASCO during this plan period will ensure the water catchment areas in the County are protected and conserved in line with the Act

The water and sanitation services landscape is also governed by The Community Land Act, Article 63 (5) of the Constitution which provides for the recognition, protection and registration of community land rights, the management administration of community land, and the role of the county governments in relation to unregistered community land. This Act provides a framework for arranging, development and maximum optimization of land and physical spaces in Kenya. By acknowledging the importance of this Act, MAWASCO's Strategic Plan recognizes the indispensable role it plays in directing the provision of water and sanitation services.

### 1.3 Background and History of MAWASCO

Malindi Water and Sewerage Company (MAWASCO) was incorporated as a private company on 24<sup>th</sup> August, 2005 and began its operations on 1<sup>st</sup> February, 2006. It is a public-owned company incorporated under the Company' Act (Cap 486) of the Laws of Kenya and wholly owned by the County Government of Kilifi.

The Constitution of Kenya came into effect in 2013 and declared water and sanitation services a devolved function at the county level thus MAWASCO being fully owned by the County Government of Kilifi through shares.

MAWASCO was contracted by the Coast Water Services Board (CWSB) currently known as Coast Water Works Development Agency (CWWDA) under an SPA to provide water and sewerage services within Malindi, Magharini and Kilifi-North Sub-counties. Under the Water Act 2016, WSPs are required to apply to be issued an operating license from WASREB. As such, MAWASCO is licensed to provide water and sanitation services to its area of jurisdiction.

Its service area is divided into six areas; Malindi Central, Malindi North, Malindi South, Watamu North, Watamu South and Magharini. Its estimated area of jurisdiction coverage is 8,300km<sup>2</sup>. The current water supply system for MAWASCO mainly consists of the bulk water supply system whose source is Baricho Water Works located along Sabki River. This however is supplemented by several boreholes sunk around its service area (22 boreholes, 5 shallow wells and 25dams/pans). MAWASCO's service area is currently supplied by Baricho Well Field (27,000m<sup>3</sup>/day). Water from this source is also shared with KIMAWASCO and MOWASSCO. The company's service area is as shown Figure 2

*Figure 2: MAWASCO Service Area*



#### Baricho Well Field

The current capacity for Baricho water works is 96,000m<sup>3</sup>/day against a potential production of 180,000m<sup>3</sup>/day. The water from Baricho is shared between Mombasa (MOWASSCO) and Kilifi (KIMAWASCO and MAWASCO) Counties. The estimated water purchased from CWWDA is on average 18,000 m<sup>3</sup>/ day against an estimated current demand of 44,300 m<sup>3</sup>/day.

The source of water is Baricho Wells with 11Nr. high yielding boreholes of up to 50m deep. The water from the wells is pumped to a common tank at Baricho for disinfection then further pumped to Kakuyuni 1,250m<sup>3</sup> tank. MAWASCO purchases bulk water from CWWDA

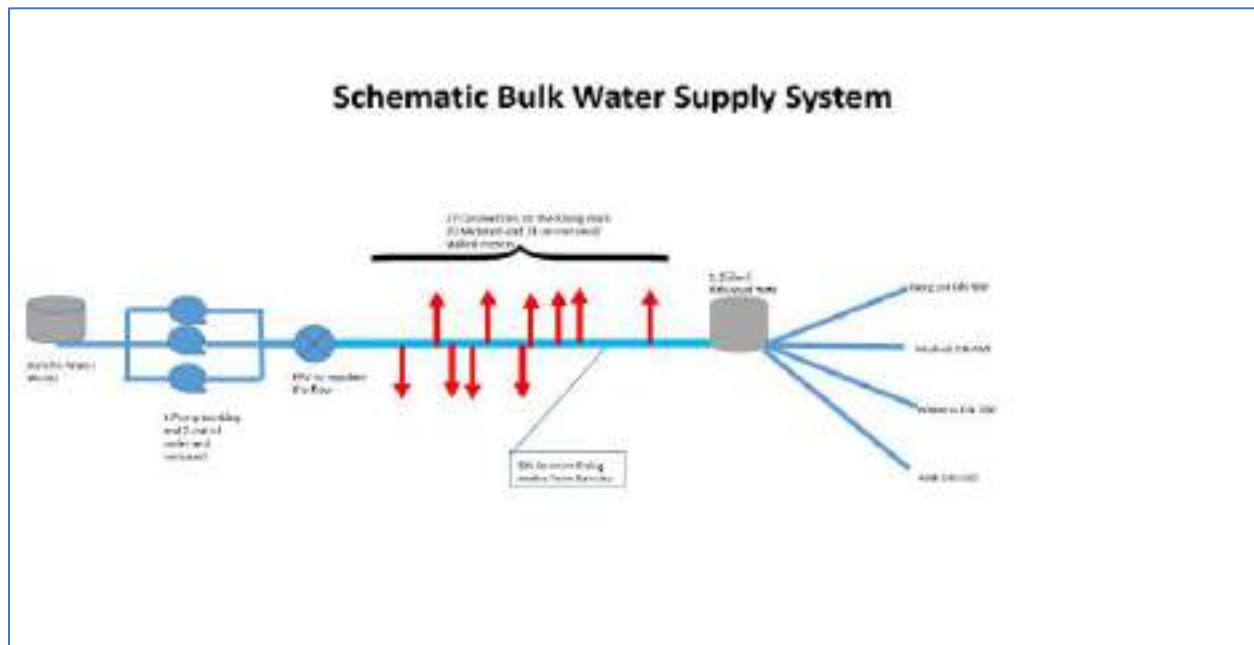
Due to the high demand for water, CWWDA rations water among the three Water Service Providers (WSPs);

Table 3: CWWDA Water rationing in days

Water Service Provider (WSP)	Duration of water received in a week
Mombasa Water and Sewerage Company (MOWASSCO)	3 days
Malindi Water and Sewerage Company (MAWASCO)	2 days
Kilifi Mariakani Water and Sewerage Company (KIMAWASCO)	2 days

### 1.3.1 MAWASCO Water Supply System

Figure 3: Baricho Schematic Bulk Water supply system



The other two sources of water for MAWASCO are Kadzandani and Bungle-Marafa Boreholes which are located in Magarini area and are fully owned and operated by MAWASCO.

### 1.3.2 Organizational Structure and Governance

MAWASCO has a clear organizational and reporting framework from the Board of directors to the management team and finally to the staff level. The company's organogram details the hierarchical relationships between the Board, the departments and sections, the various job positions in the departments and sections and their actual staffing.

Proper water governance aims at ensuring access to water and sanitation is achieved by all. The company's Board of Directors are fully aware of the corporate governance guidelines set by WASREB and the Mwongozo code of conduct. With regards to WASREB guidelines, MAWASCO had performed very well in governance elements like, information and control systems, financial management, service standards, human resources and user consultation. However, it was observed there was governance gaps in utility oversight/supervision where the utility could improve on.

## 1.4 Methodology of Developing the Strategic Plan

The Strategic Plan was developed following the immediate revision of the 2023-2027 Guidelines for preparation of Fifth Generation Strategic Plans issued by the National Treasury and Economic Planning, State Department for Economic Planning. The process commenced with the Ministry of Water, Sanitation and Irrigation (MoWSI) developing Terms of References (ToRs) to guide and direct the strategic plan formulation exercise. The process involved moderating discussions for defining and articulating the vision, mission statement and core values of MAWASCO. In the development of this Strategic Plan, a consultative



and participatory approach was adopted to ensure a well-informed and inclusive roadmap for the future of MAWASCO.

Firstly, a review of the implementation of the previous (2018/2019 – 2023/24) strategic plan was conducted through a strategic plan review workshop. This was followed by a detailed context analysis for the new Strategic Plan, encompassing the relevant regional and national policies, legal and regulatory frameworks that influence the WASH sector and MAWASCO's roles and contributions towards the attainment of the goals of these frameworks and their alignment with Kenya's National Development initiatives and priorities. MAWASCO's strategic direction, including its vision, mission, goals, core values and quality policy statement was also defined. A detailed analysis of MAWASCO's external and internal contexts as well as its stakeholders was also conducted. The assessment provided invaluable insights into the opportunities and challenges faced by MAWASCO and the expectations and interests of key stakeholders.

Based on the situational and stakeholder analysis, strategic issues were isolated and the corresponding strategic goals were formulated. Key Result Areas (KRAs) to address the issues were also identified. Under each established KRA, strategic objectives that align with MAWASCO's vision and strategic choices to achieve these objectives were formulated. To operationalize these strategies and ensure smooth implementation of the plan, an implementation and coordination framework was developed. As regards risk management, a comprehensive framework that identifies, assesses, and mitigates potential challenges and risks was put in place. A detailed resource requirements and mobilization strategies to ensure the necessary elements are in place for effective and efficient plan implementation were also determined. Finally, a Monitoring, Evaluation, Accounting and Reporting Framework was put in place to ensure effective tracking of progress, evaluation of outcomes, and communication of the progress towards success.

As part of the Strategic Plan validation process, the Draft Plan was shared with internal and external stakeholders for their validation and feedback. This inclusive and participatory approach ensured that the perspectives and insights of relevant parties were taken into consideration, and the plan can be improved to better meet their needs.

In summary, the process of developing the strategic plan involved;

- Initiation – development of TORs for guiding the strategic plan formulation process;
- Review of implementation of the 2018/19 – 2023/24 strategic plan;
- Internal reflections and brainstorming;
- Performance Review;
- Consultations with Management, Staff, BoD and external stakeholders;
- Internal and External environment analysis;
- Strategy Development Sessions;
- Board Validation Sessions;
- Stakeholder Validation Workshop.

# **CHAPTER 2:**

## **STRATEGIC DIRECTION**

- 
- **Overview**
  - **Mandate**
  - **Vision and Mission Statements, Strategic Goals and Core Values**
  - **Quality Policy Statement**
- 



**STRATEGIC**  
**PLAN**

**2024/25-2033/34**

## CHAPTER TWO

### 2 STRATEGIC DIRECTION

#### 2.1 Overview

This chapter seeks to answer the question; where does the company want to go? It outlines the strategic aspirations of MAWASCO which comprise; the vision, mission, core values, quality policy statements, key strategic pillars, strategic objectives and initiatives. MAWASCO recognizes that it must anchor its operations on certain principles and values. The implementation of its objectives, strategies and activities will be guided by the Vision, Mission and Core Values of the company.

#### 2.2 Mandate of MAWASCO

The mandate of the company is to provide water and proper sanitation to customers within Malindi District, in the most efficient and cost-effective way and as per Service Provision Agreement (SPA) with Coast Water Services Board (CWSB) in accordance with the regulations set by the Water Services Regulatory Board.

Currently, MAWASCO has approximately 38,933 water connections and no sewer connections. The services offered by MAWASCO include but not limited to the following;

- a) Sourcing, treatment, storage and distribution of water;
- b) Sewer collection and treatment;
- c) Billing of customers for water and sewerage services provided;
- d) Undertaking design and construction of water and sanitation infrastructure;
- e) Operation, maintenance and rehabilitation of water and sewer infrastructure;
- f) Provision of sanitation services;
- g) Preservation of water;
- h) Management of finances (Billings, Revenue collection and prudent use of financial resources).

#### 2.3 Vision Statement

"A premier water and sanitation service provider"

#### 2.4 Mission

"To reliably provide sufficient quality water and sanitation services in a sustainable manner that meets our customers' expectations"

#### 2.5 Strategic Goals

In pursuit of its mission to provide sufficient and quality water and safe sanitation services for the satisfaction customers, MAWASCO has formulated five strategic goals as follows;

- a) Ensure sustainable access and management of water and sanitation services for all;
- b) Ensure financial viability of the company;
- c) Strengthen the enterprise and risk management of the organization;
- d) Enhance billing and collection efficiency;
- e) Strengthen legal, compliance and corporate governance of the organization.

## 2.6 Core Values

These are the beliefs that we uphold in the delivery of services. MAWASCO will uphold the following values;

### a) Customer Focus:

The company is committed to meeting the customer's needs and expectations.

### b) Innovativeness:

We encourage creativity and ingenuity within our mandate in order to enhance the company's operational efficiency.

### c) Integrity:

MAWASCO is a company that promotes honesty, transparency, accountability, professional ethics and zero tolerance to corruption.

### d) Teamwork:

We promote a collaborative approach to working. We believe that our best works are not the results of individuals but of teams working together with a common purpose.

### e) Excellence:

We are committed to ensuring timely delivery of high-quality services that exceed the expectations of all stakeholders

## 2.7 Quality Policy Statement

Malindi Water and Sewerage Company Limited is committed to providing quality, affordable and sustainable water and sanitation services through innovation and optimization of emerging technologies. Corporate Management of MAWASCO is committed to comply with National and County policies, directives, circulars, regulatory and statutory requirements, customer requirements and contractual obligations.

In pursuit of this commitment and in the spirit of our mission statement; "to reliably provide sufficient quality water and sanitation services in a sustainable manner that meets customers' expectations", MAWASCO shall;

- a) Comply with the identified customers' needs, contractual expectations and all applicable legal and statutory requirements;
- b) Ensure members of staff uphold the following core values in their day-to-day activities: Customer focus; Innovativeness; Integrity; Teamwork and Excellence;
- c) Ensure Quality Objectives are established and reviewed annually for continual improvement and relevance;
- d) Ensure that this Quality policy and associated documentation are communicated and understood by all employees;

- e) Ensure the Quality Management System is integrated in all operations to achieve ISO Certification;
- f) Review and accordingly revise this Quality Policy whenever necessary to consider changes in the Quality Management System and emerging issues.



# **CHAPTER 3:**

## **SITUATIONAL & STAKEHOLDER ANALYSIS**

- **Internal and External Environment Assessment**
- **MAWASCO Stakeholder Analysis**



**STRATEGIC**  
**PLAN**

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## CHAPTER THREE

### 3 SITUATIONAL AND STAKEHOLDER ANALYSIS

This chapter provides an overview of the current landscape and key stakeholders of MAWASCO. It includes analyses of the current operation environment of the company and identifies the key stakeholders who will be directly or indirectly affected by the Strategic Plan. The analysis will help MAWASCO isolate its strengths and weaknesses, the opportunities and threats in the environment as well as the needs and expectations of its stakeholders.

#### 3.1 Situational Analysis

MAWASCO's operations are affected by factors that exist in the external and internal environments. The external environment consists of macro and micro factors including: political, economic, social, technological, ecological and legal factors which determine how operations of MAWASCO are conducted. This calls for an analysis of strengths and weaknesses in the governance and administrative structures, internal business processes, resources, and capabilities of the company. It also necessitates an assessment of past performance to identify the key achievements, challenges and lessons learnt in order to improve the delivery of services by MAWASCO to the residents of Kilifi County.

##### 3.1.1 External Environment

The external environment is the set of factors that affect MAWASCO and are outside of its control. It includes the political, economic, social, technological, environmental, legal and competitive factors that shape the company's operating environment. MAWASCO will benefit from understanding the issues and developments in its external environment by identifying opportunities and threats. By establishing the opportunities and threats in the external environment, the company can devise strategic responses that will help it to achieve its goals.

To identify the developments in the external environment, MAWASCO conducted an analysis of the macro and micro environments. The macro environment includes wider economic, political, social, and technological factors that affect all organizations in an economy, whilst the micro environment includes specific factors that affect MAWASCO in particular, such as its competitors, suppliers, and customers.

##### 3.1.1.1 Macro-environment

MAWASCO conducted a macro environment analysis using PESTEL to obtain insights into the external factors influencing its operations. The analysis included six key dimensions: Political, Economic, Social, Technological, Environmental, and Legal factors, each providing crucial information for the company's decision-making and performance.

#### a) Political Environment

MAWASCO enjoys extensive political goodwill from the County Government of Kilifi, in addition to the numerous collaborative frameworks with the National Government, local and international NGOs, private sector players as well as the local communities and institutions. However, there are instances where the political leadership operates outside its mandate and interferes with the company operations and governance instead of remaining within policy formulation mandate.

## **b) Economic Environment**

The analysis revealed that MAWASCO benefits hugely from the hotel industry in the County which forms its largest client base. However, since 2019, when Covid-19 hit, the tourism industry has continuously dwindled in Kenya and the County in particular. This has adversely affected water and sanitation services consumption by the hotel industry. Given that the hotels form the major customers of MAWASCO, the company's revenues have thus been significantly affected due to reduced activities in the hotel industry. In addition to this, MAWASCO faces challenges of increasing cost of inputs, high water abstraction fees as well as high cost of purchasing bulk water.

Conversely, MAWASCO benefits from favorable water and sanitation tariffs from the regulator. This enables the company to make adequate revenues which consequently enhances its financial and commercial sustainability.

## **c) Technological Environment**

The technological factors affecting MAWASCO include technological advancements and changes. As such, the company has the opportunity to enhance its operation effectiveness and efficiency. MAWASCO leverages on its robust mobile reading and billing system and is a front runner in the adoption of smart metering, digital payment platforms, GIS etc. The technological factors affecting MAWASCO include rapid technological advancements and changes.

## **d) Environmental**

MAWASCO, like many water service providers, is still affected by numerous ecological challenges, the main being climate change due to global warming. This affects aspects such as vegetation and forest cover which affects rainfall. The climatic changes bring about unpredictable changes resulting in droughts and floods which pose a threat to the water catchment areas as well as the sources such as rivers, lakes and underground water which are already drying up. In other instances, flooding has been witnessed in River Sabaki and this has resulted in disruption of services.

### **3.1.1.2 Micro-environment**

The micro-environment of MAWASCO encompasses its immediate operational context, exerting influence over the company in the pursuit of its strategic objectives. Upon the analysis of this micro-environment, certain key findings were identified: The company is fully owned by the County Government of Kilifi, which, through the department of Water and Sanitation, develops infrastructure and transfers them to the company for management and day-to-day operation; the company has over time improved its overall skillset by employing well educated and skilled workforce.

MAWASCO enjoys Strong and growing customer base by virtue of being the only other licensed water services provider in the county. In addition, all other water vendors within its service areas are required to obtain approval and licensing by the company for them to operate. This ensures MAWASCO is able to ensure the residents get clean and safe water; despite the huge pending bills, MAWASCO has been able to continuously structure payment plans which has continued to improve the working relationships with suppliers and creditors.

### 3.1.1.3 Industry Environment

MAWASCO's industry environment has been analyzed using Porter's Five Forces Industry Analysis Model. It is an industry analysis framework that attempts to analyze the attractiveness of an industry and draws upon industrial organization (IO) economics to derive five forces that determine attractiveness of an industry. This theory is based on the concept that five forces determine the viability and attractiveness of a market. It helps identify where power lies in a business scenario. The analysis presented below focuses on the microenvironment which comprises forces close to a firm that affect its ability to serve its customers whilst being commercially viable.

#### a) Threats on New Entrants

- Barriers to Entry – The industry exhibits significant barriers to entry due to high initial financial outlay for infrastructure development and management, stringent regulatory requirements and the economies of scale enjoyed by MAWASCO as a result of being a monopoly in its service area;
- Regulatory Environment – The Kenyan Government's legal and regulatory requirements, such as licensing requirements and sectoral standards set by WASREB create hurdles for new entrants limiting the threat of potential competitors.

