

**Nairobi City Water
and Sewerage Company Ltd**



STRATEGIC PLAN

(Popular Version)

2024/25 - 2028/29





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Vision



To be a world class provider of water and sewerage services



Mission

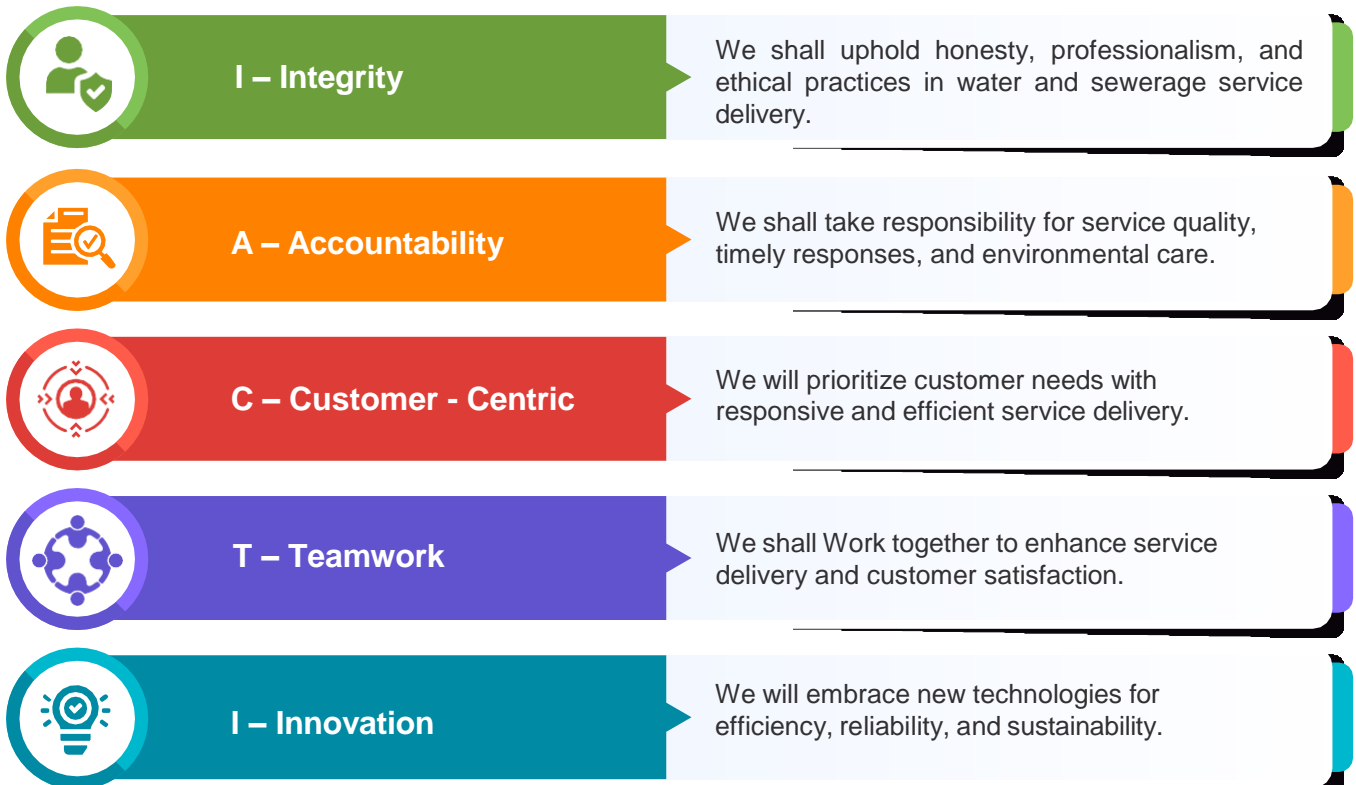


To provide sustainable reliable quality water and sewerage services that delight customers in Nairobi City County and its environs



Core Values

The guiding core values that NCWSC endeavours to put into practice to inculcate a strong corporate culture are;



Core Values Acronym: **I ACT Innovatively**

FOREWORD

Nairobi City Water & Sewerage Company Ltd (NCWSC) has launched its 6th Strategic Plan for 2024/25 to 2028/29, aimed at becoming a world-class provider of water and sewerage services. This five-year plan addresses key challenges within Kenya's water sector while aligning with global priorities like the Sustainable Development Goals (SDGs) and national frameworks, such as Kenya Vision 2030. It sets ambitious targets to increase water production, expand sewerage coverage, reduce non-revenue water, enhance governance, combat climate change, and ensure financial sustainability, building on the progress of providing 82% of Nairobi's population with piped water.

According to the Water Services Regulatory Board's 16th Impact Report, national water coverage in Kenya is at 60%, with NCWSC serving approximately 24% of the population covered by regulated water service providers, highlighting its crucial role in expanding access to clean water and sanitation in Nairobi. The strategic plan incorporates lessons from previous periods and addresses sector-specific challenges, aligning with NCWSC's mandate as a subsidiary of Nairobi City County as per the Water Act 2016 (Amended 2024).

This plan directly supports multiple SDGs, particularly SDG 6 on Clean Water and Sanitation, and aligns with broader objectives related to health, gender equality, economic growth, and sustainable urban development. The Board of Directors is committed to providing the necessary leadership and support for the plan's successful implementation, which includes a robust framework featuring annual work plans, performance contracting, and risk management strategies. This Strategic Plan embodies a significant advance toward achieving universal access to safe water and sanitation for Nairobi's residents, with NCWSC poised to make substantial contributions to Kenya's sustainable development goals.



Arnold Karanja
Chairman, Board of Directors
Nairobi City Water & Sewerage Company Ltd (NCWSC)

PREFACE

The Nairobi City Water & Sewerage Company Ltd (NCWSC) has been dedicated to enhancing its mandate of providing quality water and sanitation services since its establishment in December 2003. Over the years, NCWSC has developed several strategic plans, including two initial three-year plans and three five-year plans, with the latest being the 6th Strategic Plan for 2024/25 to 2028/29.

All previous strategic plans were created through a participatory process, ensuring stakeholder insights were included, fostering ownership and successful implementation. These plans align with global and national frameworks, such as the Sustainable Development Goals, Kenya Vision 2030, and the Water Act 2016 (amended 2024). The 5th Strategic Plan recorded a 65% success rate in achieving its goals, backed by an investment of approximately KES 42 billion.

The 6th Strategic Plan is grounded in the Constitution of Kenya 2010 and is designed to address pressing water challenges with a projected budget of KES 107.763 billion. The plan focuses on six thematic areas:

1. Water Supply Management: Increasing daily water production capacity and potable water coverage.
2. Wastewater Management: Expanding sewerage coverage and enhancing sewage treatment capacity.
3. Non-Revenue Water (NRW): Reducing water losses significantly.
4. Governance and Institutional Capacity: Strengthening corporate governance and institutional effectiveness.
5. Climate Change and Future Proofing: Implementing strategies to address climate risk.
6. Finance and Resource Mobilization: Ensuring financial sustainability.

The plan has benefitted from contributions by partners like World Waternet and collaboration among NCWSC stakeholders. With the support of the Board of Directors and ongoing partnerships, NCWSC is confident in the successful implementation of the 6th Strategic Plan. Guided by core values—Integrity, Accountability, Customer-Centricity, Teamwork, and Innovation—NCWSC is committed to enhancing water and sanitation services for the residents of Nairobi.



Eng. Nahason Muguna

Managing Director

Nairobi City Water & Sewerage Company Ltd (NCWSC)

ACKNOWLEDGEMENTS

At Nairobi City Water & Sewerage Company Ltd (NCWSC), we are dedicated to enhancing the quality of life for Nairobi's residents through reliable water and sanitation services. Our sixth strategic plan, spanning from 2024/25 to 2028/29, outlines our vision for a sustainable future, emphasizing collaborative efforts and a deep understanding of our stakeholders' needs.

This plan prioritizes access to clean water, expansion of sanitation infrastructure, and environmental sustainability. It also contains strategies for resilience and innovation, enabling adaptability to challenges like climate change and urban growth. By aligning our objectives with Nairobi's development goals, we aspire to promote economic growth, public health, and social equity.

We acknowledge the contributions of the Strategic Plan Development Committee, the Board of Management, and the Board of Directors in facilitating this initiative. We invite all stakeholders to join us in realizing this vision, ensuring impactful service delivery for generations to come. Together, we can make every drop count.



Paul Evans Omondi

Finance & Strategy Director

Nairobi City Water & Sewerage Company Ltd (NCWSC)

EXECUTIVE SUMMARY

The Nairobi City Water & Sewerage Company Ltd (NCWSC) has developed a strategic plan that aligns with national development frameworks, including Kenya's Vision 2030, the National Water Master Plan 2030, and various sector policies such as the Water Act 2016. This comprehensive plan is centred on defining the organization's purpose, establishing clear objectives, and navigating operational challenges while boosting stakeholder engagement.

The company is committed to the United Nations Sustainable Development Goals (SDGs), particularly goal number 6, which focuses on ensuring access to clean water and sanitation for all. NCWSC's efforts also support the following SDGs;



The strategic plan was formulated through a participatory process, involving a broad range of stakeholders including internal staff, management, the Board of Directors, Nairobi County officials, and international partners such as World Waternet. NCWSC is tasked with delivering water and sewerage services in Nairobi and its surroundings.

Key strategic goals outlined in the plan include:

- Increasing water production capacity from 525,600 m³/day to 1,200,000 m³/day and enhancing potable water coverage from 79% to 92%.
- Expanding sewerage coverage from 49% to 70% and increasing sewage treatment capacity from 194,000 m³/day to 675,000 m³/day.
- Reducing non-revenue water from 48% to 30%.
- Enhancing corporate governance and institutional capacity.
- Strengthening climate change adaptation, mitigation, and resilience.
- Promoting sustainability and revenue growth.

The strategic plan is built upon the company's core values of integrity, accountability, customer-centricity, teamwork, and innovation. A situational analysis, conducted using the PESTEL framework, identified opportunities such as political support and technological advancements, alongside threats like political interference and climate change. Internal strengths include a responsive governance structure and a skilled workforce, while weaknesses involve governance challenges, inefficient processes, and outdated infrastructure.

The strategic plan categorizes these goals into six Key Result Areas (KRAs): Water Supply Management, Wastewater Management, Non-Revenue Water, Governance and Institutional Capacity, Climate Change & Future Proofing, and Finance & Resource Mobilization. Additionally, the plan provides a detailed implementation framework that includes action plans, performance indicators, and risk management strategies to ensure the effective achievement of its objectives.

DEFINITION OF CONCEPTS & TERMINOLOGIES

Indicator:	A tool for measuring progress/change resulting from an intervention, assessing impacts, outcomes, outputs, and inputs during project implementation.
Key Results Areas:	Broad domains where NCWSC aims to achieve significant outcomes to fulfil its vision and mission.
Key Activities:	Actions performed to mobilize inputs for producing outputs
Outcome:	Intermediate results relative to intervention objectives, reflecting actual changes from program outputs.
Output:	Tangible or intangible products and services that arise directly from activity implementation.
Strategies:	Descriptive means for achieving strategic objectives.
Sustainability:	Responsible resource use to meet current needs without compromising future generations, integrating environmental protection, economic viability, and social equity.
Strategic Issues:	Threats or opportunities identified in situational analysis that NCWSC must manage to fulfil its mandate.
Strategic Goal:	Long-term qualitative statements NCWSC aims to achieve, linked to strategic issues and foundational for planning.
Strategic Objectives:	Committed to achieve strategic goals, designed to be SMART and measure success in core mission elements.
Target:	A specific result to be achieved within a designated time frame
Top Leadership:	Individuals or groups responsible for guiding the organization's vision and achieving its mission, including various high-level officials.
Value Chain:	Description of production-to-market linkages, illustrating how value is added for customers through efficient processes.
Baseline:	Initial state of an indicator before the project/program starts, serving as a comparison point for assessing progress

LIST OF ABBREVIATIONS & ACRONYMS

AI	Artificial Intelligence
AfWASA	African Water and Sanitation Association
AWWDA	Athi Water Works Development Agency
BoD	Board of Directors
BoM	Board of Management
CBOs	Community-Based Organizations
CEO	Chief Executive Officers
CSR	Corporate Social Responsibility
DN	Diameter Nominal
FY	Financial Year
GDP	Gross Domestic Product
GIS	Geographic Information System
ICT	Information Communication Technology
IoT	Internet of Things
ISO	International Organization for Standardization
IWA	International Water Association
KARA	Kenya Alliance of Resident Associations
KEBS	Kenya Bureau of Standards
KEPSA	Kenya Private Sector Alliance
KFS	Kenya Forest Service
KIWASH	Kenya Integrated Water, Sanitation, and Hygiene
KPI	Key Performance Indicator
KRA	Key Result Areas
LIMS	Laboratory Information Management System
MD	Managing Director
NCCG	Nairobi City County Government
NCIDP	Nairobi County Integrated Development Plan
NCWSC	Nairobi City Water and Sewerage Company
NEMA	National Environment Management Authority
NGO	Non-Governmental Organization
NIUPLAN	Nairobi Integrated Urban Development Masterplan
NRW	Non-Revenue Water
PESTLE	Political, Economic, Social, Technological, Legal, and Environmental
PPP	Public-Private Partnerships
QMS	Quality Management System
R&D	Research and Development
SCADA	Supervisory Control and Data Acquisition
SDGs	Sustainable Development Goals
SOPs	Standard Operation Procedures
SP	Strategic Plan
SPIC	Strategic Plan Implementation Committee
SWOT	Strengths, Weaknesses, Opportunities, and Threats
WAG	Water Action Group
WASPA	Water Service Providers Association
WaSREB	Water Services Regulatory Board
WATSAN	Water and Sanitation
WRA	Water Regulatory Authority
WRUA	Water Resources Users Association
WSPs	Water Safety Plans/Water Service Provider(s)
WWTPs	Wastewater Treatment Plants



CHAPTER 1

INTRODUCTION

1.0. Overview

This chapter highlights the context on which the new Strategic Plan has been set as well as background of the Nairobi City Water & Sewerage Company Ltd (NCWSC) and the methodology used in preparation of the 2024/25- 2028/29 Strategic Plan.

1.1. Strategy as an Imperative for Organizational Success

Nairobi City Water & Sewerage Company Ltd (NCWSC) plays a crucial role in providing water and sanitation services to Nairobi and its surroundings. Committed to improving residents' quality of life, NCWSC's sixth strategic plan (2024/25 to 2028/29) focuses on addressing emerging challenges, enhancing access to clean water, expanding sanitation infrastructure, and promoting environmental sustainability through innovative solutions.

1.1.1 Background of NCWSC

Nairobi City Water & Sewerage Company Ltd (NCWSC), established in December 2003, is a subsidiary of Nairobi City County dedicated to providing water and sewerage services. Adhering to the Water Act of 2016, NCWSC emphasizes the sustainable delivery of clean water and sanitation, recognizing these as fundamental human rights and aligning with Sustainable Development Goal 6 for universal access to water.

The National Water Master Plan 2030 informs

NCWSC's strategies, while county governments oversee water services per the Constitution. Facilitating universal access is central to Kenya's Vision 2030 and Medium-Term Plan IV, which NCWSC integrates through initiatives like NIUPLAN and the Nairobi County Integrated Development Plan. Regulated by the Water Services Regulatory Board (WaSREB), NCWSC also collaborates with community-based organizations and NGOs to enhance service delivery, particularly in informal settlements.

Nairobi's water supply is primarily sourced from Thika Dam, Sasumua Dam, Kikuyu Springs, and Ruiru Dam. While about 80% of residents rely on NCWSC, many utilize alternative sources. NCWSC maintains various reservoirs throughout the city, remaining committed to ensuring reliable access to clean water and efficient sewerage services for all residents.

“As the city continues to grow and evolve, so too must our strategies to meet emerging challenges and harness new opportunities.”

1.2 The Context of Strategic Planning

Strategic planning is crucial for the Nairobi City Water & Sewerage Company Ltd (NCWSC) to enhance water and sanitation services. By creating a focused strategy, NCWSC can improve operational efficiency, service delivery, and sustainable resource management. This involves assessing current realities and setting priorities while addressing emerging challenges like climate change and population growth. The strategic plan also emphasizes strengthening stakeholder engagement with key entities, optimizing resource use, and enhancing decision-making. Ultimately, the plan aims to ensure Nairobi residents have access to safe, reliable, and affordable water and sewerage services

thus, contributing to broader national and global development goals.

1.2.1 United Nations 2030 Agenda for Sustainable Development

The Nairobi City Water & Sewerage Company Ltd (NCWSC) is instrumental in advancing the United Nations Sustainable Development Goals (SDGs), particularly goal 6, which focuses on ensuring access to clean water and sanitation for all. NCWSC's efforts also support several other SDGs, including:

3 GOOD HEALTH
AND WELL-BEING**SDG 3: Good Health and Well-being**

By providing clean water and improving sewerage services, NCWSC helps reduce waterborne diseases, contributing to better public health.

5 GENDER
EQUALITY**SDG 5: Gender Equality**

Expanding water access reduces the burden on women and girls who traditionally fetch water, enabling them to pursue education and employment. NCWSC also promotes gender inclusivity in its workforce and leadership.

8 DECENT WORK AND
ECONOMIC GROWTH**SDG 8: Decent Work and Economic Growth**

Reliable water and sanitation services support businesses and industries, creating jobs and stimulating economic activity. Infrastructure projects also generate employment opportunities.

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE**SDG 9: Industry, Innovation, and Infrastructure**

NCWSC invests in modernizing water and sewerage systems, adopting advanced technologies, and expanding infrastructure to support sustainable urban development.

11 SUSTAINABLE CITIES
AND COMMUNITIES**SDG 11: Sustainable Cities and Communities**

NCWSC addresses water scarcity, improves wastewater management, and expands services to informal settlements, promoting equitable access and reducing urban pollution.

13 CLIMATE
ACTION**SDG 13: Climate Action**

NCWSC addresses climate change by implementing sustainable water management practices, such as reducing non-revenue water and supporting watershed conservation to enhance climate resilience and ensure a reliable water supply amidst climate change impacts.

17 PARTNERSHIPS
FOR THE GOALS**SDG 17: Strengthen the Means of Implementation and Revitalize the Global Partnership for Sustainable Development**

NCWSC fosters partnerships to enhance access to water and sewerage services. The company partners with the government agencies and development partners to promote accessibility to water and sewerage services.

NCWSC's initiatives are aligned with Kenya's Vision 2030, the National Water Master Plan 2030, and other local development frameworks. Through strategic planning, technological innovation, and partnerships, NCWSC contributes to a healthier, more prosperous, and environmentally sustainable Nairobi, while advancing multiple SDGs.

1.2.2 African Union Agenda 2063

NCWSC significantly contributes to the African Union's Agenda 2063 by providing clean, affordable, and sustainable water and sanitation services. The company's efforts enhance Nairobi's water infrastructure, ensuring equitable access for all residents, including informal settlements.

By modernizing systems, NCWSC improves public health, reduces poverty, and stimulates economic growth. Additionally, it promotes sustainable resource management and climate resilience through water recycling and conservation initiatives. Emphasizing transparency and public engagement, NCWSC fosters inclusive governance and supports community empowerment through training and awareness programs, reinforcing efforts for a prosperous and peaceful Nairobi aligned with Agenda 2063.

Overall, NCWSC's efforts align with Agenda 2063's goals, contributing to a sustainable, inclusive, and prosperous future for Nairobi and Africa as a whole.

1.2.3 East Africa Community

Vision 2050

The East African Community Vision 2050 aims to transform the region into an upper-middle-income area through sustainable growth, industrialization, and social inclusivity.

NCWSC supports this vision by providing clean and affordable water and sanitation services, enhancing health and well-being, facilitating industrial growth, and developing resilient infrastructure, ultimately contributing to sustainable development and improved quality of life in Kenya.



NCWSC prioritizes transparency, accountability, and public participation, engaging key stakeholders such as residents, government agencies, and community organizations—in decision-making processes.

1.2.4 Constitution of Kenya

The East African Community Vision 2050 aims to transform the region into an upper-middle-income area through sustainable growth, industrialization, and social inclusivity.

This strategic plan outlines key initiatives to enhance access to clean water, expand sewerage services for enhanced sewer treatment and disposal, and promote sustainable water resource management, thereby ensuring the effective implementation of constitutional provisions

1.2.5 Kenya Vision 2030, Bottom-Up Economic Transformation Agenda, Fourth Medium Term Plan, and Nairobi County Integrated Development Plan

The NCWSC Strategic Plan is closely aligned with Kenya's national development frameworks, including Kenya Vision 2030, the Bottom-Up Economic Transformation Agenda (BETA), and the Fourth Medium Term Plan (MTP IV).