#### b) Bargaining Power of Suppliers

- Water Sources – CWWDA being the bulk supplier in the Coastal region has a significant access to water sources which greatly impacts the bargaining power and bulk tariff negotiations. Further to this, MAWASCO hugely depends on the national grid for its electricity needs especially in pumping water. Given that the power supplier is a monopoly with little or no competition, the power tariffs are heavily determined by the individual supplier.
- Chemical and equipment suppliers – the suppliers of equipment and materials used in the treatment and distribution infrastructure possess enormous bargaining power especially where they provide proprietary technology or specialized products.

#### c) Bargaining Power of Buyers

MAWASCO serves a diverse range of buyers including: government institutions, commercial enterprises, schools, domestic consumers and schools. While some large buyers could wield significant purchasing power, the market is generally fragmented with many small buyers. Further to this, given the necessity of water for industrial and commercial as well as residential use for daily life and economic activities, buyers have limited flexibility in negotiating prices or terms.

WASREB governs various aspects of MAWASCO's services including tariffs, quality standards and environmental compliance. Regulatory oversight constrains buyers' ability to negotiate prices but also ensures minimum service quality and reliability.

#### d) Threat of Substitute Products or services

While some buyers could have access to alternative sources such as rainwater harvesting, groundwater wells or private water vendors, and bottled drinking water, viable substitutes are often limited. This is especially so due to the fact that capital investments, operating costs and long-term sustainability affect the economic viability of substitutes. In addition, stringent regulations establishing minimum water quality standards for drinking water and wastewater discharge may discourage alternative suppliers.

### e) Rivalry Among Existing Competitors

There exists little or no rivalry in MAWASCO's area of service. The only competitors are KIMAWASCO in the county and the other private water vendors within its service area. While competition exists, MAWASCO's established presence, regulatory oversight, and focus on service quality differentiate it from the private water vendors. In addition, government regulations governing various aspects such as pricing, quality standards, environmental compliance and service obligations influence competitive behavior, market entry barriers, and industry structure consequently shaping rivalry among the few competitors present.

#### 3.1.1.4 Market Analysis

MAWASCO is responsible for provision for water and sanitation services in Kilifi County of Kenya serving both the urban and rural areas within its operational boundaries. The company's customer base consists of a diverse range of customers: households, commercial enterprises, government institutions, schools, water kiosks and hospitals. In an effort towards enhancing universal access, MAWASCO strives to ensure equitable access to water and sanitation services for all residents including the underserved and marginalized communities in its service area.

Generally, the company operates in a dynamic and competitive market environment, characterized by diverse customer needs, regulatory requirements, and infrastructure challenges. By focusing on service quality, customer satisfaction, and strategic investments, MAWASCO can competitively position itself for sustainable growth, while addressing the water and sanitation needs of communities within its service area.

#### 3.1.2 Summary of Opportunities and Threats

Based on the assessment of the external environment, MAWASCO's summary of opportunities and threats are as shown in Table 4.

Table 4: MAWASCO Summary of Opportunities and Threats

Environment	Opportunities	Threats
<b>Political</b>	<ul style="list-style-type: none"> <li>Positive Government policies on water infrastructure development</li> <li>Favourable economic policies in provision of water for all.</li> <li>Collaboration with County and National Governments, international Non-Governmental Organizations, private sector stakeholders, and local communities.</li> </ul>	Political interference
<b>Economical</b>	<ul style="list-style-type: none"> <li>Favourable tariff model by the regulator</li> </ul>	Change in water demand due to dwindling tourism in area of jurisdiction

Environment	Opportunities	Threats
		Reliance on shared water source that has led to water supply rationing
<b>Technological</b>	<ul style="list-style-type: none"> <li>○ Willingness to absorb and embrace technology</li> <li>○ Improved access to information and stakeholder interaction.</li> <li>○ Innovations in water supply infrastructure and operations management.</li> </ul>	<ul style="list-style-type: none"> <li>○ High rate of technological obsolescence</li> </ul>
<b>Environmental</b>		Climate change - flooding, drought etc.
<b>Legal</b>	Supportive legal mandate as the only water and sanitation service provider in the region	Emergence of unregulated water service providers

### 3.1.3 Internal Environment

The Internal environment comprises of factors that MAWASCO can control and exert influence on. These factors include MAWASCO's value chain activities, resource capabilities, skills, competencies, infrastructure and culture. To evaluate the impact of these factors on MAWASCO's overall performance, the company carried out an internal analysis. The tools employed for the analysis included Functional Analysis (FA) to identify strengths and weaknesses in each functional area, Comparative Analysis (CA) to establish areas to prioritize for improvement. The results of this analysis revealed MAWASCO's strengths and weaknesses.

#### 3.1.3.1 Governance and Administrative Structures

Malindi Water and Sewerage Company limited is fully owned by the county Government of Kilifi and is headed by a Board of Directors with a chair and the Managing Director as the Secretary to the Board. The Board is blended with highly experienced members drawn from different professions, whose main role is strategic planning, development of policies and oversight. The BOD is made up three committees namely, Technical, Finance and Human Resource and Administration and the Audit committee.

The day-to-day operations of the company is vested on the management led by the Managing Director and heads of departments. There are established departments which interdependently support each other in achieving the overall strategic objectives of the company. The main departments are the Technical Water Services, Technical Sanitation Services, Commercial, Finance, Human Resource, Procurement and Internal Audit headed by the respective managers who report the Managing Director.

#### 3.1.3.2 Internal Business Processes

MAWASCO conducted a comprehensive evaluation of its processes, operational systems as well as Standard Operating Procedures (SOPs) in a bid to assess its overall efficiency and effectiveness. The evaluation covered various aspects in MAWASCO's value chain including water source management,

abstraction, water treatment, distribution, storage, billing and customer service, infrastructure development and management as well as wastewater management.

The Company has adapted the use of technology in all the seven departments. 75% of all its internal processes are digitalized. The company's operations are guided by documented existing policies and standard operating procedures. The Company has since inception retained its supportive and committed workforce who have been sharing historical information of the company to newly recruited employees. The company has also documented a succession plan to foster the institutional memory.

Before the establishment of the company, there were old debts transferred from National Water and Pipeline Corporation (NWPC) to Coast Water Works Development Agency (CWWDA). These debts were subsequently transferred to MAWASCO when the company became operational. There have been numerous challenges in compiling adequate documentation regarding these debts, a situation that has had detrimental effects on the pursuit of Debt recovery. As such, the company has contemplated outsourcing part of the debt recovery component to a Debt collection management agency.

In addition, the company has witnessed an ever-increasing debt from the current water sales operations. This is especially so with the institutional and Government Agency Departments. The accumulation of bills pending the disbursement of funds to service such bills results in an increment in the company receivables. This has affected cash flows and subsequently, crippling the company's operations. The company has outlined strategies to reduce the Debtor days to mobilize customer payments in real time to manage the growth of current debts.

Adequate communication to the customers and the public is key in ensuring the company receives adequate publicity for enhancement of its image. This calls for employing effective communication strategies and deliberately sustaining appropriate messaging to the customers, the public and the stakeholders. The deployment of adequate and effective communication channels requires budgetary allocation and appropriate personnel for effective execution. Currently, the company has a gap in leveraging adequate communication channels. This provides an opportunity for partners to collaborate with the company to improve the situation.

Continual improvement of systems is a key attribute of any company determined to be adaptive to the ever-changing business environment. MAWASCO has remained focused in embracing technology by transforming its systems from manual to digital. However, rapid technological challenges have proved to be a drawback in the realization of this noble exercise. The company is thus committed to achieve full digitalization and embrace e-business fully as it is the current and future of operations. The company shall continue to explore cost effective and appropriate technology and support partners to realize full digitalization of its systems and processes.

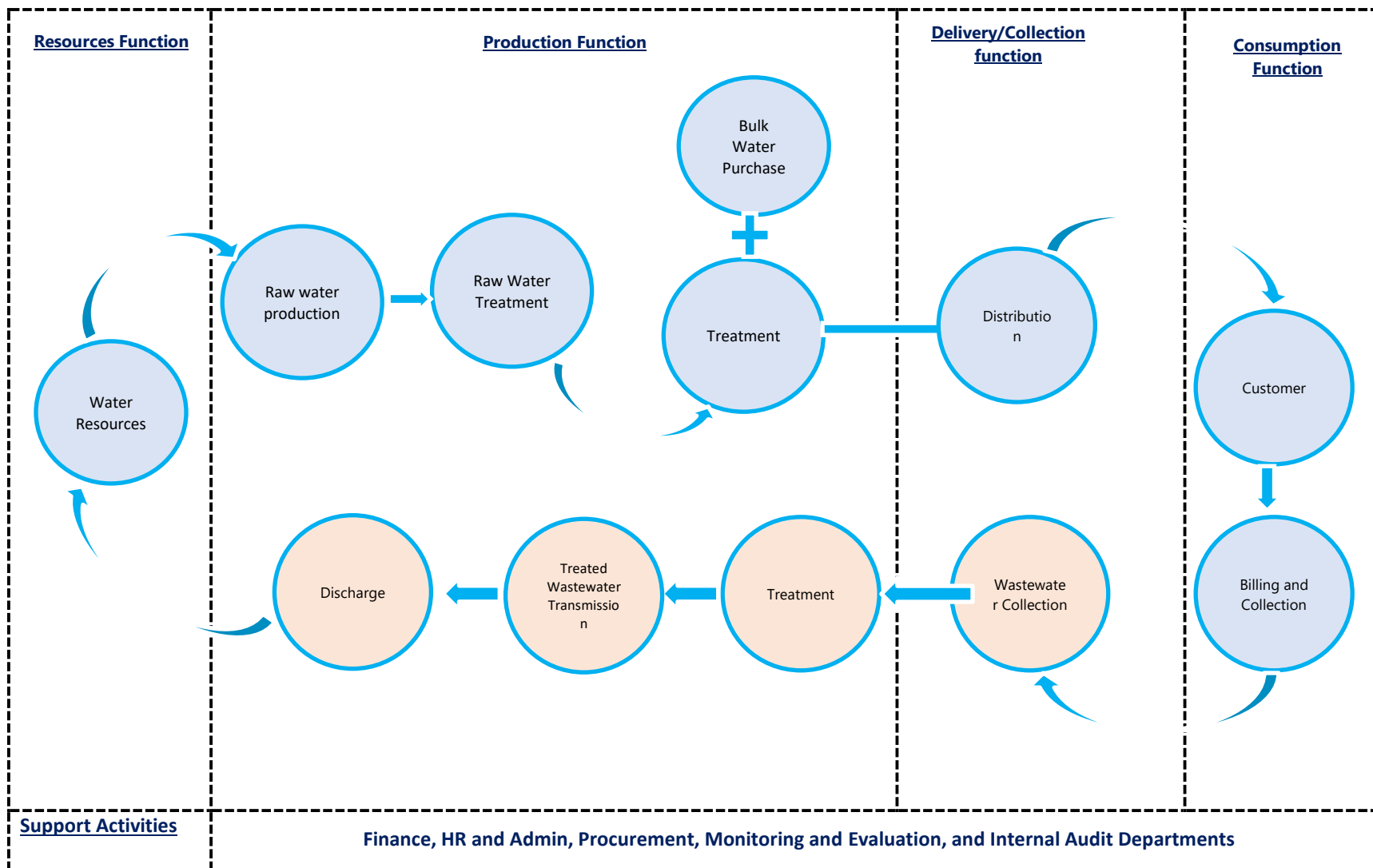
Through synthesis of the identified insights with the company's operational framework, MAWASCO obtained highlights of strengths and weakness thus identifying areas in need of improvement. Towards this, the value chain analysis played a critical role. The scrutiny of the processes and operations of MAWASCO allowed for the identification of potential inefficiencies and opportunities for saving time and cost. The value chain analysis enabled the company to plan for optimization of operations, elimination of redundant processes whilst ensuring prudent allocation of company resources.





The value chain in Figure 4 presents MAWASCO's operational flow.

Figure 4: MAWASCO Value Chain Analysis



### 3.1.3.3 Resource and capabilities

In implementation of its mandate, MAWASCO possesses capabilities and resources that can be considered as its strengths. MAWASCO's resource base was broken down into tangible, intangible and organizational capabilities.

MAWASCO's tangible resources include physical assets such as: office buildings, vehicles and equipment, a number water sources e.g., Njoro Kubwa and Mzima Springs; water infrastructure; available land for development of sewer and water treatment infrastructure; alternative sources of power such as solar energy. These assets can be used to provide water and sanitation services to the residents of Kilifi County.

Further to this, the company has maintained a well-trained staff and has consistently capacity built them through trainings and workshops. This has been achieved through internal and external funding.

The Company has a dedicated development unit that develop funding concepts/proposals for possible funding. These concepts and proposals are further archived for future referencing or refining when similar calls for proposals are made, enabling the company to respond to such calls in real time.

In addition, the company maintains relevant summaries of operations and reports for reference purposes. The reports also provide vital information for the induction of new staff hence serving as a key resource center in staff Training and capacity Development.

Adequate water supply from source and reliability is another strength the company exhibits. MAWASCO has, in partnership with other development partners constructed new parallel pipeline along the Baricho - Kakuyuni main pipeline in addition to constructing a new storage tank at Kakuyuni. The completion of these infrastructure is expected to impact positively on the improvement of water supply in the company's supply area.

MAWASCO has no control over the power tariff which subsequently affect the cost of water production and distribution. The company, in consultation with other water sector institutions within the region has made efforts of exploring alternative sources of power to mitigate on the ever-escalating power bills. The high cost of power has a direct impact on the cost of water and in effect the pricing of water. The buying capacity of the customers is thus constrained which consequently affects water sales. This is a potential area for partnership with CWWDA and the other coastal water utilities served from Baricho to collaborate and lobby for better rates in a bid to manage the cost of power in water production.

The company has skills gaps in the existing staff. There is a deliberate plan by the company to implement the Training Needs Assessment report with a view to equipping the MAWASCO human capital with the requisite skills. There are plans in place to initiate trainings under the UTF component of the WSDP project, the completion of training Areas started with Gatsby Africa supplementing the internal Training plans are part of the strategies outlined to overcome this weakness.

Due to limited funding, procurement of relevant tools and equipment is constrained. The emerging trends on vandalism of water fittings and appliances requires that the utility restocks its store timely and periodically to ensure prompt execution of operation and maintenance activities. The inadequacy of tools and equipment affects response to customer complaints and timely response to operation and maintenance emergencies. This has had adverse effects on Non-Revenue Water management plans.

### 3.1.4 Summary of Strengths and Weaknesses

Table 5 shows the summary of strengths and weaknesses, based on the analysis of MAWASCO's internal environment.

Table 5: Summary of MAWASCO Strengths and Weaknesses

Factor	Strengths	Weakness
Governance and Administrative structures	<ul style="list-style-type: none"> <li>Competent and experienced blend of Board Directors;</li> <li>Effective organization structure;</li> <li>Good stakeholder relationships</li> </ul>	Periodic political interference
Internal business processes	<ul style="list-style-type: none"> <li>Adaptability to technology</li> <li>Institutional history of the organisation and the management foresight;</li> </ul>	<ul style="list-style-type: none"> <li>Old debt inherited from CWWDA;</li> <li>High rate of growing debt (water sales;</li> <li>Inadequate communication channels;</li> </ul>
Resource and capacities	<ul style="list-style-type: none"> <li>Physical assets (office buildings, equipment, vehicles, water and sanitation infrastructure etc.,)</li> <li>Well trained and competent staff;</li> <li>Preparedness for possible funding e.g. Digital maturity;</li> <li>Longer span of historical data to aid in planning;</li> <li>Available water sources</li> </ul>	<ul style="list-style-type: none"> <li>High cost of power;</li> <li>Limited funds;</li> <li>Inadequate capacity and skills</li> <li>Gender imbalance;</li> <li>Inadequate tools and equipment;</li> </ul>

### 3.1.5 2019-2024 Strategic Plan: Performance Review

#### 3.1.5.1 Strategic Plan review background

The company's current strategic plan (2019/20-2023/24) mid-term review was conducted in quarter three (Q3) of 2021/2022 FY. The mid-term review was to form the basis for developing this revised 10-year strategic plan (2022/2023- 2031/2032).

The mid-term review was conducted through a detailed analysis of the company's strategic themes/key result areas by use of an implementation matrix attached as an annex in the previous strategic plan. Each strategic objective in the previous (2019-2024) strategic plan was examined against set targets for the 2 years the strategic plan had been in existence. The status of implementation as at the time of the mid-term review was thus reported. Remarks and reasons were given for each strategic objective that had not been sufficiently achieved so that measures could be put in place to ensure targets would be achieved in the new strategic planning period. The review of the previous strategic plan therefore informed the development of the new 10-year strategic plan.