Kenya Vision 2030 emphasizes universal access to clean water as a cornerstone for socio-economic transformation, linking improved water and sanitation services to public health and urban development.

To support these goals, NCWSC focuses on infrastructure expansion, innovative technologies, and sustainable water management to enhance service delivery in Nairobi.

BETA addresses pressing issues such as high living

costs, food insecurity, and unemployment through various sectors, highlighting the necessity of reliable water services for inclusive economic growth. NCWSC contributes by improving access in underserved areas and enhancing water distribution efficiency.

MTP IV (2023-2027) operationalizes Vision 2030 by promoting climate resilience and infrastructure investment, aiming to ensure universal access to water and sanitation.

Furthermore, the Nairobi County Integrated Development Plan (CIPD) sets strategic priorities for water services. By aligning with these comprehensive frameworks, NCWSC plays a pivotal role in sustainable urban water management, contributing to economic growth and enhancing the quality of life for Nairobi residents.

“ Kenya Vision 2030 highlights universal access to clean and safe water as essential for social and economic transformation, linking improved water and sanitation services to public health, industrial growth, and urban development.



1.2.6 Sector Policies and Laws

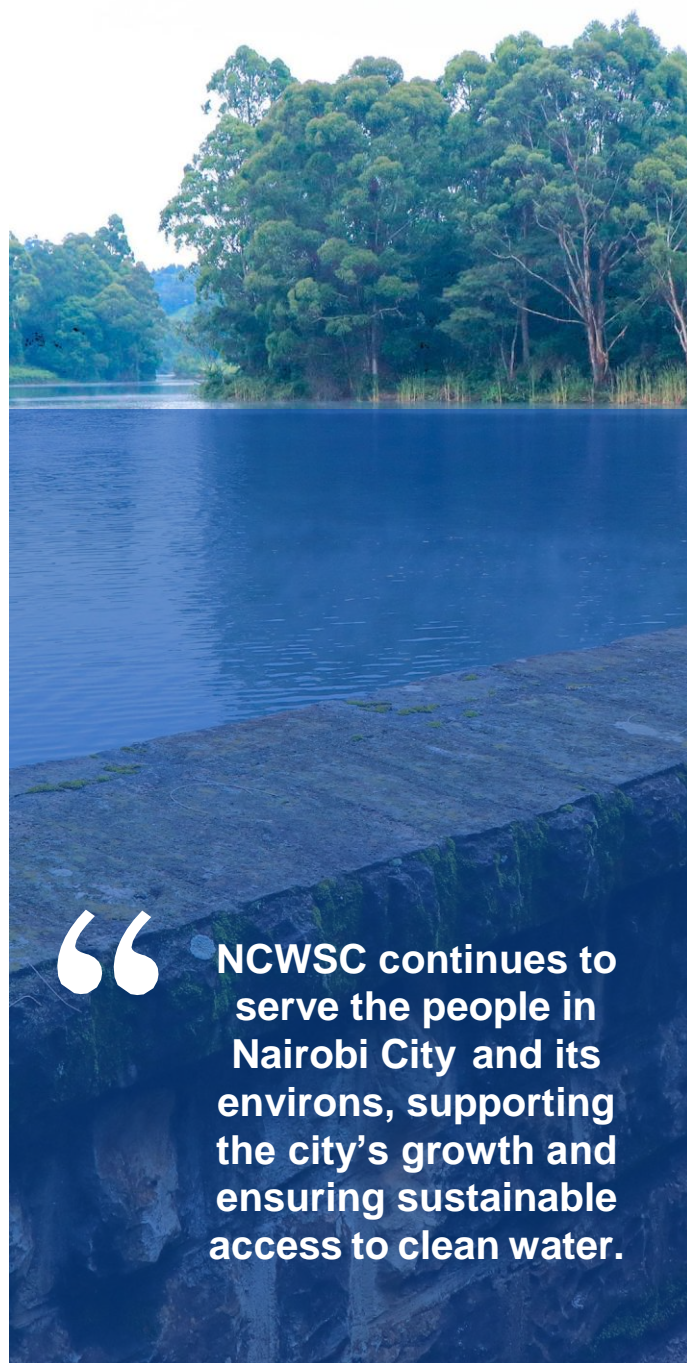
The Nairobi City Water & Sewerage Company Ltd (NCWSC) operates within Kenya's robust policy and legal frameworks for water and sanitation. Key frameworks include, and not limited to:

- i) The Constitution of Kenya 2010 – Supreme law that recognizes access to clean water and sanitation as a basic human right (Article 43(1) (d)).
- ii) Water Act 2016 (amended 2024) – Primary statute regulating water resource management, equitable access, and public-private partnerships (PPPs).
- iii) National Water Policy, 2021 – Provides policy direction for sustainable water resource use in alignment with Kenya Vision 2030.
- iv) Nairobi County Integrated Development Plan (2023 to 2027)
- v) Environmental Management and Coordination Act (EMCA), 1999 – Ensures environmental sustainability in water abstraction, conservation, and wastewater management.
- vi) Public Health Act (Cap. 242) – Establishes sanitation and hygiene standards to safeguard public health.
- vii) Companies Act 2015 – Governs NCWSC's incorporation, governance, compliance, and financial operations.
- viii) Nairobi City County Water and Sanitation Services Act – County-specific regulation guiding water service delivery within Nairobi.

By aligning with these policies, NCWSC ensures regulatory compliance, accountability, and high-quality, sustainable water and sewerage services for Nairobi residents.

1.3. Methodology of Developing the Strategic Plan

The strategic plan was developed through a participatory and consultative process involving staff, management, the Board of Directors, the Nairobi County, the World Waternet, and other key stakeholders. Input was gathered via questionnaires, consultation workshops, and brainstorming sessions facilitated by a consultant. These sessions reviewed past performance, analysed the operating environment, and outlined future directions. The plan underwent validation exercises, including workshops with management, SPDC, and stakeholders, and a final review by the Board of Directors. Feedback was incorporated to ensure the plan's relevance, effectiveness, and alignment with NCWSC's goals and stakeholder expectations.



“ NCWSC continues to serve the people in Nairobi City and its environs, supporting the city's growth and ensuring sustainable access to clean water.

A scenic view of a large reservoir or dam. The water is calm and blue, reflecting the sky. A winding road runs along the right side of the reservoir, bordered by a stone wall. In the distance, a small structure is visible in the water. The background features a dense forest of green trees and rolling hills under a blue sky with scattered white clouds.

CHAPTER 2

STRATEGIC DIRECTION

2.0 Overview

This chapter presents the strategic framework of Nairobi City Water & Sewerage Company Ltd (NCWSC), defining its mandate, vision, mission, goals, core values, and quality policy. It emphasizes NCWSC's commitment to providing reliable water and sewerage services in Nairobi and its surroundings, focusing on customer satisfaction, sustainability, and adherence to international standards for continuous improvement and excellence.

2.1 Mandate

"To provide water and sewerage services in Nairobi City County and its environs".

2.2 Vision Statement

"To be a world-class provider of water and sewerage services."

2.3 Mission Statement

"To provide reliable quality water and sewerage services through innovative and sustainable solutions that delight customers in Nairobi City County and its environs".

2.4 Strategic Goals

During the plan period, NCWSC will pursue the following strategic goals;

- i) To increase water production capacity from 525,600m³/day to 1,200,000m³/day and potable water coverage from 79% to 92%.
- ii) To Increase sewerage coverage from 49% to 70% and sewage treatment capacity from 194,000m³/day to 675,000m³/day.

- iii) To reduce non-revenue water from 48% to 30%.
- iv) Enhance Corporate Governance and Institutional Capacity.
- v) Enhance climate change adaptation, mitigation, and resilience.
- vi) Enhance sustainability and revenue growth from Ksh.10.95bn to Ksh.24.41Bn.

2.5 Core Values

The guiding core values that NCWSC endeavours to put into practice to inculcate a strong corporate culture are;

I – Integrity: We shall uphold honesty, professionalism, and ethical practices in water and sewerage service delivery.

A – Accountability: We shall take responsibility for service quality, timely responses, and environmental care.

C – Customer-Centric: We will prioritize customer needs with responsive and efficient service delivery.

T – Teamwork: We shall Work together to enhance service delivery and customer satisfaction.

I - Innovation: We will embrace new technologies for efficiency, reliability, and sustainability.

Core Values Acronym: **I ACT Innovatively.**

2.6 Quality Policy Statement

Nairobi City Water & Sewerage Company Ltd (NCWSC) is committed to providing reliable quality water and sewerage services through innovative and sustainable solutions that delight customers in Nairobi City County and its environs.

The Company is committed to implementing the requirements and continually improving its Quality Management System based on ISO 9001:2015 International Standard and the applicable requirements.





CHAPTER 3

SITUATIONAL AND STAKEHOLDER ANALYSIS

“

By integrating insights from stakeholder engagement, NCWSC aims to enhance its strategic positioning and operational effectiveness.

”



3.0 Overview

This chapter evaluates internal and external factors impacting Nairobi City Water and Sewerage Company Ltd (NCWSC) via a situational and stakeholder analysis, utilizing the PESTLE framework for comprehensive insights.

The review assesses NCWSC's internal environment, governance, resources, and stakeholder expectations, identifying strengths, weaknesses, and lessons learned to align strategic initiatives with stakeholder interests and enhance partnerships.

3.1 Situational Analysis

The situation analysis provides a thorough evaluation of the external and internal factors shaping NCWSC's strategic direction, utilizing PESTLE to assess political, economic, social, technological, legal, and environmental influences. It also explores market dynamics and competitive pressures while examining governance, resources, and past performance internally. This assessment identifies strengths, weaknesses, opportunities, and threats. By incorporating stakeholder insights, NCWSC seeks to strengthen its strategic positioning and operational efficiency, with further discussions outlined in the subsequent sections.

3.1.1 External Environment

A PESTLE analysis of NCWSC identified key external factors influencing performance, guiding strategic development to optimize objectives during the strategic plan period. Key influencing factors were highlighted for consideration.

Table 3.1: PESTEL analysis

Factor	Issues Affecting NCWSC	Opportunities	Threats
Political	Conflicts over trans boundary water sources	Strengthened intergovernmental partnerships for water resource sharing	Political tensions are disrupting operations and the water supply
	Political interference in operations	Increased government funding and policy alignment	Risk of mismanagement and favouritism in resource allocation
	Policy changes or unfavourable legislation	Strong advocacy through legislators and stakeholder engagement	Legal and regulatory uncertainties impacting planning and investment
	Intergovernmental conflicts, political interference, governance gaps, and weak legislation.	Strong support from national & county governments, recognition as a key water utility, donor/government funding, and partnerships with CBOs.	Conflicts with other institutions, political interference, and unfavourable regulations

Factor	Issues Affecting NCWSC	Opportunities	Threats
Economic	Inadequate funding for projects	Potential to attract external funding and investment	Delayed implementation of critical infrastructure projects
	High land acquisition costs	Strategic partnerships with landowners and county governments	Increased project costs are affecting affordability and accessibility
	Rising global costs of essential inputs	Adoption of cost-effective and alternative technologies	Financial strain on ongoing and future projects
	Increasing unemployment leads to social vices	Potential for employment creation through water and sanitation projects	Increased illegal connections and vandalism
	Economic instability and unpredictability, Interest rates	Expansion of alternative revenue streams (e.g., carbon credits, briquettes, solarization) Pricing Water as an Economic Good	Reduced financial stability affecting service provision, High inflation
	Inadequate funding, high land costs, rising global input costs, unemployment, and economic instability.	External funding & investment; PPPs with private sector; cost-effective technologies; job creation; renewable energy, carbon credits & climate financing.	Inadequate funding; delays in implementation; unaffordable service costs; financial strain; macroeconomic instability; high input/land costs
Social	Rapid expansion of informal settlements	Expansion of pro-poor water access initiatives	High demand for subsidized services is straining resources
	Increased rural-to-urban migration	Strengthening public-private partnerships to meet demand	Overstretched infrastructure is unable to meet rising demand
	Public health risks due to poor sanitation	Collaboration with health and sanitation stakeholders, creating awareness on the disposal of waste	Increased outbreak of waterborne diseases
	Informal settlement growth; urban migration; sanitation risks.	Pro-poor water access; PPPs; collaboration with health & sanitation agencies.	Overstretched infrastructure; demand for subsidies; waterborne disease outbreaks.
Technological	Rapid ICT advancements leading to obsolescence	Adoption of AI, IoT, and SCADA to improve efficiency	High costs of technology adoption and maintenance
	Cybersecurity threats to operational systems	Strengthening digital security measures and innovation	Increased risk of data breaches and cyber-attacks
	ICT obsolescence; cyber risks	Adoption of AI, IoT, SCADA, and digital innovation.	High cost of adoption; cybersecurity breaches.
Legal	Regulatory compliance and governance issues: Enabling legislation	Alignment with Water Safety Plans and Sanitation Plans Enactment of WATSAN Act: Transfer of assets from NCCG to NCWSC	Risk of litigation due to non-compliance. Unclear mandate
Macro Environmental Factors	Climate change is affecting water resources	Investment in change adaptation, mitigation, and resilience strategies	Reduced water availability due to droughts and erratic rainfall
	Terrorism threats targeting infrastructure	Enhanced security measures and collaboration with authorities	Destruction of critical water infrastructure

Factor	Issues Affecting NCWSC	Opportunities	Threats
Industry Environment	Infrastructure vandalism in informal settlements	Community engagement and awareness programs	Increased maintenance and repair costs
	Depletion of groundwater and dwindling water sources	Strengthening conservation programs and reforestation efforts	Water shortages are affecting service provision
	Rapid urbanization is increasing water demand	Expansion of supply networks and alternative water sources	Overburdened water infrastructure leading to supply inefficiencies
	Water theft is affecting revenue streams	Deployment of smart metering and stricter enforcement	Financial losses due to illegal connections
Market Environment	Water contamination and pollution risks	Strengthened water quality monitoring systems	Increased health hazards and operational costs
	Uncoordinated urban development is disrupting supply infrastructure	Collaboration with urban planning authorities	Increased infrastructure damage and costly realignments
	Expanding customer engagement via social media	Improved communication and service delivery	Public backlash due to misinformation or service failures

3.1.1.1 Micro-environment

The micro-environment consists of immediate external factors that directly influence the NCWSC in accessing resources critical to achieving its strategic objectives. These factors include labour markets, trade unions, customer profiles, creditors, and suppliers, among others, as outlined below;



Labor markets significantly impact NCWSC's ability to attract skilled personnel for efficient service delivery. To address challenges like turnover and competition, NCWSC should invest in training, competitive salaries, and a supportive work environment.



Trade unions play a vital role in NCWSC by advocating for fair wages and employee welfare, promoting industrial harmony, and necessitating open communication to prevent disputes and ensure stable operations.



Customer profiles shape demand, revenue, and service expectations. NCWSC serves various sectors, facing challenges in informal settlements. Targeted billing and digital platforms can enhance service efficiency and customer compliance.



Creditors and financial institutions are vital for NCWSC's infrastructure growth and efficiency. Strong partnerships and improved revenue collection enhance creditworthiness and operational capacity.



Suppliers play a crucial role in providing essential materials and services for water treatment. Strengthening relationships, diversifying sources, and implementing cost-effective procurement policies are vital to maintaining service quality and operational sustainability amid supply chain challenges.

Key micro-environment factors for NCWSC include regulatory compliance, collaboration with WASREB, and community engagement. These elements foster credibility and operational efficiency. By analysing these factors, NCWSC implements strategic measures to address challenges and enhance service delivery in Nairobi County and surrounding areas.

3.1.1.2 Industry Environment

The Nairobi City Water and Sewerage Company (NCWSC) operates in a competitive, regulated market, facing challenges from private vendors and informal suppliers. While it maintains a dominant position under the Water Services Regulatory Board, high infrastructure costs, inflation, and urbanization strain sustainability. Success hinges on regulatory compliance, technological advancements, reliable supply, enhanced revenue collection, infrastructure expansion, and effective stakeholder collaboration, including public-private partnerships to boost investment.

NCWSC, the primary water provider, must enhance efficiency and innovation to compete with informal vendors. Utilizing tools like Porter's Five Forces and Competitor Analysis will refine its strategy and improve long-term market competitiveness.

3.1.1.3 Market Analysis

NCWSC performed a detailed market analysis to understand its diverse customer base in Nairobi, including households, businesses, and institutions with varying service needs. The analysis revealed factors influencing demand, such as urban growth and economic changes, highlighting the importance of accessibility, affordability, and reliability. By segmenting the market, NCWSC can tailor services, identify underserved areas, and optimize resource allocation, ultimately enhancing customer experience and service delivery.

3.1.2 Summary of Opportunities and Threats

The analysis of the external environment highlights several opportunities and threats for NCWSC. Opportunities include strong political support, economic expansion, technological advancements, and a growing market. However, threats such as political interference, economic constraints, rapid technological changes, climate change, and infrastructure vandalism pose challenges to the organization's operations.



Ruiru dam spillway

Key Opportunities

- i) **Political:** Government support and strategic partnerships.
- ii) **Economic:** Expansion of services, external funding, and improved revenue streams.
- iii) **Social:** Increasing demand for water services due to population growth.
- iv) **Technological:** Adoption of automation, AI, and IOT for efficiency.
- v) **Legal:** Compliance with water safety and sanitation guidelines.
- vi) **Environmental:** Global focus on conservation and climate action.
- vii) **Industry and Market:** Skilled workforce, and access to a liberalized media space.

Key Threat

- i) **Political:** Conflicts over water resources, policy changes, and interference.
- ii) **Economic:** Funding constraints, high land acquisition costs, and economic instability.
- iii) **Social:** Expansion of informal settlements and public health concerns.
- iv) **Technological:** Risk of obsolescence due to rapid ICT changes.
- v) **Legal:** Resource mismanagement in the water sector.
- vi) **Environmental:** Climate change, terrorism threats, and water source depletion.
- vii) **Industry and Market:** Vandalism, water theft, pollution, and uncoordinated urban development.

3.1.3 Internal Environment

An analysis of NCWSC's internal environment was conducted to identify and assess the key factors influencing its performance. This evaluation aimed to inform the development of strategies that will enhance the achievement of the Company's objectives during the plan period. The analysis highlighted the following Strengths, Weaknesses, Opportunities, and Threats.

Table 3.2: Summary of Strengths and Weaknesses

Factors	Strengths	Weaknesses
Governance and Administrative Structures	Responsive governance structure (BOD, BOM, etc.)	Inadequate organizational structure leading to poor staff optimization
	Supportive legal and regulatory frameworks	Weak organizational culture is affecting productivity
	Well-defined policies and procedures	Governance and integrity challenges, including corruption
	Compliance with legal and statutory requirements (ISO Certification, water quality, OSHA, water safety plan)	Governance inefficiencies affecting service delivery
	Strong support from the County and National Governments	Political interference in management decisions
	Favourable legal framework	Slow implementation of sector reforms and policies

Factors	Strengths	Weaknesses
Internal Business Processes	Established policies and procedures	Inefficient business processes and restrictive policies for customer con- contracting
	Compliance with legal and statutory standards (ISO Certification, water quality, OSHA, water safety plan)	Non-compliance with Waste Water Regulation 2006 and other key regulations
	Ongoing digital transformation initiatives	Ineffective communication and coordination within the organization
	High technology adoption in operations and key services	Failure to meet staff productivity ratios
	Devolved business services for better accessibility	Poor sewerage network coverage, limiting service expansion
	Strong partnerships with development partners, NGOs, and CBOs	Non-responsive water distribution system leading to service inefficiencies
		High Non-Revenue Water (NRW) due to commercial and technical losses
Resources and Capabilities	Well-educated and skilled workforce	Inadequate financial resources for operations and infrastructure upgrades
	Strong corporate brand name and reputation	High debtors and creditors affect liquidity
	Continued support from development partners and stakeholders	High personnel expenditure is affecting operational costs
	Strategic partnerships (Development partners, WASREB, Athi Water)	Poor information management systems are affecting decision-making
	Potential to leverage research and innovation for efficiency, developing policies	Low staff productivity due to ineffective performance management systems Poor individual financial management (digital lenders) Drugs and substance abuse (impaired mental wellness)
Infrastructure and Operational Advantage/Challenges	Strong customer base in a high-GDP jurisdiction	Some infrastructure is aging and dilapidated, leading to frequent breakdowns
	Good raw water quality from local and neighbouring sources	Inadequate raw water supplies due to increasing demand from high population growth
	Low production, transmission, and distribution costs due to a gravity-fed system	Increasing cases of infrastructure vandalism, especially in informal settlements
	Strong asset base secured by the Nairobi City County Government (NCCG)	Rising land acquisition costs are affecting expansion projects
	Strategic location in the capital city	Rising urbanization and informal settlement growth are straining service capacity
	High potential for alternative water sources (e.g., boreholes, water harvesting)	Climate change and unpredictable weather patterns are affecting water sources



3.1.3.1 Governance and Administrative Structure

NCWSC is governed by the Board of Directors (BoD), who provide overall leadership and oversight of the Company's operations. The Board is composed of 9 members appointed by the Nairobi City County Government. To effectively discharge its mandate, the board has the following Board committees;

Human Resource, Administration,

3.1.3.1.2 Audit, Risk and Governance Committee

3.1.3.1.3 Technical, Commercial, and ICT Committee

iv) Finance Committee

The Managing Director is the accounting officer of NCWSC. He provides overall leadership and chairs the Board of Management, which comprises all heads of directorates, namely:

- a) MD' Directorate
- b) Technical Directorate
- c) Commercial Directorate
- d) Finance and Strategy Directorate
- e) Directorate of Human Resource and Administration
- f) Information Communication and Technology Directorate
- g) Company Secretary and Legal Services Directorate
- h) Internal Audit and Risk Management Directorate.