### 3.1.5.2 Implementation Status of Current strategic plan (2019-2024)

From the set strategies, MAWASCO was able to achieve the following as at the time of the review;

Table 6: 2019-2024 Strategic Plan Implementation status

KRA 1: Water and Sanitation infrastructure development		
Strategy	Status as at 2021/22 FY	Remarks
Increase length of pipeline to unserved areas from 1,116 km to 1,220 by 2023/24	Length of pipeline increased to 1,201 km	Pipeline length will increase after completion of WSDP and ADB Projects
Increase purchase of bulk water volume 15,250 m <sup>3</sup> per day to 24,000 m <sup>3</sup> by 2023/24	17,800 m <sup>3</sup> purchased per day	
Connect an additional 24,000 households to water services.	38,933 accounts 2,338 Accounts Increased	36,595 Accounts as at start of strategic plan.
Provide additional water storage reservoir in Magarini and Watamu area from the current 26,896m <sup>3</sup> .	Status remains the same (26,896 m <sup>3</sup> ) storage reservoir	
Invest in 2 additional sources of water in Bungale from the current 2No and Kadzandani from the current 2No by 2023/24	2 Boreholes at Kadzandani and 2no. Boreholes at Bungale	Work in Progress, targeting to revive 1no. BH at Bungale and 1no. BH at Kadzandani
Construct 11 ablution blocks in high transient locations.	None of the 11 ablution blocks has been constructed	8No. Sites cleared for construction and contractor mobilized; 1No. Ablution Block tendering in progress
Purchase 1 exhauster truck in 2021 and organize emptying services.	1 exhauster truck purchased	Procured but can't be used until the FSTPs are ready
Carry out a detailed feasibility, designs and construction of Waste to value treatment plant with a capacity of 185 m <sup>3</sup> /day FSTP at Sabaki	2 FSTP feasibilities done at Malindi - 93m <sup>3</sup> /d and Watamu -25m <sup>3</sup> /d	Design and financial capability recommended a downgrade of the capacity from the anticipated 185m <sup>3</sup> /day plant.
Construction of faecal sludge treatment plant to improve treatment from 1% to 18% by 2023/24.	Sludge treatment plant is yet to be constructed	<ul style="list-style-type: none"> <li>Sabaki Plant construction delayed due to PAPs</li> <li>Contractors mobilized to construct 2No. FSTPs (Malindi - 93m<sup>3</sup>/d and Watamu - 25m<sup>3</sup>/d)</li> </ul>
Construction of 100 toilets at the household's level.	None constructed	UBSUB Program was terminated by WSTF
Establishment of a Sanitation Function & Procurement of equipment.	Established a Sanitation Department	Capacity is inadequate Need to build capacity of employees
Institutional restructuring and capacity enhancement on sanitation services provision and enhancing staff capacity and training the staff.	Restructuring has not been done	Inadequate capacity Need to build capacity of employees

Increase access to toilet emptying services in Malindi and Watamu from the current 0 to 18 m <sup>3</sup> per week.	None constructed	
Provide funding from Internal Generated Activities and External donors	<ul style="list-style-type: none"> <li>a) Financed increase in network reticulation from 1,116 km to 1,220 km by 2023/24. Through loan funding from WSDP</li> <li>b) Financed smart metering project at Kshs. 5million from donor funding.</li> <li>c) Provided Repair kits from internal generated funds at a cost of Kshs 16million down to budget amount of Ksh 32million</li> <li>d) Financed the operations under the Conditional Liquidity funding at a cost of Kshs85 from WSTF</li> </ul>	<ul style="list-style-type: none"> <li>• Financing from internal generated funds dropped from 100% to 80% in the period under review.</li> <li>• Partial disbursement of donor funding due to Government funding requirement that is tied to the parliament sitting sessions</li> </ul>
Provide funding from Internal Generated Activities and External donors through loans and Grants	<ul style="list-style-type: none"> <li>a) Financing through the Grant financing under the WSDP Program funding of ablution block and a Decentralized treatment facility</li> <li>b) Financed sanitation pilot project for Ksh. 5m from donor funding through proposal writing.</li> </ul>	Partial disbursement of donor funding due to Government funding requirement that is tied to the parliament sitting sessions
<b>KRA 2: Financial Perspective</b>		
<b>Strategy</b>	<b>Status as at 2021/22 FY</b>	<b>Remarks</b>
Increase in billing from the current Ksh436m to Ksh784m by 2023/24	Current billing Ksh. 455,826,055	Billing target not realized due to supply Gaps / supply interruption.
Increase collection efficiency as % of budget from the current 76% to 86% (in line with tariff)	Currently at 88% collection efficiency	Revenue collection Target as % of Budget at 77.09%; slight increase recorded due to: customer patronage in paying only at 60-65%.
Improve credit worthiness ranking from the current B to A class.	Improved from a loss of 44 million to a positive of 9 million	Relied on donor funding on operations that may not be sustainable
Apply for a cost-effective indexed tariff	In the process of applying for the indexed tariff	The reduction in revenue projections by 20% is affecting credit worthiness
<b>KRA 3: Customer Perspective</b>		
<b>Strategy</b>	<b>Status as at 2021/22 FY</b>	<b>Remarks</b>
Conduct annual customer satisfaction surveys.	One Customer satisfaction survey conducted	Level of customer satisfaction was 54.8% Survey Timing (The survey was done during the Covid-19 peak period).
Enhance customer awareness on products and services through establishment of customer contact centre	Customer contact / call centre partially established.	<ul style="list-style-type: none"> <li>• The call centre is not yet operational since it is yet to be completed</li> </ul>



Finance activities that are geared towards customer perspective as budgeted through internal generated funds	a) Financed Customer Satisfaction Survey. b) Partially funded (CIS) customer identification survey	<ul style="list-style-type: none"> <li>Reduced funding from internal generated activities</li> <li>Misunderstanding with the consultant undertaking the exercise.</li> </ul>
<b>KRA 4: Internal (process) Perspective</b>		
<b>Strategy</b>	<b>Status as at 2021/22 FY</b>	<b>Remarks</b>
Facilitate activities that are scheduled to fortify and internalize organizational capacity and process through donor funding and internal generated funds	Financed preparation and presentation made in policies development	Policies are presented in line with the board calendar of activities
Develop ten organization policies.	4No. Policies Developed	<ul style="list-style-type: none"> <li>Inadequate expertise to develop and deploy policies, therefore there is need for capacity building</li> <li>Need for developing &amp; reviewing HRA Policies and SOPs and computerizing manual processes</li> </ul>
Ensure regulatory compliance.	SPA Signed and Certificate Awarded	Continuous M&E of compliance would come in handy
Improve Governance ranking from the current 70% in year 2018/19 to 85% by 2023/34	Trained the management & Directors on Corporate Governance	Need to capacity Build Directors on Strategic leadership to enable them understand their mandate
<b>KRA 5: Learning and growth perspective</b>		
<b>Strategy</b>	<b>Status as at 2021/22 FY</b>	<b>Remarks</b>
Capacity build and develop employee skills.	a) Conducted TNA (Report ready) b) Review of Job Evaluation (JE) which was to be done once in three years not done c) Partial Implementation of JE recommendation d) Benchmarking with Peer utilities done e) Succession plan yet to be done	<ul style="list-style-type: none"> <li>Financing to facilitate the implementation of the plan</li> <li>Review Job Evaluation and harmonize salaries as well as conducting staff placement</li> <li>Need to facilitate the planned benchmarking visits</li> <li>Development of a Succession plan to be done</li> </ul>
Enhance management of employee performance	a) Manual performance management system currently in use b) Performance Management signed between the MD and the Board. CMT signed Performance Management with the MD	<ul style="list-style-type: none"> <li>Train Managers and Line managers on Performance Management</li> <li>There is need to automate the PMS</li> <li>Managers and line managers to be trained on performance management</li> <li>Annual performance evaluations need to be done</li> </ul>
Automation of HRMI System	Procured a Payroll System	Facilitation to enable procurement of an Integrated HRMIS
Attract and retain skilled and competent	Annual review of the terms & conditions of employment is done Reviewed Human Resource Policy Employee reward program yet to be established	<ul style="list-style-type: none"> <li>Inadequate Capacity to develop a policy</li> <li>Capacity build needed as per the plan and develop recruitment policies</li> </ul>

	Training of Trainers programme - 1 staff trained	<ul style="list-style-type: none"> <li>There is also need to support the TOT Program</li> </ul>
Identify and maximize on employee skill set	Questionnaire has been rolled out	In order to capacity build and develop employee skills
Finance the activities through internal generated funds and donor funding	Facilitation being done through internally generated funds the	With the reduced financial revenue generated in the period under review, there was reduced activities
Foster innovation and creativity	A resource centre is established	There lacks sufficient office space and there is therefore need to avail office space
Carry out employee satisfaction survey	Employee satisfaction survey was conducted (Report is ready)	<ul style="list-style-type: none"> <li>There is need to carry out the survey annually</li> <li>Policies should be developed to ensure diversity and inclusivity in the exercise</li> <li>Communication channels within the company should be established</li> </ul>
	c) Employee Work environment Survey was conducted (Report ready)	<ul style="list-style-type: none"> <li>There is need to carry out the survey annually</li> <li>Painting of all company buildings to improve corporate image</li> <li>Employees should be provided with work tools and equipment to enhance work place safety</li> </ul>

### 3.1.6 Analysis of Past Performance

The company's key performance indicators (KPIs), financial and non-financial, for the past 5 years were examined for each year. The results are shown in Table 7.

Table 7: MAWASCO Past 5-years' Performance

S/NO	(KPIs)	Years					
		2016/2017	2017/2018	2018/2019	2019/2020	2020/2021	2021/2022
1.	Personnel Expenditure as a Percentage of O&M Costs Operation and Maintenance Cost Coverage (%)	31	38	41	43	37	35
2.	Operation and Maintenance Cost Coverage (%)	82	91	97	99	94	95
3.	Revenue Collection Efficiency (%)	101	100	103	94	87	95
4.	Non-Revenue Water (%)	31	32	28	23	25	25
5.	Metering Ratio (%)	100	100	92	100	100	100
6.	Staff Productivity (No. of staff per 1000 connections)	8	9	9	9	8	8
7.	Water Coverage	79	69	70	71	80	85
8.	Drinking Water Quality (%)	93	81	85	93	100	100
9.	Hours of Supply	21	22	23	24	24	24
10.	Turnover (Ksh. Millions)	382	418	452	446	456	480
11.	Total Water Produced in m <sup>3</sup> ('000)	6,962	6,761	6,846	6,239	6,087	6,200
12.	Total No. of Connections (active +inactive)	28,764	29,071	31,112	33,692	35,487	38,000
13.	Total No. of active connections	25,605	21,197	22,043	23,500	25,384	25,450
14.	Percentage of active connections (%)	89	73	71	70	72	65
15.	Sewerage coverage (%)	0	0	0	0	0	0
16.	Unit operating cost of water billed (Ksh. /m <sup>3</sup> )	105	105	102	110	107	110
17.	Average tariff Ksh/m <sup>3</sup>	81	88	96	95	86	86

The utility has performed fairly well for the past 5 years, for example the revenue collection efficiency has for the better part of the last 5 years attained and even surpassed the sector benchmark on its revenue collection efficiency. Further to this, MAWASCO has performed exceptionally well in terms of NRW

management i.e., reducing its NRW levels to the allowable levels by the Regulator. There is however more to be done by the utility on elements like drinking water quality where the utility can improve on. This is one of the areas the company will focus in the new planning period in order to ensure the drinking water quality is improved towards 100% recommended level.

### 3.1.7 Key Challenges

MAWASCO had achieved most of the set strategies for activities envisioned under the current strategic plan (2019/20-2023/24). However, there were some activities which were expected to have been completed as at the time of the review of the current strategic plan but which MAWASCO is yet to implement due to a number of obstacles. Some of the challenges of implementation of the previous Strategic plan are as follows;

- a) Disruptions in supply of water, this translates to lost reduced sales and consequently loss of company revenue.
- b) Slow Procurement Process by the County Government of Kilifi.
- c) Challenges in sites acquisition due to competing needs (Matsangoni, Bus Park & Gongoni); slow mobilization of the contractor.
- d) Termination of the UBSUB Program by WSTF. The 100 no. toilets at the household's level could therefore not be constructed as planned.
- e) Limited financial resources. As such, many projects stalled while others delayed in implementation and even completion.
- f) Sabaki faecal sludge Plant construction delayed due to unsettled PAPs.
- g) Inadequate capacity to develop and automate the Performance Management System.
- h) Inadequate capacity to develop and deploy organizational policies.
- i) Reliance on donor funding for operations that turn out unsustainable.
- j) Reduced internally generated funds for financing set objectives.

### 3.1.8 Lessons Learnt

The key lessons learnt from the review of the previous strategic plan (2019/20-2023/24) will help in the implementation of the new 10-year strategic plan. These include;

- a) Mobilization of a diversified portfolio of resources is key in strengthening the company's financial muscles to enable timely implementation of planned activities (including infrastructural projects).
- b) Engaging and collaborating with stakeholders will be critical in ensuring MAWASCO effectively fulfils its mandate to its people.
- c) The need to put in place an effective and efficient monitoring and evaluation framework to ensure planned activities are completed on time and challenges are identified as they arise to allow for timely intervention.
- d) The strategic objectives which lie under the different company departments need breaking down into annual, semi-annual, bi-monthly and even monthly work plans, this gives the employees a clearer sense of direction as to what is expected of them within shorter time-frames.
- e) It is important that the new strategic plan is cascaded to all employees of the company; from the Board, to the management, to the staff. This gives the employees a sense of ownership of the strategic plan and will therefore commit themselves to ensuring it is successfully implemented.

- f) Key also to the achievement of the goals set in the Strategic plan is ensuring that employees are motivated. A motivated workforce is a happy workforce. This inspires them to deliver on their roles for the successful implementation of the strategic plan.

### 3.2 Stakeholder Analysis

A stakeholder is an individual, group or organization affected by the operations of the company and/or whose actions have the potential to positively or negatively influence its operations.

Stakeholder analysis forms part of stakeholder management and important tool for identifying stakeholders, analyzing their needs and establishing their expectations when formulating and operationalizing MAWASCO's strategic plan. A number of stakeholders were identified and an analysis carried out to establish the interests and roles as shown in the Table 8.

Table 8: Stakeholder analysis

No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
1.	Ministry of Water & Sanitation and Irrigation (MoWSI)	<ul style="list-style-type: none"> <li>Provide oversight and guidance to MAWASCO;</li> <li>Sets overall policies and regulations;</li> <li>Ensures enforcement of laws.</li> <li>Securing sufficient residual water;</li> <li>Overall sector investment planning and resource mobilization;</li> <li>Facilitate funding for water projects.</li> </ul>	<ul style="list-style-type: none"> <li>Fulfil its mandate of water service provision</li> <li>Compliance with the Water Act 2016 and other relevant regulations</li> </ul>	<ul style="list-style-type: none"> <li>Giving policy direction in the water sector</li> <li>Creating an enabling environment</li> <li>Law-making</li> <li>Financing</li> </ul>
2.	County Government of Kilifi	<ul style="list-style-type: none"> <li>Supervision of water and sanitation service delivery by MAWASCO;</li> <li>Implementation of capital water and sanitation infrastructural projects.</li> </ul>	<ul style="list-style-type: none"> <li>Quality service delivery</li> <li>Cooperation in project planning and implementation.</li> <li>Proper management of resources</li> <li>Compliance with regulations, guidelines and government policies</li> </ul>	<ul style="list-style-type: none"> <li>Supportive work environment for efficient operations of the company</li> <li>Support in financing infrastructural projects</li> <li>Collaboration in water and sanitation projects implementation</li> <li>Develop and implement the county water master plans</li> </ul>



No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
3.	Coast Water Works Development Agency (CWWDA)	<ul style="list-style-type: none"> <li>Provide technical services and capacity building to MAWASCO;</li> <li>Provide reserve capacity for purposes of providing water services;</li> <li>Undertake development of trans-county water and sanitation infrastructural projects;</li> <li>Development, maintenance and management of national projects</li> </ul>	<ul style="list-style-type: none"> <li>Management of water infrastructure</li> <li>Timely payment for water</li> <li>Efficient delivery of water services</li> <li>Compliance with the Water Act 2016 and other relevant regulations</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of major inter-county water and sewerage infrastructural projects</li> <li>Providing safe and quality treated drinking water</li> <li>Timely provision of information</li> <li>Compliance with the Water Act 2016 and other relevant regulations</li> </ul>
4.	Water Services Regulatory Board (WASREB)	<ul style="list-style-type: none"> <li>Determine and prescribe national standards for the provision of water services and asset development for water services providers;</li> <li>Evaluate and recommend water and sewerage tariffs;</li> <li>Set license conditions and accredit water services providers;</li> <li>Monitor and regulate licensees and enforce license conditions;</li> <li>Monitor compliance with standards including the design, construction, operation and maintenance of facilities for the provision of water services;</li> <li>Maintain a national database and information system on water services;</li> <li>Report annually to the public on issues of water supply and sewerage services and the performance of relevant sectors;</li> </ul>	<ul style="list-style-type: none"> <li>Application for tariff approval</li> <li>Compliance with legal and regulatory requirements</li> <li>Registration with WASREB</li> <li>Payment of regulatory levy</li> </ul>	<ul style="list-style-type: none"> <li>Publication of annual impact reports</li> <li>Timely approval of tariff applications</li> <li>Conducive regulatory environment</li> </ul>

No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
		<ul style="list-style-type: none"> <li>Make recommendations on how to provide basic water services to marginalized areas.</li> </ul>		
5.	The Water Sector Trust Fund (WSTF)	<ul style="list-style-type: none"> <li>Provision of conditional and unconditional grants to Kilifi County;</li> <li>Assisting in financing development and management of water services in marginalized areas or underserved areas;</li> <li>Financing community level initiatives for the sustainable management of water resources;</li> <li>Research activities around water resources management and services, sewerage and sanitation.</li> </ul>	<ul style="list-style-type: none"> <li>Timely implementation of projects</li> <li>Proper management of finances</li> <li>Developing viable project proposals</li> <li>Supporting implementation of water and sanitation projects in the marginal and underserved areas in MAWASCO's service area.</li> </ul>	<ul style="list-style-type: none"> <li>Allocating resources in a fair, equitable and transparent manner</li> <li>Timely release and allocation of funds</li> <li>Aid in funding infrastructural projects</li> </ul>
6.	Water Resources Authority (WRA)	<ul style="list-style-type: none"> <li>Protect, conserve, control and regulate the use of water resources;</li> <li>Flood mitigation through establishment of a National Water Resource Strategy;</li> <li>Protection of source water quality;</li> <li>Ensuring return flows do not cause deterioration in natural water quality;</li> <li>Resolves conflicts concerning water resource use at the community level;</li> <li>Formulation and enforcement of standards for water resources use and management;</li> <li>Formulation of procedures and regulations for management and use of water resources;</li> </ul>	<ul style="list-style-type: none"> <li>Prompt payment of statutory levies</li> <li>Complying with water permits regulations</li> <li>Collaboration in conservation efforts</li> </ul>	<ul style="list-style-type: none"> <li>Protection of water sources to enhance quality of water</li> <li>Management and preservation of catchment areas</li> </ul>

No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
		<ul style="list-style-type: none"> <li>Policy development;</li> <li>Planning and issuing water abstraction permits;</li> <li>Monitoring water abstractions to ensure compliance with agreed limits;</li> <li>Setting and collecting permits and water use fees.</li> </ul>		
7.	Development Partners (USAID etc.)	<ul style="list-style-type: none"> <li>Funding, technical assistance and capacity building to enhance water and sanitation services provision for sustainable development</li> </ul>	<ul style="list-style-type: none"> <li>Proper management of resources</li> <li>Proper governance of the company</li> <li>Upholding transparency and accountability in operations</li> <li>Timely and accurate reporting on company performance</li> </ul>	<ul style="list-style-type: none"> <li>Timely disbursement of funds</li> <li>Financial and technical support towards implementation of infrastructural projects</li> </ul>
8.	Financial Institutions	<ul style="list-style-type: none"> <li>Financing and guarantee of works, goods and services</li> </ul>	<ul style="list-style-type: none"> <li>Prudent use of resources</li> <li>Settling obligations on time</li> <li>Proper keeping of financial records and reporting according to standards</li> </ul>	<ul style="list-style-type: none"> <li>Financial support in form of affordable loans</li> <li>Provision of financial advisory services for example in viable investment projects</li> <li>Support the company in environmental conservation efforts</li> </ul>
9.	Customers	<ul style="list-style-type: none"> <li>Consumption of water and sanitation services;</li> <li>Accessing information, participating in stakeholder consultations; and</li> <li>Raising concerns relating to water quality standards;</li> <li>Provision of manpower and goodwill.</li> </ul>	<ul style="list-style-type: none"> <li>Provision of safe and adequate water</li> <li>Provision of efficient sanitation services</li> <li>Affordable charges for water and sanitation services</li> <li>Billing accurately and on time</li> </ul>	<ul style="list-style-type: none"> <li>Timely payment of water bills</li> <li>Promptly reporting cases of breakdowns, vandalism, illegal connections, bursts and leaks to MAWASCO and the other relevant authorities</li> <li>Safeguarding water and sanitation infrastructure</li> </ul>