3.1.3.2 Internal Business Processes

The company conducted a thorough evaluation of its internal systems and SOPs to assess efficiency and identify improvement areas. While strengths included teamwork and effective leadership, weaknesses were noted in stakeholder education and engagement, hindering participation and causing misunderstandings. To address this, the company should enhance communication strategies, invest in targeted engagement initiatives, and leverage digital platforms, ultimately driving operational excellence and long-term sustainability.

3.1.3.3 Resources and Capabilities

The company conducted a thorough evaluation of its internal systems and SOPs to assess efficiency and identify improvement areas. While strengths included teamwork and effective leadership, weaknesses were noted in stakeholder education and engagement, hindering participation and causing misunderstandings

To address this, the company should enhance communication strategies, invest in targeted engagement initiatives, and leverage digital platforms, ultimately driving operational excellence and long-term sustainability. NCWSC faces challenges such as funding shortages, slow technology adoption, and drought impacts. Addressing these requires exploring alternative financing, workforce renewal, digital transformation, and fostering agility to enhance efficiency and sustainability.

3.1.4 Summary of Strengths and Weaknesses

The analysis of NCWSC's internal environment reveals strengths in governance, technology adoption, and skilled workforce, alongside strategic advantages from its location and asset base. However, weaknesses include governance challenges, inefficient processes, poor communication, high non-revenue water losses, financial constraints, and outdated infrastructure. These drawbacks hinder efficiency and impede the ability to meet growing water supply demands.

3.1.4.1 Analysis of Past Performance

The Company has put in place several strategic plans to steer its operations, including the recently concluded fifth Strategic Plan covering the period from 2019/20 to 2023/24. This plan identified seven key thematic areas of focus:

- i) Water Sources, Treatment, Transmission, and Distribution
- ii) Waste Water Networks, Conveyance, and Treatment
- iii) Non-Revenue Water
- iv) Customer Focus and Stakeholder Engagement
- v) Governance and Capacity Development
- vi) ICT and Other Infrastructure
- vii) Financial Stewardship

The estimated cost for implementing this strategic plan was Ksh 42 billion, in addition to regular operational expenses. An evaluation of the implementation indicated that NCWSC successfully met 65% of the plan's objectives. A detailed status of the implementation activities can be found in Annex 1.



3.1.4.2 Key Achievements

An evaluation of the 5th Strategic Plan implementation revealed that NCWSC achieved 65% of the plan's objectives. The overall implementation status across the thematic areas has shown steady progress, as highlighted below;

“ NCWSC successfully implemented 65% of the planned objectives ”

Overall, while the implementation has been progressive, key areas requiring further attention include reducing water losses, enhancing financial management, and ensuring sustained investment in infrastructure and systems. Implementation status of the seven themes for the five years is summarized below:

Table 3.3: SP 2019/20 to 2023/24 Key achievements by theme

Themes	FY 2019/20	FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	OVERALL IMPLEMENTATION STATUS	Remarks
THEME 1 -Water Sources, Treatment, Transmission, and Distribution	50%	34%	55%	85%	85%	62%	Recorded fluctuations, dipping to 34% in FY 2020/21 before rebounding to 85% in the last two years, indicating improved infrastructure development
THEME 2-Waste Water Networks, Conveyance and Treatment	35%	51%	58%	74%	75%	59%	Recorded consistent growth from 35% in FY 2019/20 to 75% in FY 2023/24, reflecting steady investment in sanitation improvements
THEME 3-Non-Revenue Water	45%	36%	53%	48%	51%	47%	This remains a challenge, averaging 47%, with limited progress in addressing water losses through leakages and commercial losses.
THEME 4-Customer Focus and Stakeholder Engagement	74%	82%	74%	74%	71%	75%	This was relatively strong, averaging 75%, with minor fluctuations indicating the need for sustained service quality improvements.
Theme 5-Governance and Capacity Development	64%	51%	75%	89%	90%	74%	Recorded significant gains, reaching 90% in FY 2023/24, highlighting institutional reforms and leadership strengthening
THEME 6-ICT and Other Infrastructure	48%	75%	77%	74%	86%	72%	Saw steady improvements, growing from 48% to 86%, reflecting investments in digital transformation.
THEME 7-Financial Stewardship	74%	89%	63%	60%	60%	69%	Peaked at 89% in FY 2020/21 but later declined to 60%, suggesting challenges in financial sustainability.
Overall Implementation Status	56%	60%	65%	72%	74%	65%	

3.1.4.3 Challenges

The implementation of the previous strategic plan encountered significant internal and external challenges, impacting the achievement of established targets across various thematic areas, including infrastructure development, water supply, and governance.

Key internal challenges included:

- Financial and Budgetary Constraints:** Inadequate budgets and rigid tariff structures hindered project progress in pipeline expansion and wastewater treatment, while delays in Public-Private Partnerships limited financial sustainability and essential project funding.

- Infrastructural Limitations:** Aging infrastructure and limited funding hindered water distribution, wastewater management, and Non-Revenue Water reduction due to metering and leakage issues.
- Governance and Institutional Capacity:** Early implementation faced challenges in policy alignment, risk management, employee motivation, and technical certification, impacting overall service quality despite improvements.
- Operational Inefficiencies & Technical Limitations:** The lack of automation in critical operational areas, including inlet works and water quality monitoring, further impeded efficiency and effectiveness.

v) **SCADA deployment** in water and sewerage infrastructure was delayed due to funding and procurement issues. Recycling of filter backwash water and on-site chlorine production was not fully implemented, affecting water treatment sustainability.

vi) **Stakeholder and Customer Engagement Challenges:** Resource limitations hindered media campaigns, public engagement, and rebranding efforts. Delayed customer service charter revisions affected responsiveness, and budget constraints compromised community workshops and roadshows.

External Challenges Affecting NCWSC's Performance;

Several external factors significantly impacted NCWSC's ability to meet its targets, even though these were beyond its control:

i) **COVID-19 Pandemic:** The pandemic disrupted supply chains, causing delays in infrastructure projects such as new water treatment plants and essential equipment procurement. Financial constraints forced a reallocation of resources, slowing planned expansions and system upgrades.

ii) **Land Acquisition and Legal Issues:** Land acquisition delays and legal disputes hindered wastewater treatment expansion, obstructing sewer network maintenance and growth, especially in informal settlements without designated areas.

iii) **Climate and Environmental Factors:** Heavy rainfall and drought disrupted water supply, diverting resources to desilting and reforestation, highlighting the need for adaptive strategies for future resilience.

iv) **Technological and Market Constraints:** NCWSC faced project cancellations and operational hurdles due to supplier delays in critical equipment, hindering smart metering adoption and compromising financial oversight and transparency.

v) **Regulatory and Policy Barriers:** NCWSC struggled with adapting revenue models due to slow tariff approvals, bureaucratic funding obstacles, and a lack of policies supporting decentralized

wastewater treatment, delaying projects.

In summary, the previous strategic plan saw moderate success, but challenges in financial sustainability, governance, infrastructure, and stakeholder engagement slowed progress.

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In summary, the previous strategic plan saw moderate success, but challenges of financial constraints and aging infrastructure slowed the progress.

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3.1.4.4 Lessons Learned

The evaluation reveals insights to guide future planning, highlighting successful strategies and areas for improvement to enhance efficiency, effectiveness, and sustainability. Key lessons follow.

Table 3.4: Lessons Learnt

Area	Lesson Learnt	Future Approach
Strategic Planning and Financial Sustainability	Budget constraints significantly hinder project execution.	Future strategic plans should prioritize sustainable financial models by securing diverse funding sources, including Public-Private Partnerships (PPPs), grants, and alternative financing models to ensure continuous implementation.
	Tariff-related delays affected revenue generation and project execution.	Early engagement with regulatory authorities to secure timely tariff approvals will improve financial predictability and enable planned infrastructure investments.
Infrastructure Development and Service Delivery	Aging infrastructure contributed to frequent breakdowns and inefficiencies.	A structured rehabilitation and upgrade plan for water and wastewater infrastructure, including preventive maintenance schedules, will ensure system reliability and reduced service disruptions.
	The pace of pipeline and treatment plant expansion was slowed by financing and procurement challenges.	Adopting a phased approach to infrastructure expansion, coupled with early feasibility studies and risk assessments, will ensure projects are financially viable and implementation-ready.
	Non-Revenue Water (NRW) reduction efforts were inconsistent due to metering inefficiencies and physical losses due to old and dilapidated infrastructure.	Investing in smart metering, leak detection technology, and systematic pipeline replacement will enhance water loss management and improve revenue collection.
Governance and Institutional Capacity	Strong governance reforms improved institutional performance, but gaps in capacity building remained.	Plans should integrate structured employee training, leadership development, and professional certifications to improve workforce capacity and service delivery.
	Policy alignment and risk management frameworks were instrumental in guiding implementation.	Continuous policy reviews, risk assessment frameworks, and adaptive governance structures will enhance institutional resilience and ensure alignment with emerging challenges.
Stakeholder Engagement and Customer Relations	Effective stakeholder collaboration led to successful initiatives, such as tree planting and reforestation.	Future strategies should focus on deepening stakeholder partnerships, engaging communities in water conservation efforts, and fostering collaborative project ownership.
	Customer engagement efforts were effective but faced budgetary constraints.	Leveraging digital platforms, customer self-service tools, and real-time feedback mechanisms will improve customer experience and reduce operational burdens.
	Limited public awareness affected compliance with water conservation and billing policies.	Expanding public education campaigns on water conservation, billing transparency, and responsible consumption will improve community participation and adherence to policies.
Environmental Sustainability and Climate Resilience	Climate variability (droughts and floods) affected water supply and treatment efficiency.	Enhancing climate adaptation strategies by investing in alternative water sources, rainwater harvesting, and improved catchment management will mitigate climate-related disruptions.
	Water catchment protection and afforestation efforts were successful but required long-term commitment.	Sustaining reforestation programs, watershed protection, and environmental conservation partnerships will ensure long-term water security.
Technology and Innovation	The adoption of ICT solutions improved operational efficiency, but some digital initiatives faced delays due to funding and procurement bottlenecks.	Prioritizing automation of key processes, deployment of smart metering, and integration of digital monitoring systems (SCADA, GIS, and ERP upgrades) will enhance service delivery and data-driven decision-making.
	The lack of real-time monitoring systems impacted water quality management.	Investing in online water quality monitoring sensors and modernizing laboratory infrastructure will improve compliance with health and safety standards.