No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
			<ul style="list-style-type: none"> <li>Timely responding and addressing of customer queries/complaints</li> <li>Proper communication platforms</li> <li>Provision of platforms for giving feedback</li> <li>Fairness in service delivery to all</li> </ul>	<ul style="list-style-type: none"> <li>Feedback on quality of services delivered</li> </ul>
10.	Media	<ul style="list-style-type: none"> <li>Disseminate information to the public.</li> </ul>	<ul style="list-style-type: none"> <li>Provision of accurate and timely information to the public</li> <li>Transparency and accountability</li> </ul>	<ul style="list-style-type: none"> <li>Fair and accurate reporting</li> <li>Supporting MAWASCO public awareness initiatives and campaigns</li> </ul>
11.	Suppliers	<ul style="list-style-type: none"> <li>Provide tools, materials, equipment and services;</li> <li>Design and supervision of works.</li> </ul>	<ul style="list-style-type: none"> <li>Prompt payment for goods and/or services rendered</li> <li>Fairness and equal opportunity in tendering</li> <li>Open and transparent advertising for tenders</li> <li>Provision of adequate information</li> </ul>	<ul style="list-style-type: none"> <li>Supply of high-quality products and services</li> <li>Timely delivery of products and services as per agreed timelines</li> <li>Adherence to contract terms</li> <li>Reliable and adequate supply</li> <li>Competitive yet reasonable prices for goods and services</li> </ul>
12.	Learning and Research Institutions	<ul style="list-style-type: none"> <li>Promote quality water training, collaboration in research and capacity building to meet the needs of the water sector;</li> <li>Human resource development.</li> </ul>	<ul style="list-style-type: none"> <li>Fair and equal opportunities for student attachments and internships</li> <li>Collaboration in research/studies</li> </ul>	<ul style="list-style-type: none"> <li>Competent and productive manpower</li> <li>Collaboration in studies and research</li> </ul>
13.	Board of Directors	<ul style="list-style-type: none"> <li>Implementation of the Board's mandate.</li> </ul>	<ul style="list-style-type: none"> <li>Prudent management of Company resources</li> <li>Proper customer service</li> <li>Growing financial returns</li> </ul>	<ul style="list-style-type: none"> <li>Mobilizing for financial support from donors, development partners and the government</li> <li>Giving the company a strategic direction-leadership and governance</li> </ul>

No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
			<ul style="list-style-type: none"> <li>Implementation of approved policies and adherence to regulations</li> <li>Staff dedication in discharge of the Company's mandate</li> <li>Attainment of set targets and benchmarks</li> </ul>	<ul style="list-style-type: none"> <li>Promoting the good image of MAWASCO to the public</li> </ul>
14.	MAWASCO Staff	<ul style="list-style-type: none"> <li>Implementation of the mandate of MAWASCOO.</li> </ul>	<ul style="list-style-type: none"> <li>Job assurance and sustainability of the company</li> <li>Equal opportunity for professional development</li> <li>Safe working environment</li> <li>Fair remuneration</li> <li>Providing training opportunities to advance staff skills and capacity</li> <li>Proper communication channels with clear lines of reporting</li> <li>Compliance with set regulations on workforce</li> </ul>	<ul style="list-style-type: none"> <li>Delivery of quality services</li> <li>Compliance with the company rules and regulations</li> <li>Upholding high standards of integrity</li> <li>Service delivery in an effective and efficient manner</li> <li>Devotion to fulfilling the company's mandate</li> </ul>
15.	Water Appeal Tribunal (WAT)	<ul style="list-style-type: none"> <li>Hear and determine appeals;</li> <li>Hear and determine any dispute concerning water resources or water services.</li> </ul>	<ul style="list-style-type: none"> <li>Fairness in resolving disputes amongst stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Fair adjudication of appeals</li> </ul>
16.	State Corporations/ Agencies e.g., KURA, KeNHA, Kenya Power, NEMA, NLC etc.	<ul style="list-style-type: none"> <li>Approval of Environmental Social and Impact Assessment (ESIA);</li> <li>Issuance of licenses.</li> </ul>	<ul style="list-style-type: none"> <li>Compliance to the Water Act 2016</li> </ul>	<ul style="list-style-type: none"> <li>Collaborating in implementation of projects</li> </ul>
17.	Trade Union/Employers Association	<ul style="list-style-type: none"> <li>Champion for decent and sustainable work environments;</li> <li>Improve the welfare of workers;</li> </ul>	<ul style="list-style-type: none"> <li>Conducive working environment</li> <li>Fair terms and conditions of service</li> </ul>	<ul style="list-style-type: none"> <li>Proper partnerships in negotiations and collective bargaining</li> </ul>

No.	Stakeholder	Role	Stakeholder Expectation	MAWASCO Expectation
		<ul style="list-style-type: none"> <li>Negotiate collective bargaining agreements between members and trade unions</li> </ul>		
18.	Sector Associations (WASPA, IWA)	<ul style="list-style-type: none"> <li>Provide a platform for member WSPs to advocate for and undertake issues pertaining to their development and sustainability;</li> <li>Support members in acquisition of funds for developments;</li> <li>Advise members on training needs in collaboration with other actors and help establish staffing norms relevant to the sector.</li> </ul>	<ul style="list-style-type: none"> <li>Prompt payment of annual membership fees</li> <li>Participation and co-operation in affairs and activities affecting water utilities</li> <li>Compliance with terms and conditions of engagement</li> </ul>	<ul style="list-style-type: none"> <li>Firmly representing the needs and demands of the company</li> <li>Submission of company's requests and grievances to the WASREB</li> <li>Protecting the rights and interests of the company in the water sector.</li> </ul>



# **CHAPTER 4:**

## **STRATEGIC ISSUES, GOALS AND KEY RESULT AREAS**

- 
- **Strategic Issues**
  - **Strategic Goals**
  - **Key Result Areas**
- 



**STRATEGIC  
PLAN**

**2024/25-2033/34**

## CHAPTER FOUR

### 4 STRATEGIC ISSUES, GOALS AND KEY RESULT AREAS

Arising from the situation analysis of the MAWASCO's operating environment, the company has identified strategic issues that will have to be addressed in the current strategic plan to so that the company is able to achieve its vision. The chapter outlines the strategic issues facing MAWASCO, the goals that have been set and the key result areas.

#### 4.1 Strategic Issues

The success of MAWASCO relies on its ability to address the strategic issues it faces. These are the problems or opportunities that the company has to manage in order to fulfil its mandate and vision. To enhance implementation of its mandate, MAWASCO identified the following five key strategic issues that need addressing:

1. Development and management of water and sanitation infrastructure;
2. Financial and commercial sustainability;
3. Efficient and effective billing and revenue collection;
4. Compliance and proper corporate governance.

#### 4.2 Strategic Goals

Strategic goals are general qualitative statements on what MAWASCO is aiming to achieve in the long term and are linked to the strategic issues. They are aligned to the company's vision, mission and core values. The Strategic Plan outlines five key goals as follows;

1. Ensure sustainable access and management of water and sanitation services for all;
2. Ensure financial sustainability of the company;
3. Strengthen the enterprise and risk management of the organization;
4. Improve billing and collection efficiency;
5. Enhance legal, compliance and corporate governance of the organization.

#### 4.3 Key Result Areas

Key Result Areas (KRAs) are the broad areas in which MAWASCO is expected to deliver results. The KRAs for the planning period, as derived from MAWASCO's mandate, mission and situational analysis are;

1. Water and Sanitation Infrastructure Management & Network Efficiency Improvement.
2. Effective customer engagement and Financial Viability.
3. Financial Sustainability.
4. Institutional Strengthening /Risk Management/Governance.

##### 4.3.1 Water and Sanitation Infrastructure Management and Network Efficiency Improvement

MAWASCO needs to broaden its scope and network of water and sewerage services in order to enhance service delivery. With regards to water infrastructure, the company needs to improve treatment capacity, develop facilities for storing water, widen supply and distribution networks, rehabilitate the existing water supply system and reduce NRW. During the plan period, MAWASCO will strive to ensure water and waste

water quality meets and surpasses the minimum benchmarks through improved treatment and testing of water and waste water. Currently there are no sewer connections and there is therefore need for construction and development of sanitation facilities in MAWASCO's area of service. Equally significant is the need for the company to construct Waste Water Treatment Plants (WWTP).

#### 4.3.2 Effective customer engagement and Financial Viability

One of the core businesses of MAWASCO is service delivery and consequently enhanced customer satisfaction. The company's customer base consists of diverse clients who are increasingly becoming knowledgeable, well aware of their rights, with different tastes and preferences, and always want their grievances addressed. It therefore becomes necessary that MAWASCO addresses these issues of service delivery and customer satisfaction in order for the company to move forward. This will be achieved through provision of adequate quality water and sanitation services.

#### 4.3.3 Financial Sustainability

Financial sustainability is key for MAWASCO to ensure continued service delivery. As such, MAWASCO will need to mobilize enough and internal and external resources to finance its recurrent and capital investment budgets. It will craft and operationalize strategies to ensure it is able to cover its operational costs according to the sector benchmarks on order to attain commercial viability. MAWASCO will therefore work towards improving its O&M cost coverage, improving collection efficiency, improving billing efficiency, widening revenue base, ensuring all collectible debts are collected and implementing proper financial management systems.

#### 4.3.4 Institutional Strengthening/ Risk Management/Governance

MAWASCO strives to continuously and strategically address matters involving institutional strengthening through development of performance management systems, design of performance contracts for all staff, embracing change management programs and developing succession planning systems and programs. It has become increasingly significant for MAWASCO to position itself in such a manner that ensures continuity and disaster mitigation and recovery as well as hedging itself against high staff turnover. MAWASCO will build capacity of the employees through training and staff development. To attain this, the company will undertake proper staff training needs assessment as well as carrying out performance appraisals. Capacity building enhances employees' skills in performing their jobs and implementation of the strategic plan.

Table 9: MAWASCO Strategic Issues, Goals and KRAs

Strategic Issue	Goal	KRAs
1. Development and management of water and sanitation infrastructure	Ensure sustainable access and management of water and sanitation services for all	Water and Sanitation Infrastructure Management & Network Efficiency Improvement.
2. Financial and commercial sustainability	Ensure financial sustainability of the company	Effective customer engagement and Financial Viability.

Strategic Issue	Goal	KRAs
3. Efficient and effective billing and revenue collection	Improve billing and collection efficiency	Financial Sustainability
4. Compliance and proper corporate governance.	Strengthen legal, compliance and corporate governance of the organization.	Institutional Strengthening /Risk Management/Governance
5. Effective enterprise and risk management	Strengthen the enterprise and risk management of the organization	

# CHAPTER 5: STRATEGIC OBJECTIVES AND STRATEGIES

- **Strategic Objectives**
- **Strategic Choices**



**STRATEGIC  
PLAN**

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## CHAPTER FIVE

### 5 STRATEGIC OBJECTIVES AND STRATEGIES

This chapter discusses the strategic objectives and strategic choices. Strategic objectives are the specific results that MAWASCO aims to achieve in order to fulfil its mission and vision. Strategic choices are the decisions that MAWASCO makes about how it will achieve its strategic objectives.

#### 5.1 Strategic Objectives

Strategic objectives are the factors MAWASCO commits itself to accomplish in order to achieve its strategic goals. The objectives establish performance levels to be achieved on priority issues and measures of success in fulfilling critical mission statement elements. Strategic objectives for the planning period, are as shown below:

1. Increase water production and transmission from 17,000m<sup>3</sup>/d to 32,000m<sup>3</sup>/d by improving the current Bulk Production from 98,000m<sup>3</sup>/d to 142,000m<sup>3</sup>/d by 2034
2. Increase access to clean and safe drinking water from 80% to 90% by 2034
3. Reduce NRW from 29% to 20% by 2034
4. Increase Hours of Supply from 15 hours to 24 hours by 2034
5. Increase Drinking Water Quality Surveillance from 93% to 100% by 2034
6. To increase sanitation coverage from 24% in 2022 to 50% in 2034.
7. Reduce the monthly debt age from 31 days to 14 days by 2034
8. Broadening the Active customer base from 26,083 connections to 56,083 connections by 2033/34
9. Leverage water sales billing per month from Ksh. 38,910,080 to Ksh. 60,000,000 by 2033/34
10. Increase monthly revenue collection efficiency from 95% to 100% by 2033/34.
11. Increase Customer satisfaction from 54% to 80%
12. Increase investment funding for water and sanitation infrastructure
13. Optimization of expenditure
14. Improve staff productivity from the current 8No. Staff/1000 connections to 5No. staff/1000 connections by 2034
15. Enhance high performance culture by attaining a performance score of 75% by the year 2033/34
16. Improve Governance ranking from the current 60% to 100% by the year 2034



Table 10: Outcome Annual Projections

KRA 1: WATER AND SANITATION INFRASTRUCTURE MANAGEMENT & NETWORK EFFICIENCY IMPROVEMENT.												
Strategic Objective	Outcome	Outcome indicator	Projections									
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1. Increase water production and transmission from 17,000m <sup>3</sup> /d to 32,000m <sup>3</sup> /d by improving the current Bulk Production from 98,000m <sup>3</sup> /d to 120,000m <sup>3</sup> /d by 2033/2034	Increased production	Production volume (m <sup>3</sup> )	24,000	25,000	26,000	28,000	29,000	30,000	31,000	32,000	32,000	32,000
2. Increase access to clean and safe drinking water from 80% to 90% by 2033/2034	Increased water coverage	Water Coverage (%)	82%	83%	84%	85%	86%	87%	88%	89%	90%	90%
3. Reduce NRW from 29% to 20% by 2033/2034	Reduced NRW Increased available water for sale	NRW (%)	27%	25%	25%	25%	24%	23%	22%	21%	20%	20%
4. Increase Hours of Supply from 15hrs to 24hrs by 2033/2034	Increased hours of supply	Hours	18	20	21	22	23	23	24	24	24	24
5. Increase Drinking Water Quality Surveillance from 93% to 100% by 2033/2034	Increased water quality	Water Quality (%)	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
6. To increase sanitation coverage from 24% in 2024 to 50% in 2033/2034	Increased sanitation coverage	Sanitation Coverage (%)	24%	28%	32%	35%	38%	40%	42%	44%	48%	50%
KRA 2: EFFECTIVE CUSTOMER ENGAGEMENT AND FINANCIAL VIABILITY												
1. Reduce the monthly debt age from 31 days to 14 days by 2034	Reduction in debt	Reduced debt portfolio	30	28	26	24	22	20	18	16	14	14
2. Broadening the Active customer base from 27,696 connections to 56,083 connections by 2034	Increased customer base	Number of active billed	29,496	31,296	33,296	35,296	37,296	39,496	41,746	43,996	46,596	49,196

		connections										
3. Leverage water sales billing per month from Ksh. 38,910,080 to Ksh. 95,000,000 by 2034	Increased revenues	Revenues (Ksh)	55M	55M	55M	75M	75M	75M	75M	95M	95M	95M
4. Increase monthly revenue collection efficiency from 95% to 100% by 2034	Increased collection efficiency	Collection efficiency (%)	90	92	94	95	95	95	95	95	100	100
5. Increase Customer satisfaction from 54% to 80%	Increased Customer satisfaction	Customer satisfaction level (%)	57	60	63	66	69	72	75	78	80	80
<b>KRA 3: FINANCIAL SUSTAINABILITY</b>												
1. Increase investment funding for water and sanitation infrastructure from 3.5B in 2024/25 to 4.5B in 2033/34 in accordance to the technical projects	Increased investments	Funds mobilized (Ksh)	3.54	2.89	2.52	3.71	3.45	3.57	4.29	4.19	4.47	4.50
2. Optimization of expenditure from 88% in 2023/24 to 100% in 2034	Increased optimization	Optimization levels (%)	88	89	90	91	92	94	96	98	100	100
<b>KRA 4: INSTITUTIONAL STRENGTHENING/RISK MANAGEMENT/GOVERNANCE</b>												
1. Improve staff productivity from the current 8No. Staff/1000 connections to 5No. staff/1000 connections by 2032	Improved efficiency	Staff per 1000 active connections	6	5	5	5	5	5	5	5	5	5
2. Enhance high performance culture by attaining a performance score of 75% by the year 2032	Enhanced productivity	Performance score	55	56	58	61	63	65	68	71	73	75
3. Improve Governance ranking from the current 60% to 100% by the year 2032	Improved efficiency	Governance ranking	70	75	80	87	93	97	100	100	100	100

## 5.2 Strategic Choices

Strategies are broad abstractions which describe the means through which the strategic objectives are to be achieved. Table 6 presents MAWASCO's strategic choices.

Table 11: Key Result Areas, Strategic objectives and Strategies

Strategic Theme/ Key Result Area	Strategic Objectives	Strategies
<b>1. Water and Sanitation Infrastructure Management &amp; Network Efficiency Improvement</b>	1. Increase water production and transmission from 17,000m <sup>3</sup> /d to 40,000m <sup>3</sup> /d by improving the current Bulk Production from 98,000m <sup>3</sup> /d to 142,000m <sup>3</sup> /d by 2034	<ul style="list-style-type: none"> <li>a. Construction of Mwache Dam to increase production by 186,000m<sup>3</sup> by 2033/2034 (Baricho source remains dedicated to Kilifi County)</li> <li>b. Construction of 3no. additional Boreholes at the Baricho well field to increase production by 33,300m<sup>3</sup>/d by 2033/2034</li> <li>c. Construction of 12.5km of 2nd Kakuyuni-Ganda/Kisimani DN450mm with a capacity of 25,000m<sup>3</sup>/d by 2033/2034</li> </ul>
	2. Increase access to clean and safe drinking water from 80% to 90% by 2034	<ul style="list-style-type: none"> <li>a. Increase purchase of bulk water volume from 17,000m<sup>3</sup>/d to 32,000 m<sup>3</sup> per day by 2033/2034</li> <li>b. Increase length of pipeline to unserved areas from 1,201 km to 1,360km by 2033/2034</li> <li>c. Connect an additional 24,000 households to water services by 2033/2034</li> </ul>
	3. Reduce NRW from 29% to 20% by 2034	<ul style="list-style-type: none"> <li>a. Establishment of 7no. Hydraulically Isolated DMAs</li> <li>b. Replacement of 92km of dilapidated pipelines by 2034</li> <li>c. Replacement of 7,000 consumer meters by 2034</li> <li>d. Scheduled Monthly Consumer meters servicing</li> <li>e. Establish a GIS system for Asset Management</li> </ul>
	4. Increase Hours of Supply from 15 hours to 24 hours by 2034	<ul style="list-style-type: none"> <li>a. Increase of the supply from source from 17,000m<sup>3</sup>/d to 32,000m<sup>3</sup>/d by 2034</li> <li>b. Increase of the network carrying capacity of Kakuyuni-Ganda/Kisimani pipeline.</li> </ul>
	5. Increase Drinking Water Quality Surveillance from 93% to 100% by 2034	<ul style="list-style-type: none"> <li>a. Increasing the number of sampling points from the current 25no. to 50no.</li> <li>b. Increase the frequency of tests from 2 times a Month to 3 times a Month</li> </ul>

Strategic Theme/ Key Result Area	Strategic Objectives	Strategies
	6. To increase sanitation coverage from 24% in 2022 to 50% in 2034.	<ul style="list-style-type: none"> <li>a. Increase sewerage network from 0 Km in 2022 to 80 Km (trunk sewers) and 100km (secondary /infill sewers) by 2034 for both Malindi and Watamu.</li> <li>b. Construct Wastewater treatment plant (WWTP) from 0 m<sup>3</sup>/day in 2022 to 15,000m<sup>3</sup>/day in 2034 (Malindi and Watamu)</li> <li>c. Operationalize the upcoming Malindi FSTP/W2V from 0 m<sup>3</sup>/day to 93m<sup>3</sup>/day by 2025</li> <li>d. Operationalize the upcoming Watamu FSTP from 0 m<sup>3</sup>/day to 25m<sup>3</sup>/day by 2025</li> <li>e. Construction of Faecal Sludge Treatment Plant (FSTP) to increase capacity from 120 m<sup>3</sup>/day in 2022 to 1,000 m<sup>3</sup>/day in 2034 in Malindi Water Company area of jurisdiction.</li> <li>f. Roll out the Citywide inclusive Sanitation Plan by 2033/34</li> </ul>
<b>2. Effective customer engagement and Financial Viability</b>	1. Reduce the monthly debt age from 31 days to 14 days by 2034	a. Customer interface and engagement Processes Automation
	2. Broadening the Active customer base from 26,083 connections to 56,083 connections by 2033/34	<ul style="list-style-type: none"> <li>a. Integration of GIS into commercial operations</li> <li>b. Increase access to water</li> </ul>
	3. Leverage water sales billing per month from Ksh. 38,910,080 to Ksh. 60,000,000 by 2033/34	<ul style="list-style-type: none"> <li>a. Enhance database integrity management.</li> <li>b. Tariff review</li> <li>c. Optimal service accountability for commercial loss reduction</li> </ul>
	4. Increase monthly revenue collection efficiency from 95% to 100% by 2033/34.	<ul style="list-style-type: none"> <li>a. Integrate arrears recovery into regular commercial operations.</li> <li>b. Staff capacity building and empowerment.</li> <li>c. Maximize synergies with sister agencies in the Water Supply Sector (WSS).</li> </ul>
	5. Increase Customer satisfaction from 54% to 80%	<ul style="list-style-type: none"> <li>a. Enhance customer engagement</li> <li>b. Company branding</li> <li>c. ISO 9001 2015 Certification</li> <li>d. Transform Customer Relations Section into a Customer Contact Centre.</li> </ul>

Strategic Theme/ Key Result Area	Strategic Objectives	Strategies
<b>3. Financial Sustainability</b>	1. Increase investment funding for water and sanitation infrastructure from 3.5B in 2022/23 to 4.5B in 2033/34 in accordance to the technical projects	a. Mobilize Investment funds from external sources
	2. Optimization of expenditure from 88% to 100% by 2034	a. Initiate strategic procurements b. Undertake internal audits c. Review Risk Register
<b>4. Institutional Strengthening/Risk Management/Governance</b>	1. Improve staff productivity from the current 8No. Staff/1000 connections to 5No. staff/1000 connections by 2034	a. Conduct Staff Satisfaction Survey annually b. Conduct Work Environment Survey annually a. Develop Recruitment Policy and SOPs
	2. Enhance high performance culture by attaining a performance score of 75% by the year 2033/34	a. Develop performance Management Policy and SOPs b. Develop Performance Contracts for all staff c. Carry out Bi-annual Performance Appraisals d. Develop a reward policy c. Conduct Change Management Programs
	3. Strengthen Institutional Governance and capacity	a. Develop and review regularly Human Resource & Administration Policies and SOPs b. Develop communication Policy c. Develop Gender Mainstreaming and Disability policy d. Develop and review code of conduct for the Board and Employees e. Develop Succession plan f. Conduct TNA and develop annual Training Work Plans g. Review Terms and Conditions of Employees h. Conduct Peer to Peer Benchmarking Programs i. Develop and Implement Automated HRMIS e. Develop Anti-Corruption policy and Whistle Blowing Policy

Strategic Theme/ Key Result Area	Strategic Objectives	Strategies
	4. Improve Governance ranking from the current 60% to 100% by the year 2034	<ul style="list-style-type: none"> <li>a. Review the Memorandum and Articles of Association, Board Charter Code of Ethics and Conduct</li> <li>b. Conduct Board Evaluation</li> <li>c. Fulfil/implement the Service Provision Agreement requirements</li> <li>d. Conduct AGM and other statutory meetings as provided for in the articles of association and governance</li> <li>e. File compliance reports on all statutory and legal obligations</li> </ul>



# **CHAPTER 6:**

## **IMPLEMENTATION AND COORDINATION FRAMEWORK**



**STRATEGIC  
PLAN**

**2024/25-2033/34**

## CHAPTER SIX

### 6 IMPLEMENTATION AND COORDINATION FRAMEWORK

This chapter discusses the implementation and coordination framework for the strategic plan. The implementation framework outlines the steps that MAWASCO will take to implement the strategic plan, and the coordination framework outlines how different stakeholders will work together to ensure the successful implementation of the plan.

#### 6.1 Implementation Plan

This section outlines MAWASCO's action plan, the annual work plan and a commitment to have the performance contracts delivered from the annual work plans.

##### 6.1.1 Action Plan

Table 12 is the implementation plan which covers the strategic goals, strategic issues, KRAs, strategic objectives, strategies, proposed activities, expected outputs, output indicators, targets, budget for each activity and the implementing actors.

*Table 12: MAWASCO Implementation Matrix*



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
Strategic Issue: Development and management of water and sanitation infrastructure;																												
Strategic Goal: Ensure sustainable access and management of water and sanitation services for all;																												
KRA: Water and Sanitation Infrastructure Management & Network Efficiency Improvement:																												
Outcome: Increased Water and Sanitation coverage																												
Strategic Objective 1: Increase water production and transmission from 17,000m3/d to 32,000m3/d by improving the current Bulk Production from 98,000m3/d to 142,000m3/d by 2032.																												
Constructi on of Mwache Dam to increase productio n by 186,000m 3 by 2033/2034 (Baricho source remains dedicated to Kilifi County)	Construction of the Dam, Water treatment plant and pipeline network	Mwache Dam Operational with additional 186,000m3 of water available for Mombasa County	Volume of Water		186,000m3										1,333 .33	1,333 .33	1,333 .33								4,000. 00	CDA- CWWD A	GoK	
Constructi on of 3no. additional Boreholes at the Baricho well field to increase productio n by 33,300m3/ d by 2033/2034	Conduct feasibility study on Boreholes & Undertake ESIA on Bore holes.	Additional 32,400m3/ d of water produced available for Kilifi County	Report				1																		-	CWWD A		
	Undertake Geo- technical investigation & design of the Boreholes		Report				1																		-	CWWD A		
	Developing and Equipping of the 3no. Boreholes plus the rising main		No. of Boreholes					2	1									400. 00	200. 00							600.00	CWWD A	GoK
Constructi on of 12.5km of 2nd Kakuyuni- Ganda/Kisi mani DN450mm with a	Construction of the pipeline network	25,000m3/ d available to the Kilifi Consumer s	Km of Pipeline		5	7.5									400.0 0	400.0 0									800.00	CWWD A	GoK	



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
capacity of 25,000m3/d by 2033/2034																												
Strategic Objective 2: Increase access to clean and safe drinking water from 80% to 90% by 2033/2034																												
Increase purchase of bulk water volume from 17,000m3/d to 32,000 m³ per day by 2033/2034	Negotiate on affordable Bulk Tariff	Increased volumes of water for supply to Consumers	Report		1																				-	MD-MAWA SCO	FM	
	Sign Bulk Supply supply/ purchase agreement		Agreement		1																				-	MD-MAWA SCO	FM	
	Purchase of the Bulk Water		Volume of Water/year		8,640,000	9,720,000	9,720,000	10,800,000	11,520,000	11,520,000	11,520,000	11,520,000	11,520,000	293.76	330.48	330.48	367.20	391.68	391.68	391.68	391.68	391.68	391.68	3,672.00	MD-MAWA SCO	FM		
Increase length of pipeline to unserved areas from 1,201 km to 1,360km by 2033/2034	Conduct feasibility study on Pipeline network & Undertake ESIA on the Pipeline.	Growth of customer numbers with adequate water supply	Report		1										-										-	TM	PM/FM/MD	
	Undertake design of the pipelines		Report		1										-										-	TM	PM/FM/MD	
	Construction of the pipeline network		Km of Pipeline		99.6	12.4	8.9	7	7	5	5	5	5	784.00	57.00	25.00	25.00	20.00	20.00	20.00	20.00	20.00	20.00	1,011.00	TM	PM/FM/MD		
Connect an additional 24,000 households to water services by 2033/2034	Marketing and recruitment of potential consumers	Increased access to water and increase in revenue	Applications processed		2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	-	-	-	-	-	-	-	-	-	-	-	CM	TM	
	Purchase of Meters		Meters Procured		2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	13.2	13.2	13	13	13	13	13	13	13	13	132.00	FM	MD/PM		
	Installation of meters		Connections installed		2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	2,400	-	-	-	-	-	-	-	-	-	-	-	CM	TM/PM/FM /MD		
Strategic Objective 3: Reduce NRW from 29% to 20% by 2033/2034																												
Establishment of 7no. Hydraulically Isolated DMAs	Delineation of service area	Reduced NRW with more water available for supply and	Report/ Map		1										-										-	TM	CM	
	Installation of the boundary meters		Report		1										-											TM	CM	



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility	
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support
	Establishme nt of the consumers meters within the DMA	increased revenue	Report		1										-											CM	TM
Replacem ent of 92km of dilapidate d pipelines by 2033/2034	Conduct feasibility study on Pipeline network & Undertake ESIA on the Pipeline.		Report		1										-										-	TM	PM/FM/MD
	Undertake design of the pipelines		Report		1										-											TM	PM/FM/MD
	Construction of the pipeline network		Km of Pipeline		44.6	10.3	4	4	5	5	5	5	5	5	351.0 0	66.00	15.00	15.0 0	20.0 0	20.0 0	20.0 0	20.0 0	20.0 0	20.0 0	567.00	TM	PM/FM/MD
	Replacem ent of 6,000 consumer meters by 2033/2034		Assessment and identificatio n of the faulty meters	Anual report		1	1	1	1	1	1	1	1	1	1	-	-	-	-	-	-	-	-	-	-	-	CM
Purchase of Meters			Meters Procured		600	600	600	600	600	600	600	600	600	600	-	-	-	-	-	-	-	-	-	-	-	CM	Metering
Installation of meters			Meters replaced		600	600	600	600	600	600	600	600	600	600	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	33.00	TM/CM	PM/FM/MD
Scheduled Monthly Consumer meters servicing.	Calibration of at least 50% of the customer meters		Meters Calibrated		1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	1,400	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	0.35	3.50	TM/CM	PM/FM/MD
Establish a GIS system for Asset Managem ent	Acquisition of digital maps, Mapping out all the water infrastructur e	Infrastructur e Map		40,000 Connect ions	400km	400km	400km							0.84	0.67	0.67	0.67							2.86			
Strategic Objective 4: Increase Hours of Supply from 15hrs to 24hrs by 2033/2034																											
Increase of the supply from source from 17,000m³/ Boreholes	Developmen t and equipping additional 3no. Boreholes	Increased access to water and increase in revenue	No. of Boreholes					2	1																-		



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
d to 32,000m³/ d by 2033/2034																												
Increase of the network carrying capacity of Kakuyuni-Ganda/Kisi-mani pipeline.	Construction of 2nd DN800mm Baricho-Kakuyuni Pipeline		Km of Pipeline		5	7.5																			-			
Strategic Objective 5: Increase Drinking Water Quality Surveillance from 93% to 100% by 2033/2034																												
Increasing the number of sampling points from the current 25no. to 50no.	Assessment of number of sample points based on distribution network	Portable water available to consumers	Sampling Plan		1										-										-			
	Registering the sampling points		Register of sampling points		1										-										-			
	Carrying-out of the sampling/ testing exercise		No. of Samples taken		50	50	50	50	50	50	50	50	50	50	-	-	-	-	-	-	-	-	-	-	-	-		
Increase the frequency of tests from 2 times a Month to 3 times a Month			No. o f tests done		36	36	36	36	36	36	36	36	36	36	-	-	-	-	-	-	-	-	-	-	-			
0																												
Total															3,179.78	2,204.34	1,721.34	824.72	648.53	448.53	448.53	448.53	448.53	448.53	10,821.36			
Strategic Objective 6: To increase sanitation coverage from 24% in 2022 to 50% in 2033/2034.																												
Increase sewerage network from 0 Km in 2022 to	Conduct feasibility study, ESIA and technical	Increased sewerage network.	report							1	2									15	20				35.00	Sanitati on Manag er	MoWSI/Cou nty	



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
80 Km (trunk sewers) and 100km (secondary /infill sewers) by 2033/2034 for both Malindi and Watamu.	design on Sewerage network																											
	Construction of sewerage network (trunk sewers)		km									20	20	20								100	100	100	300.0	Sanitati on Manag er	MoWSI/Cou nty	
	Construction of sewerage network (secondary /infill sewers)		km										25	25									62.5	62.5	125.0	Sanitati on Manag er	MoWSI/Cou nty	
	Staffing and Capacity Building to execute sewer ed sanitation mandate. To include trainings on sewer line operation and maintenance , and exchange learning visits.		report								2	1	1							2	2	2			6.0	Sanitati on Manag er	Partners/HR AM	
	Customer recruitment drive for connection to the sewer once completed. To include enforcement costs where necessary.		report/Conn ection forms										2000	2000	2000								5	5	5	15.0	Sanitati on Manag er	CM
	Operation and Maintenanc e of the Sewer network.		report											1									5		5.0	Sanitati on Manag er		
	Set appropriate tariff		tariff									1							1						1.0	Sanitati on	WASREB/Pa rtners	





Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility	
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support
	structures for sewer operations																									Manag er	
Construct Wastewater treatment plant (WWTP) from 0 m³/day in 2022 to 15,000m³/day in 2033/2034 (Malindi and Watamu)	Procure/Acquire Waste Water Treatment Plant project sites.	Increased wastewater treatment capacity.	ownership documents								1	1	1								100	100	100		300.0	Sanitati on Manag er	County
	Conduct feasibility study, ESIA and technical design on Waste Water Treatment Plant		report							1	2										10	25	25	25	85.0	Sanitati on Manag er	
	Construction of WWTP		No.										1									750	800	750	2,300.0	Sanitati on Manag er	MoWSI/Cou nty
	Capacity Building and staffing of the WWTP to operate the plant. To include trainings and exposure visits		Report							3		1												3	3.0	Sanitati on Manag er	HRAM
Operation alize the upcoming Malindi FSTP/W2V from 0 m³/day to 93m³/day by 2025.	Construction of 93m³/day FSTP/W2V	Operation alized FSTP/W2V in Malindi	No.			1									600										600.0	Sanitati on Manag er	MoWSI/Cou nty
	Awareness creation and capacity building on waste management															2									2.0	Sanitati on Manag er	Partners
	Establish concession performance -based agreement with FSM operator		Report													1										1.0	Sanitati on Manag er



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
	Construction of improved containments (lined pits, septic tanks etc.)				200	250	200	150	150	150	300	300	150	150	40	50	40	30	30	30	60	60	30	30	400.0	Sanitation Manager	Partners	
	Construction of public ablution blocks (sanitation business centers) both private and public financed including school sanitation							2		2		2		2		12		12		15		15		18	72.0	Sanitation Manager	Partners (PP)	
	Purchase waste collection equipment i.e., Exhauster trucks, Waste collection truck, Trash pumps, Gulpers and barrels, Pit Access equipment		No.			1	1		3		4		4			15	15		45		60		60			195.0	Sanitation Manager	County/Partners
	Construction of a Condominium system in Majengo and Shella								1	1									50	50						100.0	Sanitation Manager	MoWSI
	Organize and formalize waste collection (emptying and transportation) including identifying options for improving																1	1	1								3.0	Sanitation Manager



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
	transport efficiency of emptiers- vacuum trucks, gulpers etc.; regulation, licensing, and tracking of emptying																											
	Construction of FS transfer stations within Malindi and Watamu to enhance efficiency of the FS transportati on to the FSTP. To include public participation , feasibility assesments, design, construction and operationaliz ation.		No.							5									150							150.0	Sanitati on Manag er	MoWSI/Cou nty
	Develop and offer customized capacity building programs for Fecal Sludge Managemen t (FSM) operators Manual Pit Emptiers (MPEs, Vacuum Truck Operators (VTOs), Transfer Stations		Report		1	1	1										1	1	1								3.0	Sanitati on Manag er



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility		
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
	operators and FSTP operators																											
	Establish structures to market and manage customer service. To include staffing, capacity building and procurement of equipment nessesary to manage NSS within MAWASCO		Report			1										2		2		1		1		1	7.0	Sanitati on Manag er	Partners	
	Operationali zation of the sanitation developmen t fee, as an alternative financing source for sanitation in Malindi and Watamu		Tariff		1										3											3.0	Sanitati on Manag er	CM
	Capacity Building for MAWASCO Staff to execute non-sewered sanitation mandate. To include capacity building to develop strategies for marketing of		Report				1	1	1	1								2	2	2	2					8.0	Sanitati on Manag er	Partners/HR AM



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility	
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support
	sanitation derived products (resource recovery), management of PPP contracts in NSS, operations and management of NSS technology and equipment, stakeholder engagement and resource mobilization																										
Operation alize the upcoming Watamu FSTP from 0 m³/day to 25m³/day by 2025.	Construction of 25m3/day FSTP	Operation alized FSTP in Watamu	No.			1									300										300.0	Sanitati on Manag er	MoWSI/Cou nty
	Awareness creation and capacity building on waste management															1									1.0	Sanitati on Manag er	Partners
	Establish concession performance -based agreement with FSM operator		Contract agreement			1										1									1.0	Sanitati on Manag er	Partners
Constructi on of Faecal Sludge Treatment Plant (FSTP) to increase capacity from 120 m³/day in 2022 to 1,000	Procure/Acquire FSTP project sites, Conduct feasibility study, Undertake ESIA on FSTP and Undertake technical design of the FSTP.	Increased fecal Sludge Treatment capacities in MAWASCO area of jurisdiction	Report													210	285	350							845.0	Sanitati on Manag er	County



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility	
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support
m <sup>3</sup> /day in 2033/2034 in Malindi Water Company area of jurisdiction.	Construction of FSTP.		No.															1500	1500	1500	1500				6,000.0	Sanitati on Manag er	MoWSI/Cou nty
	Establish concession performance -based agreement with FSM operator		report			1										1									1.0	Sanitati on Manag er	Partners
	Piloting and implementat ion of alternative onsite and decentralize d FS & wastewater treatment and /or reuse																				100	100			200.0	Sanitati on Manag er	MoWSI/Cou nty
Roll out of the Citywide Inclusive Sanitation Plan by 2033/2034 .	Legislation of policies, regulations, and laws to address enforcement of the safely managed sanitation existing gaps by 2025.	Operation al and fully financed Citywide Inclusive Sanitation Plan	Report			1	1									2	2								4.0	Sanitati on Manag er	MoWSI/Cou nty
	Promotion and awareness creation in support of implementat ion of the MAWASCO city wide sanitation plan. To include behaviour change communicati on to enhance uptake of safely		Report			1	1	1								2	2	2							6.0	Sanitati on Manag er	Partners



Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility	
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support
	managed NSS in Malindi and Watamu																										
	Support non-sewered Sanitation Market development activities in Malindi and Watamu, including sanitation marketing and supply chain strengthening, and sanitation product development to suit the context in Malindi and Watamu.		Report			1	1	1								2	2	2							6.0	Sanitation Manager	Partners
	Development of a Sanitation Financing Strategy for the Malindi CWIS plan to explore Innovative sanitation financing mechanisms such as climate financing through Scheduled Emptying, PPPs in NSS, and innovative public and		Report			3										10										10.0	Sanitation Manager





Strategy	Activities	Expected Output	Indicators		Target										Budget (Ksh. m)											Responsibility	
				10 Yea rs	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support
	grant financing options.																										
	Capacity building and strengthenin g MAWASCO's capacity to manage CWIS implementat ion. To include enhancing staff capacity to monitor and evaluate CWIS progress, convening of CWIS review meetings, updating of the CWIS plan based on progress.		Report		1		1		1		1		1		2		2		2		2		2		10.0	Sanitati on Manag er	Partners/HR AM
Total															960.0	313.0	337.0	1,997.0	1,734.0	1,626.0	1,794.0	1,218.0	1,129.5	994.5	12,103.0		
Grand Total for KRA 1															4,139.8	2,517.3	2,058.3	2,821.7	2,382.5	2,074.5	2,242.5	1,666.5	1,578.0	1,443.0	22,924.4		