The lessons learned from the previous strategic plan highlight the significance of several key areas essential for enhancing the National Capital Water and Sewerage Corporation (NCWSC) operations.

3.2 Stakeholder Analysis

NCWSC recognizes that stakeholders play a pivotal role in the success of its programs and activities. The organization prioritizes understanding stakeholder stakes, interests, and concerns to build strong, collaborative relationships. This commitment to stakeholder engagement ensures that NCWSC remains responsive to their needs and expectations, integrating their feedback into decision-making processes.

To enhance alignment with stakeholder priorities, NCWSC has conducted a comprehensive analysis of stakeholder interests related to its operations. The

internal stakeholders include the Board of Directors, Board of Management, company management, and staff. External stakeholders encompass a wide array of groups, such as:

- Development partners
- Government ministries and state agencies
- NCWSC customers
- Local communities
- Suppliers
- Competitors
- Creditors
- Special interest groups
- Trade associations

By understanding and addressing the expectations of these stakeholder categories, NCWSC aims to promote mutual trust and collaboration essential for fulfilling its objectives and mandate.;

Table 3.5: Stakeholder Analysis

Stakeholder	Role	Stakeholder expectations	NCWSC Expectations
Customers	Consumption, Revenue Generation, and Payment for Services	<ul style="list-style-type: none"> i) Guaranteed water quality as per the KEBS ii) Adequate quantity and scheduled water iii) Adherence to the rationing program iv) Timely and correct bills v) Convenience, i.e. payment options, prompt services vi) Transparency and Accountability vii) Effective communication and Customer engagement viii) Excellent and standardized customer service ix) Timely response to customer complaints x) Reliable Quality Water Supply- (Adhere to EDS) xi) Efficient Sewerage Services and management xii) Prompt Customer Service and Emergency response- xiii) Easy/convenient payment options xiv) Infrastructure Maintenance and expansion xv) Community Sensitization and Education on conservation, tariffs, service updates etc. xvi) Affordable service rates. 	<ul style="list-style-type: none"> i) Timely payment of bills ii) Accessibility for meter reading and repairs iii) Prudent use of our services i.e. proper use of water as well as sewer disposal iv) Report illegal connections, leaks, and bursts v) Good ambassadors' vi) Respect for our staff vii) Proper use of Sewer systems- avoid dumping of solid waste, grease, or harmful chemicals viii) Protecting/ Safeguarding Infrastructure- Water meters, pipes... etc., from damage or vandalism ix) legitimate water and sewer connections x) Correct Customer Information xi) Community co-operation/ participation- conservation programs, customer forums/Barazas, Tariffs setting xii) Responsible use of water resources. xiii) Active participation in feedback and surveys. xiv) Support for conservation initiatives.
Employees	NCWSC human resource	<ul style="list-style-type: none"> i) Job security ii) Competitive and timely remunerations iii) Conducive working environment and staff welfare iv) Staff recognition and appreciation v) Engagement and inclusion vi) Prudent management and use of resources vii) Compliance with set laws, regulations and policies viii) Proper placement ix) Transparency and Accountability x) Fair Compensation and benefits xi) Safe Working environment xii) Career Growth xiii) Clear Communication 	<ul style="list-style-type: none"> i) High productivity ii) Loyalty and commitment iii) Adherence to NCWSC policies, procedures and guidelines iv) Cooperation and teamwork v) Availability and reliability vi) Good brand ambassadors vii) Prudent management and use of resources viii) Business continuity and sustainability. ix) Commitment and Productivity x) Innovation and Initiative xi) Professionalism xii) Commitment to their roles and responsibilities. xiii) Continuous improvement and skill development.
Staff Union	Representing staff interests within NCWSC. training and development programs	<ul style="list-style-type: none"> i) Recognition ii) Better terms iii) Deduction and timely remittance of their members' dues 	<ul style="list-style-type: none"> i) Support and staff engagement ii) Staff mobilization to perform and improve productivity iii) Amicable and speedy resolution of staff grievances iv) Prudent management and use of resources

Stakeholder	Role	Stakeholder expectations	NCWSC Expectations
		<ul style="list-style-type: none"> iv) Involvement v) Facilitation to attend to union matters vi) Transparency and Accountability vii) Employee Welfare viii) Collective Bargaining agreements ix) Conflict Resolution x) Job Protection xi) Compliance with Labour Laws xii) Fair and transparent negotiations. xiii) Communication and consultation. 	<ul style="list-style-type: none"> v) Support for Organizational policies and Goals vi) Compliance with Agreements vii) Constructive and collaborative negotiations. viii) Promotion of a positive work culture.
BoD	The BOD provides oversight and policy direction to NCWSC.	<ul style="list-style-type: none"> i) Good leadership and governance by management and staff ii) Transparency and Accountability iii) Adequate, timely and accurate information for decision making iv) Prudent stewardship and use of resources by all v) Protection of Company brand and positive projection of the Company image vi) Support and commitment by staff in the execution of Company's mandate vii) Good performance and improved productivity viii) Adherence to policies, statutory regulations, procedures and guidelines ix) Regular updates on company performance. x) Ethical conduct and integrity. xi) Long-term sustainability and growth 	<ul style="list-style-type: none"> i) Good leadership and governance ii) Lobby for Company's interests with other key stakeholders iii) Effective oversight of the Company. iv) Participation in key activities of the Company v) Champion the interests/brand of the Company vi) Timely decision making vii) Prudent management and use of resources viii) Speedy approval of Company policies. ix) Ensure adherence to statutory regulations x) Good understanding of the operations of the Company and proper guidance. xii) Speedy and transparent appointment of top management xiii) Strategic Direction xi)
BoM	Responsible for the day-to-day operations and performance of NCWSC. partnerships	<ul style="list-style-type: none"> i) Adequate, timely and accurate information for decision making ii) Prudent stewardship and use of resources by all iii) Transparency and Accountability iv) Protection of Company brand and positive projection of the Company image v) Support and commitment by staff in the execution of Company's mandate vi) Good performance and improved productivity vii) Adherence to policies, statutory regulations, procedures and guidelines viii) Innovation 	<ul style="list-style-type: none"> i) Provide strategic direction of the Company ii) Good leadership and governance iii) Prudent management and use of resources iv) Effective management of the Company. v) Lobby and champion for Company's interests with other key stakeholders vi) Timely decision making vii) Speedy adoption of Company policies. viii) Adherence to policies, statutory regulations, procedures and guidelines ix) Effective mobilization of resources both financial and human capital to adequately execute the Company's mandate x) Conducive work environment for improved productivity and performance. xi) Innovation and Improvement
NCCG	Provide policy direction and oversight.	<ul style="list-style-type: none"> i) Efficient and effective service delivery ii) Prudent management and use of resources iii) Transparency and Accountability iv) Compliance with statutory regulations, government policies and guidelines v) Regular updates on projects and initiatives 	<ul style="list-style-type: none"> i) Funding ii) Support through laws, regulations and policies enforcement and lobbying iii) Operational independence/autonomy iv) Conducive laws to support business (legislation) v) Proper County/city planning vi) Appointment of a competent and professional BoD vii) Advocacy viii) Support in policy implementation. ix) Timely allocation of funds. x) Assistance in resolving regulatory issues. xi) Collaboration in infrastructure projects. xii) Advocacy for water conservation.
Neighbouring Counties (Kiambu, Machakos, Muranga, Nyandarua, Kajiado)	Share infrastructure and resources.	<ul style="list-style-type: none"> i) Share of the water resource ii) Contribution to the protection of the catchment iii) Incentives (Employment opportunities, CSR activities etc.) iv) Transparency and Accountability v) Effective communication and coordination. vi) Resolution of cross-border disputes. vii) Sustainable water management practices 	<ul style="list-style-type: none"> i) Good neighbourliness ii) Protection of water mains iii) Protection of water catchment areas iv) Cooperation in resource sharing. v) Participation in joint initiatives. vi) Support in regional planning. vii) Timely resolution of disputes. viii) Collaboration on conservation efforts.
Regulatory Authority (WASREB)	Regulating water services and protecting consumers	<ul style="list-style-type: none"> i) Compliance with water service regulations and quality service provision 	<ul style="list-style-type: none"> i) Fair tariff reviews, regulatory support, and guidance on service improvement
Water Resources Authority (WRA)	Regulation and management of water resources	<ul style="list-style-type: none"> i) Adherence to water abstraction regulations and environmental conservation efforts 	<ul style="list-style-type: none"> i) Fair apportionment of water resources while issuing abstraction permits
Ministry of Water, Sanitation, and Irrigation	Policy formulation, regulation, and oversight of water and sanitation services	<ul style="list-style-type: none"> i) Compliance with national water policies, efficiency in service delivery, and collaboration on sector improvements 	<ul style="list-style-type: none"> i) Support in policy implementation, funding, and regulatory guidance
Government Ministries Departments and Agencies	Regulations, Policies, and guidelines formulation and publication	<ul style="list-style-type: none"> i) Compliance with regulations, policies, and guidelines provided 	<ul style="list-style-type: none"> i) Favourable regulations, policies, and guidelines