Strategy	Activities	Expected Output	Indicator s	10 Year s Targ et	Target										Budget (Ksh. m)										Responsibility			
					Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
Strategic Issue: 3. Efficient and effective billing and revenue collection																												
Strategic Goal: Improve billing and collection efficiency																												
KRA:2. Effective customer engagement and Financial Viability																												
Outcome: Increased customer base, billing and collection efficiency;																												
Strategic Objective 1: Reduce the monthly debt age from 31 days to 14 days by 2034																												
Customer interface and engagement Processes Automation	Procurement of an Enterprise Resource Planning (ERP) System.	Functional ERP system	ERP system					ERP system in place									25.0	0.5	0.5	0.5	0.5	0.5	0.5	0.5	28.0	CM	PM	
	Development of a MAWASCO Mobile Customer Self-Service App	Functional Customer Self-service App	Customer Self Service App				Customer Self Service App in place										3.0	0.2	0.2	0.2	0.2	0.2	0.2	0.1	4.3	RA	IT	
	Procurement of Portable Thermal Printers & Field Rugged Phones for Instant Billing.	Thermal printers & rugged phones	Instant Billing				Instant billing in place.										1.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.7	CM	PM	
	Optimization of remote payment options, such as the USSD Codes, Web-Based, & App-Based avenues for both non-consumption & consumption revenues.	USSD Code, Web-based & App based payment options	Real time payments update			Real time payment update									3.00	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	0.30	5.7	RA	IT	
	Install Prepaid Meters in highly	Prepaid Meters	Prepaid Meters			200	200	200	200	200	200	200	200	200	200	15	15	15	15	15	15	15	15	15	15	150.0	RA	PM



	indebted accounts																											
	Procurement of GIS Software to Enumerate & Map All Customer Meters & Premises.	Functional GIS Software	GIS Software		GIS Software										8.7	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	10.5	CM/TM	PM	
Strategic Objective 2: Broaden the active customer base from 26,083 connections to 56,083 connections by 2033/34																												
Integration of GIS into commercial operations	GIS Mapping of MAWASCO Jurisdictional Area into Service Blocks	GIS Mapping	GIS Mapping			GIS Mapping									2.5	0.5	0.5									3.5	CM/TM	IT
	Identify supply deficient areas to inform network extensions and system upgrades	Supply deficient areas & system upgrades	Report			Report in place									2.5											2.5	CM/TM	FM
	Conducting network-based customer verifications exercises.	Verified customers	Report		Report in place										2.0				2.0				2.0			6.0	CM/TM	FM
	Setting up branches with customer attraction and retention targets.	Operational branches	Branches		Watumu Branch	Mafara Branch	Gongo ni Branch	Matsangoni Branch	Marereni Branch						2.0	2.0	2.0	2.0	2.0	0.1	0.1	0.1	0.1	0.1		10.5	CM	HRM
	Identify quick-win network interventions.	Quick-win interventions	Report			Report in place										0.5	0.5	0.5								1.5	Per-urban coordinator	TM
	Conduct promotional campaigns to enhance new connections uptake.	New connections	Increase in number of new connection		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5		5.0	Per-urban coordinator	FM/CM



Increase access to water	Develop and implement a pro poor policy	Pro poor policy	Policy report		Policy Report inplace										0.5											0.5	Per-urban coordinator	CM/HRM
Strategic Objective 3: Leverage water sales billing per month from Ksh. 38,910,080 to Ksh. 60,000,000 by 2033/34																												
Enhance database integrity management.	Identify core data management processes and SOPs	Clean and updated customer database	Report		Report										0.5											0.5	CM	HRM
	Development of Optimal Billing Policies & SOPs		Policy report		Policy report										0.5											0.5	CM/IA	HRM
	Define process risks and develop mitigation measures		Report		Report										0.5											0.5	CM	IA
	Conduct customer identification surveys.		Report		Report										3.0											3.0	CRO	FM
	Conduct routine database clean-ups and updates.		Updated data base		Updated data base											0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	4.5	RA	IT
Tariff review.	Develop new proposed rate structures.	New water tariff	Aproved Tariff		Aproved Tariff																					0.0	RA	CM
	Conduct a tariff affordability study.		Report		Report				Report				Report		2.0				2.0					2.0		6.0	RA	CM
	Apply for Tariff Review & implementation		Aproved Tariff																							0.0	RA	CM/FM
Optimal service accountability for commercial loss reduction	Adherence to meter reading & Billing cycle.	Reduced commercial losses	Report		Monthly reports in place																					0.0	BO	RA/CM
	Identification of aged and nonfunctional meters.		Report		Monthly reports in place										1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2.8	CM/TM	BO	
	Procurement of		Replaced Meters		700	700	700	700	700	700	700	700	700	700	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	35.0	CM/TM	PM	



	consumer meters for replacement																												
	Replacemen t of aged and nonfunction al meters.		Replaced Meters												0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0	CM/TM	BO		
	Conduct meter relocations for inaccessible meters.		Report		Monthly reports in place										0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	5.0	CM/TM	BO		
Strategic Objective 4: Increase monthly revenue collection efficiency from 95% to 100% by 2033/34																													
Integrate arrears recovery into regular commercial operations.	Developmen t of Credit Control, Debt Managemen t, & Arrears Recovery Policies & SOPs	Policies &SOPs in place	Policy Report		Policy Report										0.5										0.5	CM/DCO	HRM		
Staff capacity building and empowerm ent.	Trainings on effective commercial operations	Trainings	Report		Training reports in place										0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	CM	HRM
Maximize synergies with sister agencies in the Water Supply Sector (WSS).	Institutionali ze MAWASCO roles in the partners discharging of mandates.	Partnershi ps	Agreeme nt		Partnership agreements in place										0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1.0	CM	HRM	
Strategic Objective 5: Increase Customer satisfaction from 54% to 80%																													
Enhance customer engagemen t	Develop & Implement a Communicat ion Plan & Policy	Customer engagemen ts	Policy Report		Policy Report										1.0										1.0	CM	HRM		
	Carry out customer satisfaction survey annually		Report		Report in place			Report in place			Repo rt in place			Report in place	2.0			2.0			2.0			0.2	6.2	CRO	FM		
	Carry out adequate Customer Engagemen ts (Barazas, customer clinics, Road shows, talk		Report		Report in place										0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	5.0	CRO	FM		



	shows, E-platforms - website, Facebook, WhatsApp, twitter																											
Company branding	Carry out Branding through customer and communal visibility enhancement	Branded MAWASCO	Branded MAWASCO												0.8	0.8	0.9	0.9	1.0	1.0	1.1	1.1	1.2	1.2	10.1	CM	FM	
ISO 9001 2015 Certification	Develop quality manual	Quality manual in place	Report		Branded MAWASCO											0.5										0.5	CM/IA	HRM
	Gather evidence on adopted quality management systems	Evidence gathered	Report				Evidence report										0.5								0.5	CM/IA	HRM	
	Conduct an internal audit of the quality management system.	Internal Audit of QMS system	Report				Internal Audit Report										0.5								0.5	CM/IA	HRM	
	Subject our quality management system to external verification.	External verified QMS system	Verified QMS systems				ISO 900 2015 Certification										2.0								2.0	CM/IA	HRM	
	Apply for accreditation (ISO 9001 2015 Certification)	ISO 9001 2015 Certification	ISO 9001 2015 Certification																						0.0	CM/IA	HRM	
Transform Customer Relations Section into a Customer Contact Centre.	Identification and procurement of a call center software	Operational Call Center	Call center			Call center										5	0.3	0.3	0.3	0.3	0.3	0.3	0.3	7.4	CM	PM		
	Training of the customer relationship officers															0.5								0.5	CM	HRM		
Total														48.7	36.24	31.082	55.4261	29.972405	24.1210253	26.172077	24.22568	28.281964	24.44106	324.162314				







Strategy	Activities	Expected Output	Indicators	Target	Target										Budget (Ksh. m)												Responsibility	
				10 Years	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lead	Support	
Strategic Issue: Financial and commercial sustainability;																												
Strategic Goal: Ensure financial sustainability of the company;																												
KRA:3. Financial Sustainability																												
Outcome: Improved optimization of funds and resource allocation																												
Strategic Objective 1: Increase investment funding for water and sanitation infrastructure from ____ in 2022/23 to ____ in 2031/32 in accordance to the technical projects																												
Mobilize Investment funds from external sources	Apply for grants	Increase in revenue from water and sanitation investments													0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2			
	Apply for Commercial loans for viable projects														0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	1			
	Partner with private sector for funding														0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	2			
Strategic Objective 2: Optimization of expenditure																												
Initiate strategic procurements	Undertake framework Procurements	Optimal utilization of available funds													0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	0.3	3			
Undertake internal audits	Carry out Internal Audits														0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	4			
Review Risk Register	Undertake risk profiles														0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	0.4	4			
Total For KRA 3															1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	16			



Strategic Issue:4. Compliance and proper corporate governance.				Target											Budget (Ksh. m)														
Strategic Goal: Enhance legal, compliance and corporate governance of the organization.				10 Year s	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Y 1	Y 2	Y 3	Y 4	Y 5	Y 6	Y 7	Y 8	Y 9	Y 10	Total	Lea d	Suppor t		
KRA:4. Institutional Strengthening/Risk Management/Governance:																													
Outcome: Improved efficiency, productivity, governance and risk management																													
Strategic Objective 1: Improve staff productivity from the current 8No. Staff/1000 connections to 5No. staff/1000 connections by 2033/34																													
Strategy	Activities	Expected Output	Indicators																										
Conduct Staff Satisfaction Survey annually	Review existing ESS tool & seek approval from the CMT	Approved tool	Employee Satisfaction Index from 73.25% to 93%		75%	77%	79%	81%	83%	85%	87%	89%	91%	93%	0.20	0.23	0.25	0.28	0.30	0.33	0.35	0.38	0.40	0.43	3.13	HR M	HRO		
	Staff sensitization and data collection	Signed list of attendance and duly filled ESS tool																											
	Data analysis and report writing	ESS report																											
Conduct Work Environment Survey annually	Review existing WES tool & seek approval from the CMT	Approved tool	Employee Satisfaction Index from 59% to 86%		59%	62%	65%	68%	71%	74%	77%	80%	83%	86%	0.50			0.60			0.70			0.80	2.60	HR M	HRO		
	Staff sensitization and data collection	Signed list of attendance and duly filled WES tool																											
	Data analysis and report writing	WES report																											
Develop & Review of Recruitment Policy and SOPs	Develop draft Recruitment & Selection Policy & SOPs	Approved Recruitment & Selection Policy and SOP	R&S success rate																										
	Validate with CMT & seek approval from the BOD			100 %			100 %			100 %			0.50			0.60			0.70			0.80	2.60	HR M	HRO				
	Implement Policy & SOPs																												
Strategic Objective 2: Enhance high performance culture by attaining a performance score of 75% by the year 2033/34																													
Develop & Review performance Management Policy and SOPs	Develop Performance Management Policy and SOPs	Approved Performance Management Policy in place and SOPs	Performance Improvemen t rate		100 %			100 %			100 %			100 %	0.50	0.10	0.10	0.60	0.13	0.13	0.70	0.15	0.15	0.80	3.35	HR M	HRO		
	Validate with CMT																												
	Seek approval from BOD																												



	Sensitize staff on the Policy & SOPs																													
	Implement the Policy & SOPs																													
Develop Performance Contracts for all staff	Develop PCs for all positions	Signed Performance Contracts by all staff	No. of Signed Performance Contracts		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	2.10	2.20	2.30	2.40	2.50	2.60	2.70	2.80	2.90	3.00	25.50	HR M	HRO			
	Sensitize/Train staff on Performance Contracting																													
	Signing of PC btw MD & BOD																													
	Signing of PC btw MD & CMT																													
	Signing of PC btw CMT & Supervisors																													
	Signing of PC btw Supervisors & other staff																													
Carry out Bi-annual Performance Appraisals	Bi-Annual Staff Appraisals sensitization	Bi-annual Performance Report	No. of Staff Performance Appraisal		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	0.10	0.15	0.20	0.25	0.30	0.30	0.30	0.30	0.30	0.30	2.50	HR M	HRO			
	Data collection																													
	Data analysis																													
	Prepare Performance Appraisal report & submit to CMT																													
	Signing of PIPs																													
Develop a reward policy	Develop Reward Policy and SOPs	Approved Reward/Award Policy & SOPs	No. of Rewards		100 %			100 %					100 %		0.50	0.10	0.60	0.13	0.70	0.15	0.80	0.18	0.90	0.20	4.25	HR M	HRO			
	Validate with CMT																													
	Seek approval from BOD																													
	Sensitize all staff on the Policy and SOPs																													
	Implement Policy & SOPs																													
Conduct Change Management Programs	Design/review a framework for Implementing Culture Change	Approved Change Management Framework	Change Success Rate		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	0.75		0.75		0.85		0.85		1.00		4.20	HR M	HRO			



	Train employees on change management through various activities e.g., team building	Change management report																											
Strategic Objective 3: Strengthen Institutional Governance and capacity																													
Develop and review regularly Human Resource & Administration Policies and SOPs	Review existing HR & Admin Policy & SOPs	Reviewed Policies and SOPs	Employee satisfaction		100 %			100 %			100 %			100 %	0.50	0.10	0.10	0.60	0.13	0.13	0.70	0.15	0.15	0.80	3.35	HR M	HRO		
	Validate with CMT																												
	Seek approval from BOD																												
	Sensitize all staff on the Policy and SOPs																												
	Implement Policy & SOPs																												
Develop & Review communication Policy	Review existing Communication Policy	Reviewed Communication Policy	Adoption rate		100 %			100 %			100 %			100 %	0.50	0.10	0.10	0.60	0.10	0.10	0.70	0.10	0.10	0.80	3.20	HR M	HRO		
	Validate with CMT																												
	Seek approval from BOD																												
	Sensitize all staff on the Policy																												
	Implement Policy																												
Develop & Review Gender Mainstreaming and Disability policy	Conduct Gender & Disability Audit	Approved GDM Policy	No. of initiatives streamlined			100 %			100 %			100 %			100 %	0.75		0.85			0.95			1.05	3.60	HR M	HRO		
	Analyze data & produce report																												
	Develop Gender & Disability Mainstreaming Policies																												
	Implement the Policies																												
Develop and review code of conduct for the Board and Employees	Develop Code of Conduct	Signed Code of Conduct	Reduced No. of Disciplinary Cases		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	10.00	HR M	HRO		
	Validate with Management & seek																												



	approval from BOD																													
	Sensitize BOD & all staff																													
	Administer CoC for signing																													
	Collect & file CoC																													
Develop Succession plan	Design a framework for Succession Planning	Approved Succession plan	Employee reta		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	0.10			0.20			0.30			0.40	1.00	HR M	HRO			
	Validate with CMT																													
	Seek approval from BOD																													
	Deploy succession plan																													
Conduct TNA and develop annual Training Work Plans	Review existing TNA tool	Reviewed TNA tool	No. of Staff Trained		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	0.30	0.30	0.40	0.30	0.50	0.30	0.60	0.30	0.70		3.70	HR M	HRO			
	Validate tool with CMT																													
	Administer tool	Signed Issuance list																												
	Data analysis & report	TNA report																												
	Draw a Training Plan	Training Plan																												
	Execute Training Plan	Quarterly Training Reports																												
Review Terms and Conditions of Employees	Review of the JE	Approved Job Evaluation Report					100 %				100 %			100 %	3.00					3.50						3.00	HR M	HRO		
	Update JDs																													
	Implement proposed terms of employment																													
Conduct Peer to Peer Benchmarking Programs	Develop Peer to Peer Benchmarking Program	Approved Benchmark program	No. of Benchmarkin g programs undertaken		100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	1.00	1.20	1.40	1.60	1.80	2.00	2.20	2.40	2.60	2.80	19.00	HR M	HRO			
	Validate with CMT																													
Develop and Implement Automated HRMIS	System Audit	Automated HR Systems	Improved processes		100 %					100 %					4.50					6.00						10.50	HR M	HRO		
	Develop system specification																													
	Liaise with Procurement to procure the System																													
	Train staff on the HRMIS																													
	Develop Policy																												HRO	



Develop Anti-Corruption policy and Whistle Blowing Policy	Validate with CMT	Approved Corruption and Whistle Blowing Policy													0.75			0.85			0.95				1.05	3.60	HR M	
	Seek approval from BOD																											
	Implement Policy																							0				
																								0				
Strategic Objective 4: Improve Governance ranking from the current 60% to 100% by the year 2033/34																												
Review the Memorandum and Articles of Association, Board Charter Code of Ethics and Conduct	Review Existing MAA	Approved & Adopted MAA																							0	HR M	HRO	
	Conduct AGM (Adopt the MAA)	AGM Minutes of Meeting			1	1	1	1	1	1	1	1	1															
	Review Existing Board Charter & Code of Ethics	Approved & Adopted Board Charter & Code of Ethics. Minutes					1			1			1															
Conduct Board Evaluation	Carry out Board Evaluation Annually	Board Evaluation Report																										
Fulfil/implement the Service Provision Agreement requirements	M&E of SPA through the SP	M& E Report																							0			
Conduct AGM and other statutory meetings as provided for in the articles of association and governance	Conduct AGM	Minutes																							0			
	Carry Out Statutory meetings																							0				
File compliance reports on all statutory and legal obligations	File statutory returns with the registrar of Companies and KRA	Issued Certificate(s)																							0			
	Conduct Occupational Safety & Health training for staff & Review Workplace OSHA Policy	Training Report and Approved updated policy																							0			
	Sensitize staff on Prevention of Alcohol and Drug & Substance Abuse and	Sensitization Report and Approved Policy																							0			



	Develop AD & SA Policy																									
	Sensitize staff on prevention of HIV & AIDS	Sensitization Report																							0	
	Timely remittance of statutory deductions; N.S.S.F, N.H.I.F, P.A.Y.E, H.E.L.B, NITA and SACCO contributions	Certificates of Compliance from Kenya Revenue Authority, NHIF, NSSF, NITA and HELB.																							0	
Total														17.55	5.48	7.20	10.85	8.30	16.53	14.50	7.75	10.20	14.23	109.08		
Grand Total														4,207.63	2,560.65	2,098.22	2,889.60	2,422.40	2,116.78	2,284.80	1,700.11	1,618.11	1,483.30	23,373.59		



### 6.1.2 Annual Workplan and Budget

In an effort to track progress and ensure that the implementation matrix is progressively implemented, MAWASCO will develop annual institutional workplans which will be cascaded to the functional departments. The workplans will be aligned to the company's approved budget and procurement plan. The annual work plans are detailed in a separate document. The separation ensures clarity and convenient access to the dynamic operational aspects of the plan, enabling stakeholders to access to review the strategic objectives and activities independently from the intricate financial and operational details.

### 6.1.3 Performance Contracting

The Kenyan Government is committed to ensuring that public entities are properly managed and that they are effective in delivering quality services to the public in accordance with the provisions of the Constitution of Kenya. The Government appreciates the key role played by MAWASCO in the provision of water and sanitation services.