Stakeholder	Role	Stakeholder expectations	NCWSC Expectations
Office of Auditor General	Oversight on Compliance with public financial management guidelines and policies.	i) Compliance with regulations, policies and guidelines provided on public financial management and qualified opinion on books of accounts.	i) Opinion on books of accounts. ii) Better understanding of operational dynamics of the Company with some key assets being held by the County Government
Media	source of news and a medium for creating awareness	i) Accurate information ii) Prompt payment of their services iii) Transparency and Accountability iv) Frequent updates on service delivery	i) Report responsibly-verify information ii) Create awareness iii) Promote corporate image iv) Highlight challenges in the water and sanitation sector v) Factual and fair coverage vi) Tell our success stories vii) Create awareness on products and services and development projects viii) Advocate for policy changes and development requirements ix) Market research and audience surveys x) Factual reporting
Community (WRUA, CBOs/ Neighbourhood associations, WAGS, and NGOs)	Advocate for community needs.	i) Annual timely subscription ii) Transparency and Accountability iii) Participate in their activities i.e. catchment conservation iv) Reporting illegalities i.e. tree felling, illegal fishing v) Compensation vi) Engagements and public participation vii) Effective service provision viii) Sensitization and public awareness ix) Empowerment – i.e. training and awareness, economic empowerment x) Collaboration and support	i) Participate in their activities i.e. catchment conservation ii) Compensation iii) Community policing iv) Report illegal activities v) Cordial relationship vi) Collaboration vii) Adherence to laws and regulations viii) Active participation in feedback and surveys. ix) Advocacy for responsible water usage
Sector Associations Local – WASPA International - AfWASA, IWA, GIWEH, IWRA, World Water Council,	Global advocacy for water issues. Research and knowledge dissemination. Capacity building and training. Policy development and influence. Networking and collaboration	i) Prompt payment of subscription fees ii) Active participation iii) Partnership and collaboration iv) Regional representation v) Transparency and Accountability vi) Participation in global water forums. vii) Access to cutting-edge research and knowledge. viii) Opportunities for capacity building and training.	i) Advocacy ii) Benchmarking opportunities iii) Lobbying for favourable policies iv) Local water sector cohesion v) Participate in development and monitoring water sector goals vi) Access to global research and knowledge. vii) Participation in international forums. viii) Support in capacity building and training. ix) Collaboration in policy development. x) Networking opportunities. xi) Peer to peer learning Benchmarking opportunities
Development Partners (i.e. USAID (KIWASH), World Bank, AFD, AFDB, KFW, World Waternet, Unmade Trust, Maji na Ufanisi)	Funding and financial support. Technical assistance and expertise. Capacity building and training. Policy development and advocacy. Monitoring and evaluation.	i) Good governance ii) Prudent and effective utilization of resources iii) Transparency and Accountability iv) Partnership and collaboration v) Achievement of project goals and objectives. vi) Regular monitoring and reporting.	i) Favourable terms and conditions ii) Access to funding and financial support. iii) Timely disbursement of funds iv) Adherence to sector laws and regulations v) Partnership and collaboration vi) Technical assistance and expertise. vii) Support in capacity building and training. viii) Collaboration in policy development. ix) Assistance in monitoring and evaluation.
Water and Sewerage Vendors (Exhausters, Boreholes, Water Kiosks)	Complement NCWSC's water supply and sewer services through the provision of water and sewerage services, including boreholes, exhausters, and water kiosks, etc.	i) A clear framework to support their business operations. ii) Guaranteed water quality. iii) Accurate metering and billing. iv) Timely issuance of permits and approvals (e.g., borehole drilling, exhauster licensing). v) Transparent and accountable processes. vi) Support in regulatory compliance. vii) Access to training and capacity-building programs. viii) Timely payments and contract management. ix) Adequate sewer discharge points for exhausters. x) Reliable water supply scheduling for water kiosks. xi) Open communication and collaboration with NCWSC.	i) Supply of potable (safe and clean) water. ii) Ethical business practices. iii) Adherence to water quality standards. iv) Payment of licensing fees and compliance and adherence with NCWSC regulations. v) Compliance with NEMA, WRA, company policies, industry standards and regulators. vi) Safe and responsible waste disposal for exhausters. vii) Reliable and efficient service provision. viii) Prompt settlement of water bills for borehole and kiosk operators. ix) Charging customers as per the approved tariff at water kiosks. x) Avoidance of malpractices such as meter tampering and illegal by-passes. xi) Innovation and continuous improvement in service delivery. xii) Effective customer service and support. xiii) Open communication and collaboration with NCWSC.
WSPs	Provide water and sanitation services to counties neighbouring Nairobi/countrywide.	i) Supply of adequate/reliable bulk water ii) Transparency and Accountability iii) Partnership and collaboration e.g. through benchmarking iv) Support in regulatory compliance. v) Timely payments and contracts. vi) Collaboration and communication with NCWSC.	i) Timely/Prompt payment for bulk water supply ii) Partnership and collaboration e.g. through benchmarking, water sector lobbying iii) Good relations/ cooperation iv) Prudent use of the supplied resource v) Maintenance of bulk meters vi) Reliable and efficient service provision. vii) Compliance with regulations. viii) Innovation and improvement of services. ix) Effective customer service and support.

The stakeholders identified were analysed and mapped into their respective power and interest quadrant as shown in the chart below;

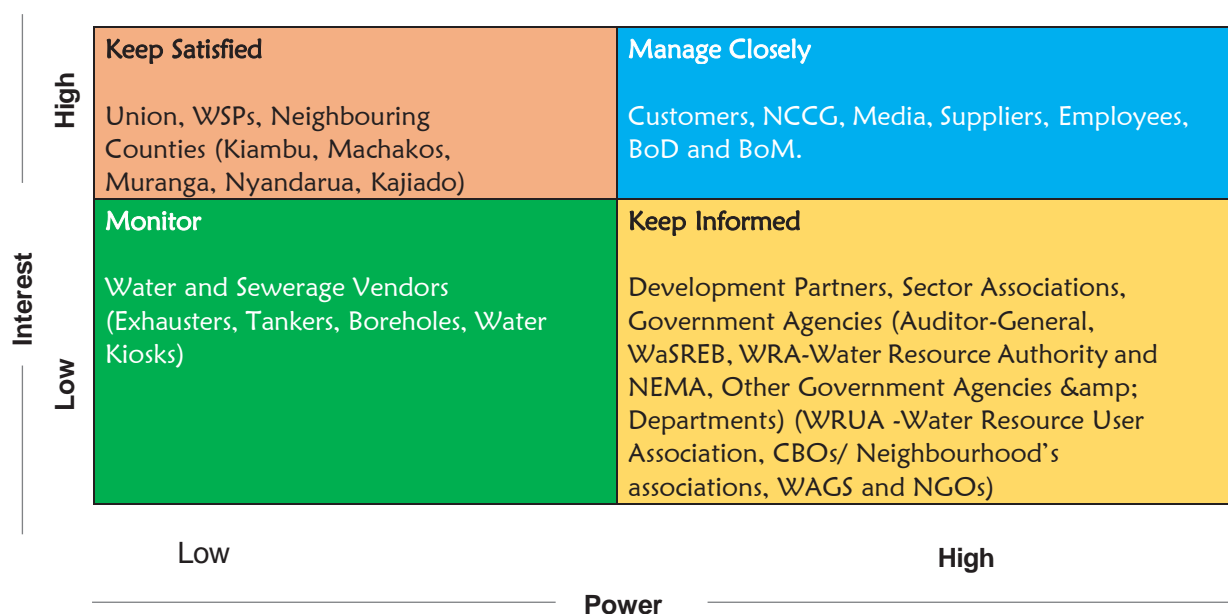


Figure 1: Stakeholders Map

High power, high interest stakeholders are Key Players. Low power and low interest stakeholders are stakeholders with relatively low impact on the Company.



CHAPTER 4

STRATEGIC ISSUES, GOALS AND
KEY RESULT AREAS

4.0 Overview

Nairobi City Water and Sewerage Company aims to enhance service efficiency and sustainability while addressing strategic challenges during its planning period through key performance projections.

4.1 Key Strategic Issues:

1. Non-Revenue Water (NRW) at 48% surpasses the 25% standard, driven by leaks and illegal connections. Addressing it requires technology, regulation enforcement, and community involvement.

2. Water Supply Management: NCWSC plans to increase water production to 1,200,000m³/day, ensuring 24-hour supply and 92% coverage, while enforcing quality standards and addressing climate change challenges.

3. Wastewater Management: Expanding sewerage coverage from 49% to 100% is vital to address public health risks, particularly in informal settlements, requiring upgraded infrastructure and climate-integrated management strategies.

4. Financial Sustainability: Limited revenue streams and high operational costs hinder resource mobilization. Dependency on the Water Services Regulatory Board (WASREB) for tariff adjustments restricts investment in critical infrastructure.

5. Governance and Institutional Capacity: Improvement in regulatory compliance, capacity building, stakeholder coordination, and technology integration are necessary to enhance service delivery. Slow adoption of innovative solutions and inadequate data management continue to challenge operational efficiency.

6. Climate Change and Future Proofing: Erratic weather patterns further exacerbate existing challenges, threatening water availability and infrastructure resilience.

7. Finance and Resource Mobilization; The Company must improve revenue collection above 95% and diversify streams, like wastewater

recycling, to enhance financial sustainability. Equally the Company must reduce NRW to 30%, optimize costs, attract infrastructure investment, and improve financial management for long-term sustainability and service delivery.

The Company's strategic focus will centre on these Key Results Areas throughout the planning period.

4.2 Strategic Goals

Based on the identified strategic issues, the Company will focus on the following Strategic Goals during the plan period.

- To increase water production capacity from 525,600m³/day to 1,200,000m³/day and potable water coverage from 79% to 92%.
- To increase sewerage coverage from 49 % to 70% and sewage treatment capacity from 194,000m³/day to 675,000m³/day.
- To reduce non-revenue water from 48% to 30%.
- Enhance Corporate Governance and Institutional Capacity.
- Enhance climate change adaptation, mitigation, and resilience.
- Enhance sustainability and revenue growth from Ksh. 10.95Bn to Ksh. 24.41Bn.

“

Diversifying revenue streams through alternative sources such as recycling wastewater for farming, sludge management, and charging effluent discharge licensing fees can help reduce reliance on traditional funding.