The performance contract for MAWASCO is prepared annually to establish the basis for ensuring that effective and efficient services are delivered to residents in line with the provisions of the Constitution. MAWASCO's Performance Contract provides a platform for continuous performance improvement in order to meet the needs and expectations of the Kenyan people. The annual workplan, approved procurement plan and the approved budget shall form the basis for MAWASCO's annual performance contracting. Further, as a management tool the performance contract will accord MAWASCO the opportunity to track Vision 2030 initiatives and interventions that are key in driving the BETA.

## 6.2 Coordination Framework

MAWASCO shall coordinate the implementation of the strategic plan activities and programs by ensuring sufficiency of the institutional framework, leadership, systems, staffing levels, procedures, competencies and skill sets.

### 6.2.1 Institutional Framework

MAWASCO is managed through a Board of Directors which serves to govern the company by overseeing all company operations and guiding policy direction. The BOD is tasked with ensuring absolute control over the operational, financial and strategic activities of MAWASCO. It is made up of 9 directors. The day-to-day operations are delegated to the Managing Director with the assistance of the Heads of Departments. MAWASCO is organized in 7 departments as indicated below:

1. Technical water services department;
2. Technical sanitation services department;
3. Finance department;
4. Commercial department;
5. Internal audit department;
6. Human resources management department;
7. Procurement department;

The management structure of MAWASCO includes the following:

#### a) Managing Director

The Managing Director is responsible for ensuring appropriate and effective management of the daily operations of MAWASCO, effective leadership and communication channel between the BOD, Management Team and staff and other stakeholders to improve the corporate image of the organization. The MD has the responsibility of coordinating implementation, monitoring, evaluation and supporting review of the strategic plan.

#### b) Departments

MAWASCO's approved organization structure and staff establishment will provide both institutional and functional frameworks for implementing the strategic plan 2024/25-2033/34. The Board and management will provide proper governance in ensuring implementation of the plan. The aim of a well-designed organization structure is to ensure maximization of stakeholder value in the most efficient and cost-effective manner. Each department is headed by the department heads who report to the MD. The organogram is presented in Figure 5.

The department managers head their respective functional areas and they report directly to the Managing Director.

##### i) Technical Water Services Department

The technical water services department is tasked with the responsibility of planning, designing and construction of new water and sewer infrastructure in Kilifi North, Malindi and Magarini sub-counties. The department is responsible for production of water, as well as management of water infrastructure.

The technical services department also oversees the company's technical operations for water and ensures that the technical assets of MAWASCO are acquired, maintained and operated in line with specifications stipulated in the SPA with CWWDA and the Kilifi County Government.

##### ii) Technical Sanitation Services department

The technical sanitation services department is responsible for planning, designing and construction of new sewer and sanitation infrastructure in Kilifi North, Malindi and Magarini sub-counties. The department is responsible for sewer collection, treatment as well as management of sanitation infrastructure within the company's service areas. This involves regular inspection, maintenance, and repair to prevent leaks, blockages, and other issues that could disrupt the sewer system.

##### iii) Commercial Department

The commercial Department oversees commercial operations and ensures that the strategies for service delivery and revenue generation are set and implemented according to standard specifications in the SPA with CWWDA and the County Government of Kilifi.

It is also responsible for formulation of departmental policies, procedures and activities in line with company vision, mission and core values. The commercial department is also responsible for provision of comprehensive commercial information systems, up-to-date customer database, conducting customer satisfaction surveys and proposing interventions according to feedback received. The commercial department also has a critical role in tariff setting and cost setting for the company.

#### iv) Internal Audit Department

The main function of the internal Audit Department is assessing the adequacy of risk management, governance and control procedures established by the company. It also provides an independent objective and reasonable assurance and consulting services designed to add value and improve the operations of the company by assisting the MD and the Audit Committee of the Board in effective discharge of their duties.

The department is also responsible for ensuring effective and efficient company systems and processes are in place, improving the effectiveness in risk management, ensuring strict adherence to company regulations as well as compliance with legal and regulatory requirements.

#### v) Human Resources Management Department

The human resources department is responsible for providing the organization with structure and ability to meet the company HR needs by effectively managing people. This it achieves through recruitment of the right people for the right jobs, ensuring a safe work environment, strengthening employee-employer relations, providing leadership training and professional development to employees. The HR department also provides guidance in HR management policies and strategies to ensure smooth running of company operations. It also ensures HR policies and procedures are formulated, updated and implemented as well as overseeing change management within the company. It is the function of the HR Department to ensure optimal staffing levels and that company personnel are competent and with the right skills, it ensures terms of service and compensation are periodically revised to ensure conformity to the labor market in order to promote staff morale.

The HR department is also tasked with the responsibilities of procuring safety gears and equipment to ensure safety at the workplace; attending to industrial relations matters; proper maintenance and updating of personnel records; proper recruitment, selection and orientation of new employees, identifying staff training needs and coordinating performance management system.

#### vi) Finance Department

This department is responsible for effective and efficient use of company resources. It ensures resources i.e., financial resources of the company are sourced, distributed and used in the most optimal manner and reported effectively and efficiently to enhance accountability. The finance department also formulates the company's financial strategies and closely monitors progress to ensure proper implementation.

It also ensures there is sound corporate governance in place through risk identification and formulation and implementation of proper controls to minimize the identified risks; formulates, implements and reviews financial policies, procedures and systems to ensure sustainability of MAWASCO. The finance department is also responsible for advising the company on the financial viability of proposed projects, accurate and timely reporting, accounting and analysis in order to enhance management decision making. In addition, it is the role of the finance department to prepare periodic financial performance reports and budgets for submission to the Board of Directors.

#### vii) Procurement Department

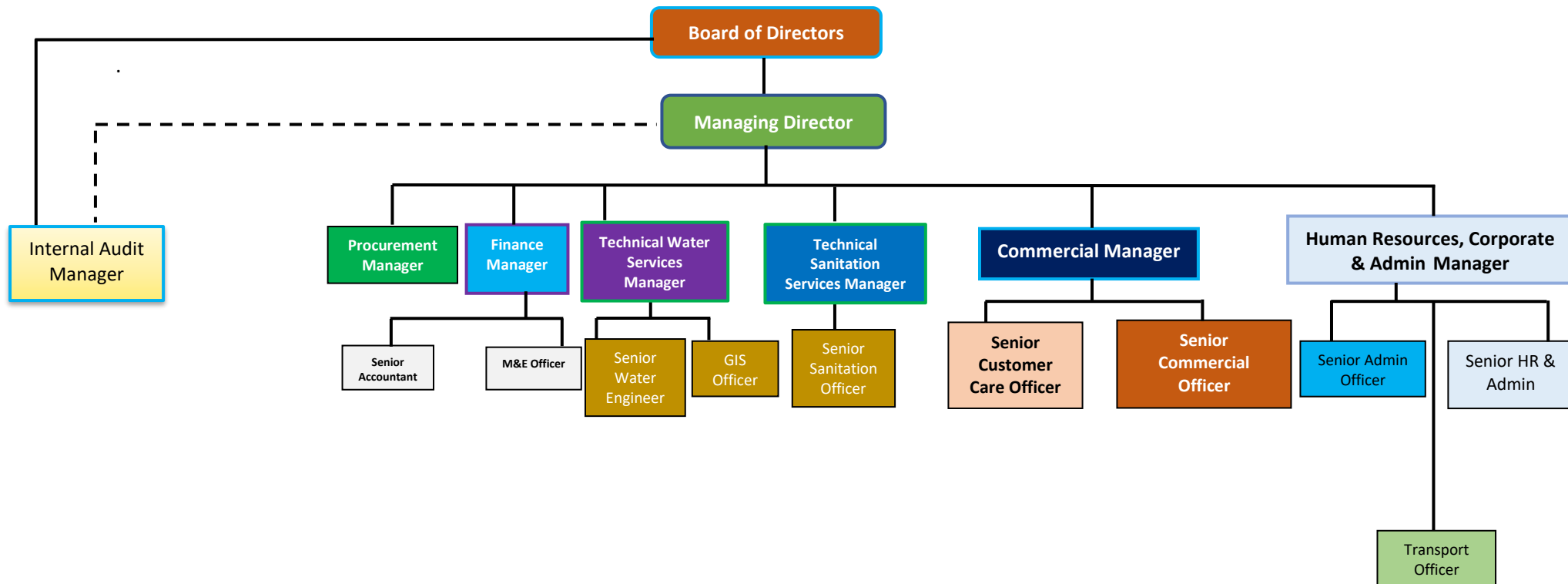
This department is responsible for procuring goods, services or works of the right quality and quantity, at the right time and from the right source for the company to realize value for money in all procurement exercises. It is also responsible for preparation of Annual Procurement Plans for MAWASCO.

#### viii) ICT Department

The ICT department is responsible for planning, administering and reviewing the acquisition, development, maintenance and utilization of computer and telecommunication systems within the company. It formulates and implements information technology policies, systems and procedures; designs, develops, implements, and manages databases and information systems for MAWASCO. The department is tasked with installing and updating hardware and software, system design and programming, development of computer networks and security networks; analyzing the information needs of the company and developing tech solutions to address those needs.

The department has also the responsibility of coordinating and implementing required systems with the company with comprehensive field visits involving hardware maintenance, trouble shooting, computer training as well as undertaking specific user needs; designing, developing and implementing computer disaster recovery procedures to minimize on loss of data and/or systems and ensure that IT system in all departments is operating efficiently and in accordance with defined standards and regulations and monitor access and use of computer terminals and other equipment to ensure there is no unauthorized use.

Figure 5: Proposed Organogram



## 6.2.2 Staff Establishment, Skills Set and Competence Development

MAWASCO needs an optimum staffing level to achieve the set strategic objectives in this strategic plan. The approved staffing levels shall be effective in facilitating the implementation of the plan.

Table 13: MAWASCO Staff Establishment

Cadre	Approved Establishment (a)	Optimal Staff Level (Up to 2034) (b)	In Post (c)	Variance d = (b-c)
Managing Director	1	1	1	0
Managers	7	7	7	0
Accountants	7	7	7	0
Administration officers	4	5	4	1
Artisans	73	86	73	13
Commercial Officers	10	13	10	3
Credit Officers	6	10	6	4
Customer care Officers	4	7	4	3
GIS officers	2	3	2	1
HR Officers	3	4	3	1
ICT Officers	1	3	1	2
Inspectors	12	15	12	3
Internal Audit	2	3	2	1
M&E officer	1	2	1	1
Office Officers	13	14	13	1
Procurement Officers	6	7	6	1
Registry	1	3	1	2
Sanitation Officers	5	6	5	1
Secretarial	1	2	1	1
Security Officers	2	5	2	3
Transport Officers	15	32	15	17
Ungraded artisan	33	40	33	7
Water Engineers and Technicians	7	17	7	10
<b>TOTAL</b>	<b>216</b>	<b>292</b>	<b>216</b>	<b>76</b>

An assessment of the existing staffing levels, skill sets and competencies to determine their sufficiency and relevance towards supporting execution of the strategy was carried out and Table 9 indicate the skills set and competencies of the staff.

Table 14: MAWASCO Skill Set and Competence Development

S/No	Cadre	Skill Set	Skill Gap	Competence Development
1	<b>Managing Director</b>	MBA	Corporate Governance, Resource Mobilization	KSG training on Governance
2	<b>Managers</b>	MBA	Corporate Governance training, Digital skills	KSG Training
3	<b>Accountants</b>	Degree in B. Comm or related Field CPA (K)/ACCA/CFA Membership of ICPAK	Audit skills and requirements	Undertake Degree courses
4	<b>Administration officers</b>	Diploma in relevant field	Administration courses	Degree
5	<b>Artisans</b>	O level, Grade Test III in Plumbing	NITA refresher courses	NITA grade test training
6	<b>Commercial Officers</b>	Diploma in Business Management	Business management courses	Undertake Diploma in Business Management
7	<b>Credit Officers</b>	Diploma in Credit management	Credit management courses	Credit Management
8	<b>Customer care Officers</b>	Diploma in Marketing or equivalent	Public relations courses	Marketing/customer care
9	<b>GIS officers</b>	Bachelor's Degree/HND in Land Survey or equivalent	Digital skills	GIS/ Survey training
10	<b>HR Officers</b>	Degree in HR or equivalent	Labour laws, Disciplinary management, Talent management	CHRP training
11	<b>ICT Officers</b>	Degree in Computer science/IT/IMS	Digital/Technological	Information Management systems/computer science
12	<b>Inspectors</b>	Diploma in Civil/Water/Tech. or equivalent	KSG Supervisory courses	Diploma in Water Engineering or equivalent
13	<b>Internal Audit</b>	Degree in Finance/Account or its equivalent	Risk management and Audit courses	Degree in Finance/Accounting
14	<b>M&amp;E officer</b>	Degree in Economic, Statistic, project Management, M&E or equivalent	M&E	Statistics/M&E
15	<b>Office Officers</b>	Diploma in Administration	Administration and front office management	Diploma in Administration



S/No	Cadre	Skill Set	Skill Gap	Competence Development
16	<b>Procurement Officers</b>	Degree in Purchasing and Supply Management or equivalent	Refresher course on Public Procurement Act	Degree in P&S chain Management
17	<b>Registry</b>	Diploma in Record Management	Record Management	Record Management at KSG
18	<b>Sanitation Officers</b>	Degree in Civil/Water/Sanitation Engineering or equivalent	Sanitation and sewerage management, Proposal writing and resource mobilization	Degree in Sanitation
19	<b>Secretarial</b>	Degree in secretarial services or Business Administration	Personal Assistant and Administration	Degree in Secretarial
20	<b>Security Officers</b>	Degree in criminal investigation, forensic and criminology	Criminology	
21	<b>Transport Officers</b>	Grade Trade Test, KCSE or equivalent, Valid DL, Diploma in Business Management/Fleet Management /Logistics	Fleet Management and statistics Occupational/suitability test	Fleet Management/Logistic
22	<b>Ungraded artisan</b>	O level, Grade Test III in Plumbing	Plumbing and pipefitting trade test	NITA Training, Driving
23	<b>Water Engineers and Technicians</b>	Degree in Civil Engineering or equivalent	Supervisory training	KSG Training

### 6.2.3 Leadership

The Board of Directors will provide strategic leadership in the implementation of the strategy to contribute to Kenya's vision of universal access to water and sanitation for socio-economic development and enhance implementation of the plan. Management under the leadership of the Board will execute the strategy to support effective and efficient accomplishment of the national development agenda whilst focusing on the specific priority areas of MAWASCO and the sector as a whole.

To enhance responsibility and accountability for leading and coordinating the execution of the activities relevant to each KRA have been clearly identified, MAWASCO has formed teams for each strategic theme aligned to the identified strategic issues.

### 6.2.4 Systems and Procedures

The section outlines the key elements of MAWASCO's internal systems and procedures, focusing on those necessary for the implementation of the plan. By evaluating existing processes and adopting best practices, MAWASCO aims to enhance efficiency of operations and maximizing value to stakeholders.

MAWASCO has developed various policies, manuals, standard operating procedures and software systems necessary for the effective and efficient implementation of the 2024/25 – 2033/34 strategic plan. ISO 9001:2015 Standard specifies requirements for a quality management system where an organization requires to demonstrate capability to reliably provide products and services that meet customer needs and the applicable regulatory and statutory requirements.

To promote a culture of excellence and continuous performance improvement, MAWASCO has developed a framework for performance evaluation, encompassing key performance indicators (KPIs) that are aligned to the strategic objectives and measures to monitor progress. Responsible persons shall be held accountable for their contributions to the strategic plan's implementation.

To ensure successful implementation of the strategic plan, the company has to ensure proper resource allocation. The company will develop clear systems for resource planning, budgeting and allocation whilst ensuring optimal utilization of financial, technological and human resources. As such, periodic assessments will be conducted to identify resource gaps and reallocate resources as necessary. MAWASCO will also execute a comprehensive risk management strategy to proactively identify possible risks, threats and uncertainties.

## 6.3 Risk Management Framework

MAWASCO faces potential risks that may hinder successful implementation of the strategic plan. To ensure successful implementation of the proposed strategies. The company has thus developed and integrated into the plan a risk management strategy. The strategy shall ensure that risks are identified in a timely manner and mitigation measures are promptly implemented to minimize the negative impacts. The risk assessment matrix and key potential risks are outlined in Table 10.

RISK ASSESSMENT MATRIX			IMPACT/CONSEQUENCE		
			3	2	1
			High	Medium	Low
LIKELIHOOD	3	High	High (9)	Medium (6)	Medium (3)
	2	Medium	Medium (6)	Medium (4)	Low (2)
	1	Low	Medium (3)	Low (2)	Low (2)

Risk Rating	Score
High	7 - 9
Medium	3 - 6
Low	1 - 2

Table 15: Risk Management Framework

Possible Risks	Risk Likelihood (L/M/H)	Severity (L/M/H)	Overall Risk Level	Mitigation Action
Inadequate water supply	Medium (2)	High (3)	Medium (6)	<ul style="list-style-type: none"> <li>Develop and implement disaster mitigation measures</li> <li>Develop additional sources of water for example dams</li> </ul>
Insufficient water storage facilities	Medium (2)	Medium (2)	Medium (4)	<ul style="list-style-type: none"> <li>Construction of storage facilities for example storage tanks</li> </ul>
Inadequate financial resources	High (3)	High (3)	High (9)	<ul style="list-style-type: none"> <li>Seek support from development partners</li> <li>Lobby for funding from the County government of Kilifi as well as the National Government.</li> <li>Engage the Water Sector Trust Fund (WSTF) to support implementation of projects</li> </ul>
High commercial loss	Medium (2)	Medium (2)	Medium (4)	<ul style="list-style-type: none"> <li>Ensuring 100% metering</li> <li>Creation of District Metering Areas (DMAs)</li> <li>Rehabilitation of dilapidated infrastructure</li> </ul>

Possible Risks	Risk Likelihood (L/M/H)	Severity (L/M/H)	Overall Risk Level	Mitigation Action
Lack of NRW management plans	Low (1)	Medium (2)	Low (2)	<ul style="list-style-type: none"> <li>Establish and implement NRW management plans</li> <li>Establish an NRW management unit fully equipped with personnel, tools and equipment for managing NRW</li> <li>Sensitization and creating public awareness through campaigns in local dialect radio stations in order to encourage the residents to report bursts, leaks and illegal connections.</li> </ul>
Contamination of water along distribution lines	Low (1)	High (3)	Medium (3)	<ul style="list-style-type: none"> <li>100% rehabilitation of dilapidated water infrastructure</li> <li>Development of water treatment and testing facilities</li> </ul>
Failure to obtain appropriate approvals from relevant bodies	Low (1)	Medium (2)	Low (2)	<ul style="list-style-type: none"> <li>Ensure full statutory and regulatory compliance with bodies like NEMA and KeNHA</li> </ul>
Inability to distinguish old from new debts making it difficult to trace collections to specific periods	Low (1)	Medium (2)	Low (2)	<ul style="list-style-type: none"> <li>Implement appropriate billing system</li> </ul>
Illegal connections	Medium (2)	High (3)	High (6)	<ul style="list-style-type: none"> <li>Regularize illegal connections into the system</li> <li>Encourage customers to report illegal connections</li> </ul>
Increased bad debts	Medium (2)	Medium (2)	Medium (4)	<ul style="list-style-type: none"> <li>Ensuring tariff rate is set at cost of production to ensure affordability</li> <li>Establish a customer management system</li> <li>Ensure billing is based on actual consumptions</li> </ul>

Possible Risks	Risk Likelihood (L/M/H)	Severity (L/M/H)	Overall Risk Level	Mitigation Action
Continued or even increased customer dissatisfaction	Low (1)	High (3)	Medium (3)	<ul style="list-style-type: none"> <li>Ensuring strict adherence to the company's customer service charter</li> </ul>
Expenditure exceeding budget allocations	Low (1)	Medium (2)	Low (2)	<ul style="list-style-type: none"> <li>Ensuring strict adherence to budgets</li> <li>Carry out proper planning to avoid cases of over or under-budgeting</li> </ul>
Mismanagement of company resources	Low (1)	Medium (2)	Low (2)	<ul style="list-style-type: none"> <li>Improve and strengthen internal controls</li> </ul>
Increasing cost of inputs	High (3)	High (3)	High (9)	<ul style="list-style-type: none"> <li>Ensure strict adherence to budgetary allocations</li> <li>Carry out cost-benefit analysis on competing expenditure needs</li> </ul>
High staff turnover	Low (1)	Low (1)	Low (1)	<ul style="list-style-type: none"> <li>Employ systems and mechanisms to retain and even attract new staff</li> <li>Ensure a safe work environment</li> <li>Ensure job security</li> <li>Provide opportunities for promotion as well staff professional development</li> </ul>
Inadequate staff capacity	Low (1)	High (3)	Medium (3)	<ul style="list-style-type: none"> <li>Establish proper HR recruitment policies</li> <li>Conduct staff Training Needs Analysis in order to identify areas in need of training.</li> <li>Train staff</li> </ul>



Possible Risks	Risk Likelihood (L/M/H)	Severity (L/M/H)	Overall Risk Level	Mitigation Action
a) Political interference b) Inadequate capacity to exercise oversight	High (3)	High (3)	High (9)	•
Changing laws and government regulations	Low (1)	Low (1)	Low (1)	• Continuous training of the board and management

# **CHAPTER 7:**

## **RESOURCE REQUIREMENTS AND MOBILIZATION STRATEGIES**

- **MAWASCO Financial Requirements**
- **Resource Mobilization Strategies**
- **Resource Management**



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## CHAPTER SEVEN

### 7 RESOURCE REQUIREMENTS AND MOBILIZATION STRATEGIES

This section looks at the financial requirements for implementing the strategic plan. It focuses on the identification of resource needs, allocation strategies and mobilization techniques to ensure MAWASCO acquires the necessary assets to efficiently accomplish the strategic objectives.

#### 7.1 MAWASCO Financial Requirements

The activities and programmes in this strategic plan will be funded through a blend of internal and external sources. Own-source revenue, exchequer, development and private partners will be the main source of financial resources to implement the plan. The company will partner with the County Government of Kilifi to mobilize resources through Public-Private Partnerships (PPPs) as well as commercial financing arrangements. Table 16 presents a summary of the cost of implementation of the FY 2024/2025 – 2033/2034 while the resource gaps are captured in Table 11.

Table 16: MAWASCO 10-Year Financial Requirements

FINANCIAL REQUIREMENTS												
S/No	Key Result Area (KRA)	Budget by Plan Year (Kshs. Millions)										
		2024/25	2025/26	2026/27	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/2034	Total
1.	Water and Sanitation Infrastructure Management & Network Efficiency Improvement	4,139.78	2,517.34	2,058.34	2,821.72	2,382.53	2,074.53	2,242.53	1,666.53	1,578.03	1,443.03	<b>22,924.36</b>
2.	Effective customer engagement and Financial Viability	48.70	36.24	31.08	55.43	29.97	24.12	26.17	24.23	28.28	24.44	<b>328.66</b>
3.	Financial Sustainability	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	1.6	<b>16</b>
4.	Institutional Strengthening/Risk Management/Governance	17.55	5.48	7.20	10.85	8.30	16.53	14.50	7.75	10.20	14.23	<b>109.08</b>
5.	Administration Costs	849.81	885.47	909.02	924.05	939.63	955.80	972.57	989.99	1,008.09	1,026.90	<b>9,461.34</b>
<b>Total</b>		<b>5,057.45</b>	<b>3,446.12</b>	<b>3,007.24</b>	<b>3,813.65</b>	<b>3,362.03</b>	<b>3,072.57</b>	<b>3,257.38</b>	<b>2,690.10</b>	<b>2,626.20</b>	<b>2,510.20</b>	<b>32,842.93</b>

### 7.1.1 Resource Gaps

The estimated funds available for implementation of Strategic Plan 2025-2034 is Ksh. 32,842.93 million over the 10-year period. However, there is a funding gap of Ksh. 225.07 as tabulated in Table 12.

Table 17: Resource Gaps

Financial Year	Estimated Financial Requirements (Ksh. M)	Resource Allocations (Ksh Millions)	Variance (Ksh. Millions)
2024/2025	5,057.45	3,538.09	(1,519.36)
2025/2026	3,446.12	2,892.25	(553.87)
2026/2027	3,007.24	2,517.43	(489.81)
2027/2028	3,813.65	3,706.32	(107.33)
2028/2029	3,362.03	3,446.27	84.23
2029/2030	3,072.57	3,567.54	494.96
2030/2031	3,257.38	4,287.51	1030.14
2031/2032	2,690.10	4,189.80	1499.70
2032/2033	2,626.20	4,472.65	1846.44
2033/2034	2,510.20	4,504.75	1994.56
<b>Total</b>	<b>32,842.93</b>	<b>32,617.86</b>	<b>(225.07)</b>

## 7.2 Resource Mobilization Strategies

Resource mobilization for enhanced financial sustainability is crucial for the realization of the set objectives in this strategic plan. The Company will be committed to uphold high standards for effective and prudent allocation of resources towards each activity that will be undertaken. The main aim of resource mobilization is to strengthen the funding through diversified revenue sources. In order to enhance implementation of this strategic plan and address the gaps in resource requirements, MAWASCO will explore the following resource mobilization strategies:

- Enhance internal sources of funding through timely tariff review and adjustments;
- Formulate strategies to increase the number of active water and sewerage connections;
- Lobby for grants and other forms of support from the County Government of Kilifi and the National Government;
- Foster partnerships with development partners;
- Leverage on ICT to enhance operational efficiency and effectiveness to reduce costs and thereby releasing funds to other priority areas;
- New product development to improve service delivery and enhance revenue. This could include sell of bottled water etc.
- Enhance collection of outstanding customer debts.
- Explore commercial financing.

## 7.3 Resource Management

Given the scarce nature of financial resources, there is need for the company to ensure they are used efficiently. To this end, MAWASCO will establish the following measures to ensure prudent resource management:

- Implement mechanisms for monitoring and evaluating resource utilization and performance;

- b) Identify avenues for process automation and optimization to enhance efficiency and reduce wastages;
- c) Establish and implement proper financial controls and oversight systems to ensure prudent resource utilization;
- d) Promote partnerships and resource sharing initiatives in the Board and with other external stakeholders. This will improve cost saving and more effective utilization of resources;
- e) Implement a transparent system to ensure resources are allocated on the basis of priorities and cost effectiveness while enhancing accountability.

# CHAPTER 8:

## MONITORING, EVALUATION AND REPORTING FRAMEWORK

- 
- **Monitoring Framework**
  - **Performance Standards**
  - **Evaluation Framework**
  - **Mid-Term Evaluation**
  - **End-Term Evaluation**
  - **Reporting Framework and Feedback Mechanisms**
- 



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## CHAPTER EIGHT

### 8 MONITORING, EVALUATION, AND REPORTING FRAMEWORK

This Chapter covers the systematic approach adopted by MAWASCO to monitor its activities, gauge their effectiveness and consequently report on the achievements. M&E plays a pivotal role in projects, plans and programmes implementation. A monitoring, evaluation, learning and reporting framework has been developed and is detailed in this chapter.

#### 8.1 Monitoring Framework

Monitoring is critical as it will help track implementation of the strategic plan and establish any challenges that may necessitate adjustments. This will call for routine data collection and analysis on the strategic plan implementation progress. The findings of the analyses shall be used in decision-making, including taking remedial initiatives where deviations in implementation are identified. The M&E Officer shall be tasked with the responsibility of coordination data collection, analysis and reporting. The Officer shall work closely with the other departments to facilitate monitoring, evaluation and reporting.

The monitoring of financial resources shall also constitute part of the monitoring, evaluation and reporting framework to ensure all company resources are employed in line with the approved work plans, budgets, procurement plans as well as financial management guidelines and regulations to ensure compliance and accountability.

The monitoring activities shall encompass preparation of annual workplans by each head of department. These shall be linked to the strategic objectives, strategies and initiatives as outlined in the implementation plan. Further to this, the departmental workplans shall be cascaded to individual staff workplans which shall then be linked to MAWASCO's performance management system. The strategic plan shall be monitored on a quarterly and annual basis.

#### 8.2 Performance Standards

The monitoring and evaluation framework that will be implemented by MAWASCO to evaluate performance is based on relevance, efficiency, effectiveness, success and sustainability. The company has aligned its strategic objectives and initiatives to the established needs of the target customers as well as the county and national policies. In a bid to enhance efficiency, the plan optimizes resource allocation through enhanced operational efficiency and effectiveness. Routine evaluations shall also be undertaken to determine achievement and establish whether outcomes result in lasting impactful change. Further to this, in enhancing sustainability of the company, MAWASCO shall enhance the Board's capacity to create sustainable financing.

#### 8.3 Evaluation Framework

Evaluation will be critical for establishing the effectiveness with which the strategic plan was implemented and in so doing, isolate any gaps between the planned and the achieved results. Through evaluation, the company shall also be able to assess the level of attainment of the planned strategic objectives, in addition to establishing any changes in the company's performance as a result of the initiatives being undertaken.

Evaluation of the Plan implementation shall be conducted during and after implementation in a bid to establish the level of achievement of the intended outcomes. This shall be carried out quarterly and annually against the activities identified within the annual work plans and the KPIs. The result of the quarterly monitoring will be a strategic plan review report whereas the output of the annual review shall be an annual report for the period.

### 8.3.1 Mid-Term Evaluation

A mid-term review will be undertaken every three years to evaluate the statuses of implementation of the various planned activities. Feedback will then be provided and this shall be used to effect the necessary changes in the strategic objectives and initiatives based on new information regarding the company. Half-term evaluations will include data collection, analysis and preparation and presentation of reports. The recommendations obtained from the mid-term review will be implemented in the remaining period of the strategic plan.

### 8.3.2 End-Term Evaluation

In the FY 2033/2034, and end-term evaluation to examine the level of success in implementation of the strategic plan as well as the impact of the executed strategic initiatives. The end-term evaluation report will highlight the key achievements, challenges faced, lessons learnt and recommendations for performance improvement. The end-term evaluation will also entail data collection, analysis, preparation and presentation of reports as well as drafting of the management response. The findings and results of the end-term evaluation will inform the development of the next strategic plan.

Table 18: Outcome Performance Matrix

S/No	KRA	Outcome	Outcome Indicator	Baseline		Target	
				Value	Year	Mid-Term Period	End of Plan Period
1	Water And Sanitation Infrastructure Management & Network Efficiency Improvement	Increased production	Production volume (m3/d)	16,754	FY 2023/24	29,000	32,000
		Increased water coverage	Water Coverage (%)	82	FY 2023/24	86%	90%
		a) Reduced NRW b) Increased available water for sale	NRW (%)	25	FY 2023/24	24%	20%
		Increased hours of supply	Hours	15	FY 2023/24	23	24
		Increased water quality	Water Quality (%)	100	FY 2023/24	100%	100%
		Increased sanitation coverage	Sanitation Coverage (%)	0	FY 2023/24	38%	50%

S/No	KRA	Outcome	Outcome Indicator	Baseline		Target	
				Value	Year	Mid-Term Period	End of Plan Period
2	Effective Customer Engagement and Financial Viability	Reduction in debt	Reduced debt portfolio		FY 2023/24	22	14
		Increased customer base	Number of active billed connections		FY 2023/24	37,296	49,196
		Increased revenues	Revenues (Ksh)	500	FY 2023/24	75M	95M
		Increased collection efficiency	Collection efficiency (%)	90	FY 2023/24	95	100
		Increased Customer satisfaction	Customer satisfaction level (%)		FY 2023/24	69	80
3	Financial Sustainability	Increased investments	Funds Mobilized		FY 2023/24	3.45B	4.5B
		Compliance to financial budgets	Compliance levels (%)		FY 2023/24	84	90
		Increased optimization	Optimization levels (%)		FY 2023/24	92	100
4	Institutional Strengthening/Risk Management/Governance	Improved efficiency	Staff per 1000 active connections	8	FY 2023/24	5	5
		Enhanced productivity	Performance score		FY 2023/24	63	75
		Improved efficiency	Governance ranking		FY 2023/24	93	100

#### 8.4 Reporting Framework and Feedback Mechanism

The Heads of Departments (HODs) shall prepare quarterly reports for their respective departments on the status of implementation of the strategic plan and submit the same to the M&E Officer for consolidation. The heads of departments shall hold quarterly management review meetings to review the strategic plan implementation status and submit a report to the Managing Director for approval. The MD shall on a quarterly basis table a report on the implementation of the strategic plan to the Board of Directors. The M&E Officer shall on a quarterly basis also prepare a strategic plan implementation scorecard and submit to the MD for presentation before the Board. Further to this, the Board shall also carry out mid-term and end-term reviews to ensure that the necessary changes on the strategic objectives, strategies and initiatives are appropriately effected as informed by the emerging issues, trends and the operating environment.

In the course of implementing the strategic plan, the quarterly, annual, mid-term and end-term evaluations will be undertaken using the templates presented in Tables 14, 15 and 16.



Table 19: Quarterly Progress Reporting Template

Expected Output	Output Indicator	Annual Target (A)	Quarter for Year...			Cumulative to Date			Remarks	Corrective Intervention
			Target (B)	Actual (C)	Variance (C-B)	Target (E)	Actual (F)	Variance (F-E)		

Table 20: Annual Progress Reporting template

Expected Output	Output Indicator	Achievement for Year...			Cumulative to Date			Remarks	Corrective Intervention
		Target (A)	Actual (B)	Variance (B-A)	Target (D)	Actual (E)	Variance (E-D)		

Table 21: Evaluation Reporting Template

Key Result Area	Expected Output	Output Indicator	Baseline		Mid-Term Evaluation		End Plan Period Evaluation		Remarks	Corrective Intervention
			Value	Year	Target	Achievement	Target	Achievement		
KRA 1										
KRA 2										
KRA 3										
KRA 4										

## 8.5 Key Performance Indicators

Table 22: 10-years' KPIs

S/N o.	KPIs	FY22/23	FY23/24 (As at 3rd	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
	<b>WASREB KPIs</b>	<b>Actuals</b>		<b>Targets</b>									
1	Non-Revenue Water (%)	24%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%	25%
2	Metering Ratio (%)	100	100	100	100	100	100	100	100	100	100	100	100
3	Hours of Supply	15	15	23	24	24	24	24	24	24	24	23	23
4	Water Coverage (%)	71	82	83	84	85	86	87	88	89	90	90	90
5	Sanitation Coverage (%)	54		25	27	30	34	37	41	45	48	52	57
6	Drinking Water Quality (%)	100	100	95	95	95	95	95	95	95	95	95	95
7	Water production volumes (m³)	17,590	16,754	20,000	24,000	27,000	30,000	33,000	35,000	40,000	44,000	44,000	44,000
8	Volume of water billed (m3)	13,368	12,566	15,000	18,000	20,250	22,500	24,750	26,250	30,000	33,000	33,000	33,000
9	Waste water Treatment volumes	0	0	-	-	-	-	-	4,000	7,000	9,000	12,000	12,000
10	Volume of Faecal Sludge Treated	0	0	-	-	-	370	620	870	1,120	1,120	1,120	1,120
11	Revenue collection efficiency (%)	90	90	95%	95%	95%	95%	95%	95%	95%	95%	95%	95%
12	Length of Pipeline extended		1,253	74	11	10	46	10	10	10	10	10	10
13	Length of Water Pipeline rehabilitated			58	2	2	34	22	22	22	22	22	22
14	Sewerage network coverage (km)	0	0	-	-	-	105	150	195	220	220	220	220
15	Turnover / Water Billing (Million Ksh.)	509	500	844.76	845.92	847.10	1,309.32	1,512.27	1,684.11	2,020.94	2,334.18	2,450.89	2,573.44
16	Sewer Billing (Ksh)			-	-	-	-	-	257.42	472.57	637.62	892.26	936.82
17	<b>Total Billing (Turnover)</b>			<b>844.76</b>	<b>845.92</b>	<b>847.10</b>	<b>1,309.32</b>	<b>1,512.27</b>	<b>1,941.54</b>	<b>2,493.51</b>	<b>2,971.80</b>	<b>3,343.15</b>	<b>3,510.25</b>
17	Revenue Collection (millions in Ksh.)	445	418	802.52	803.62	804.74	1,243.86	1,436.65	1,844.46	2,368.84	2,823.21	3,175.99	3,334.74
18	Billing Efficiency (%)	76%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%	75%

S/N o.	KPIs	FY22/23	FY23/24 (As at 3rd	FY24/25	FY25/26	FY26/27	FY27/28	FY28/29	FY29/30	FY30/31	FY31/32	FY32/33	FY33/34
19	Meter Reading Efficiency (%)	85	84	100	100	100	100	100	100	100	100	100	100
20	Customer Satisfaction Index (%)			57	60	63	66	69	72	75	78	80	80
21	Total Number of Connections	42,090	43,358	38,936	40,936	42,936	44,936	46,936	48,936	50,936	52,936	54,936	56,936
22	Number of active Connections	26,991	27,696	30,535	33,373	36,212	39,051	41,890	44,728	47,567	50,406	53,244	56,083
23	Percentage of active connections (%)	64%	64%	78%	82%	84%	87%	89%	91%	93%	95%	97%	99%
24	Sewer connections	0	0	-	-	-	2,287	2,662	3,037	3,412	3,787	4,162	4,587
25	Average tariff	108	152	151.63	151.73	151.84	159.43	167.40	175.77	184.56	193.79	203.48	213.65
26	Debt recovery (Ksh. in Millions)			3.15	3.31	3.47	3.65	3.83	4.02	4.22	4.43	4.65	4.89
27	Average collection period (Days)	120	120	30	28	26	24	22	20	18	16	14	14
28	Personnel expenditure as % of total O&M (%)	37	38	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%
29	BOD expenditure as a % of total operating cost	2	2	2	2	2	2	2	2	2	2	2	2
30	Average Cost/m <sup>3</sup>	129.21	167.99	155.22	134.77	122.99	132.86	139.50	168.87	189.77	205.60	231.30	242.86
31	No. Employees	218	218	183	167	181	195	209	224	238	252	266	280
32	Staff productivity (Staff per 1000 connections)	8	8	6	5	5	5	5	5	5	5	5	5
33	Employee satisfaction (%)	Not Done	Not Done	99%									
34	Total Operation and Maintenance Costs	630.46	770.45	850	885	909	1,091.10	1,260.22	1,617.95	2,077.93	2,476.50	2,785.96	2,925.21
35	Cost Coverage			115.2%	112.3%	109.3%	120.0%	120.0%	120.0%	120.0%	120.0%	120.0%	120.0%



# MALINDI WATER AND SEWERAGE COMPANY (MAWASCO)



## Contacts

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