”

4.3 Key Result Areas

To address strategic Issues and in pursuance of the Company's Vision and Mission, the following Strategic goals and inherent Key Result Areas were identified;

Table 4.1: Strategic Issues, Goals, and KRA

S/No.	Strategic Issue	Strategic Goal (Desired Outcome)	Key Results Area (KRA)
SI.1.1	Catchment degradation	To increase water production capacity from 525,600m ³ /day to 1,200,000m ³ /day and potable water coverage from 79% to 92%.	KRA 1: Water Supply Management
SI.1.2	Siltation (siltation of intakes)		
SI.1.3	Encroachment of the riparian and installations		
SI.1.4	Inadequate water sources		
SI.1.5	Improved Dam Safety Monitoring		
SI.1.6	Inadequate production capacity		
SI.1.7	Non-Compliance with drinking water standards		
SI.1.8	Rehabilitation and upgrading of the treatment plants & related infrastructure		
SI.1.9	Inaccurate Raw water measuring		
SI.1.10	Dilapidated and inadequate infrastructure		
SI.1.11	Low water coverage		
SI.1.12	Bulk water purchase		
SI.2.1	Low sewer coverage	To increase sewerage coverage from 49 % to 70% and sewage treatment capacity from 194,000m ³ /day to 675,000m ³ /day.	KRA2: Waste Water Management
SI.2.2	Low sewer revenue		
SI.2.3	Dilapidated sewer infrastructure and sewer blockages/overflows		
SI.2.4	Non-Compliance with Effluent discharge standards into public sewers		
SI.2.5	Regulation of faecal sludge disposal by exhausters		
SI.2.6	Manual monitoring system in the treatment process		
SI.2.7	Non-Compliance with Effluent discharge standards into the environment		
SI.3.1	Inadequate flow measurements of treated and inflow into distribution volumes	To reduce non-revenue water from 48% to 30%.	KRA 3: Non-Revenue Water
SI.3.2	Malfunctioning WSPs meters		
SI.3.3	Illegal connections and sub-surface leaks		
SI.3.4	Wayleaves encroachment		
SI.3.5	Inadequate Regional inflow and outflow volumes measurement		
SI.3.6	Aged water infrastructure		
SI.3.7	Inadequate infrastructure inventory		
SI.3.8	Illegal Water Consumption		
SI.3.9	Malfunctioning Meters		
SI.3.10	Incorrect meter installation		
SI.3.11	Unmetered fire hydrants		
SI.3.12	Inability to locate the customer meter		
SI.3.13	Low customer NRW awareness		
SI.4.1	Compliance with Statutory and Regulatory Requirements; and Inadequate Governance	Enhance Corporate Governance and Institutional Capacity.	KRA 4: Governance and Institutional Capacity
SI.4.2	Strengthen Board Capacity		
SI.4.3	Inadequate customer and stakeholder experiences		
SI.4.4	Weak Brand Identity		
SI.4.5	Weak Organizational Culture		
SI.4.6	Inadequate Staff Welfare and Wellness Programs		

S/No.	Strategic Issue	Strategic Goal (Desired Outcome)	Key Results Area (KRA)
SI.4.7	Inadequate Organizational Structure		
SI 4.8	Inadequate Skills and Competencies		
SI.4.9	Lack of a proactive Risk Management Approach, Monitoring and Evaluation (M&E), and Ethical Culture		
SI.4.10	Inadequate Fleet Management and Road Safety Mainstreaming		
SI.4.11	Business Transformation		
SI.4.12	Cyber Security threats		
SI.4.13	Effective Business Continuity Plan for ICT Systems.		
SI.4.14	Inadequate R&D Framework		
SI.4.15	Partnerships and Collaborations with stakeholders		
SI.4.16	Innovations and research to address cross cutting and emerging issues		
SI.5.1	Lack of a baseline of NCWSC Carbon Footprint	Climate change mitigation, adaptation, and resilience	KRA 5: Climate Change and Future Proofing
SI.5.2	Climate adaptation, mitigation and resilience		
SI.5.3	Unsustainable Energy Consumption and Carbon Footprint		
SI.5.4	Circular Economy on Wastewater as a Resource		
SI.5.5	Corporate Social Responsibility (CSR)		
SI.5.6	Funding of Future-Proof Projects		
SI.6.1	Inability to exploit all potential revenue streams in NCWSC's operations	Enhance sustainability and revenue growth from Ksh10.95bn to 24.41bn	KRA 6: Finance and Resource Mobilization
SI.6.2	High Operating Costs - rising utility costs		
SI.6.3	Inadequate Asset Management System		



CHAPTER 5

STRATEGIC OBJECTIVES AND STRATEGIES

5.0 Overview

This chapter outlines the strategic objectives and strategies that will drive the achievement of the strategic goals during the Plan period.

5.1 Strategic Objectives

The strategic objectives show the results that the Company seeks to achieve within the plan period. They represent the specific changes that will be realized upon the successful implementation of the Strategic Plan. The performance projections informed by realistic achievements under the prevailing circumstances on a year-to-year basis under each KRA and strategic objectives are summarized in Tables 5.1.1 to 5.1.6

Table 5.1.1 KRA 1: Outcomes Annual Projection

KRA 1: Water Supply Management S No. Strategic Objectives		Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Target Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
SO2	Increase base flows by 2% annually in the dams' feeder rivers	Increased base flows	Base flows into Thika Dam (m3/s)	2.14 m3/s	2.18 m3/s	2.23m3/s	2.27 m3/s	2.31 m3/s
			Base flows into Sasumua Dam (m3/s)	0.105 m3/s.	0.107m3/s.	0.109 m3/s.	0.111m3/s.	0.114m3/s.
SO2	Ensure 100% responsiveness of the fluctuating turbidities at the treatment plant	Improved responsiveness to fluctuating turbidities	Reduced plant downtimes	28days	20days	14 days	14 days	14 days
SO3	Ensure 100% optimization of intake abstraction	Optimal flows	Number of intakes Desilted	Kiama & Kimakia	Kiama & Sasumua	Kiama & Mwagu	Kimakia & Mwagu,	Sasumua
SO4	100% securing of riparian and installations	Reduced the intrusion of installation	Fenced water installations	1.5 km Kikuyu Tank 1 and Ruiru office, and the dam area	3km Ngethu Treatment works & Chute	2.5km Kiama, Kimakia, Kikuyu tank 2, Loresho, Kiambu reservoir,	4km Kasarani Tank, Gigiri reservoir,	1.5km Outering Rd Tower, Karen Braking Pressure Tank (BPT)
SO5	Lobbying for Prioritization of Construction of additional dams by June 2029 Maragua IV and Ndarugu and NCT2 tunnel	New Dams & NCT2 Tunnel	Construction by AWWDA/ Development partners	0				Additional water sources (NCT2, Maragua IV, and Ndarugu Dam)
SO6	Renewal of 100% of the malfunctioning dam safety, read-out equipment by June 2029	Working equipment	% of malfunctioning equipment replaced	0%	58%	67%	100%	100%
	Assess the safety of the dams	Dam safety assessment report	Improved understanding of dam safety	0	3	0	3	0
SO7	To Increase water production by 9.45M m3 by June 2028 from 95% Recovery of backwash waste water	26,900 m3 /day increase in volume	Volume of backwash water recovered % volume increased	Acquire the consultant	Feasibility study & design	Rehabilitation of the Kabete backwash system and consultancy studies for Sasumua	Sasumua recovery system (optimization to 60,000m3/day Transmission efficiency from 50,000m3/	1,900m3/day

KRA 1: Water Supply Management S No. Strategic Objectives		Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Target Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
				0	0	Construction of 6.5km, DN 800 Mataara Ngethu raw water pipeline, one Clarifier, and six RSF Filters	Construction of 20km, DN 800 Ngethu - Kwamaiko	25,000m3/day
SO8	100% Compliance with MDR drinking water standards	compliance with quality standards	% compliance	96%	98%	100%	100%	100%
SO9	Improve plants' capacity Utilization from 96% to 100% design capacity by 2029	100% Utilization	% change	96%	97%	98%	99%	100%
SO10	Improve the accuracy of raw water measurement into plants from ±5% weir measurement to ±1.5% through the use of bulk meters	Accurate measurement of raw water	Volume of raw water	±1.5%	±1.5%	±1.5%	±1.5%	±1.5%
SO11	Transmit 95% of the water produced by June 2029	95% water transmission	% of Water Transmitted	91%	92%	93%	94%	95%
SO12	Increase water coverage from 79% to 92% by June 2029	% increase in water coverage	% coverage	82%	84%	86%	88%	92%
SO13	Optimization of the distribution system	Improved supply levels	Reduction in the Number of Supplies fails (by 40% by 2029)	7171	6454	5809	5228	4705
SO14	Increase in water supply by 45.99Mm3 annually	Additional Water from Bulk Water Purchase	Increased volume	30,906,108	45,990,000	45,990,000	45,990,000	45,990,000

Table 5.1.2: KRA 2: Waste Water Management Outcomes Annual Projection

KRA 2: Waste Water Management				Target				
S No.	Strategic Objectives	Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
SO1	Increased sewerage coverage from 49 % to 70% by 2028/29	Increased sewerage coverage	% of sewer coverage	51%	56%	61%	66%	70%
SO2	Increased sewer revenue from 42% to 47% by 2028/29	Move from 42% sewer revenue to 47% sewer revenue	% of increased sewer revenue	43%	44%	45%	46%	47%
SO3	Rehabilitate 20% of the existing sewer network by 2028/29	Rehabilitated sewer network	Km of Rehabilitated sewer network	110	120	160	160	140
SO4	100% compliance to set regulatory standards into public sewer	100% compliance to environmental regulatory requirements	Increased compliance	90%	100%	100%	100%	100%
SO5	To ensure 100% compliance to discharge standard into environment by 2028/29	Increased compliance with discharge standards	Level of compliance	50%	55%	60%	80%	100%

Table 5.1.3: KRA 3: Non-Revenue Water Outcomes Annual Projection

KRA3: Non-Revenue Water				Target				
S No.	Strategic Objectives	Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
SO1	Reduction of Transmission losses from 9% to 5%	Reduced Transmission losses	Percentage reduction of transmission losses	9%	8%	7%	6%	5%
SO2	Reduction of Physical losses within distribution from 13% to 8%	Reduced Physical Losses	% Reduction of physical losses	12%	11%	10%	9%	8%
SO3	Reduction of Commercial Losses from 31% to 17%	Reduced Commercial Losses	% reduction of commercial losses	30%	27%	24%	21%	17%

Table 5.1.4: KRA 4: Governance and Institution Outcomes Annual Projection

KRA4: Governance and Institution Capacity				Target				
S No.	Strategic Objectives	Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
SO1	To ensure 100% adherence to Internal policies and procedures, statutory and regulatory requirements	Increased level of compliance from 57% to 100% by 2028/29	Level of compliance	67%	77%	87%	97%	100%
SO2	To maintain a 100% good corporate governance	Level of good corporate governance	% level of compliance with Board Charter	100%	100%	100%	100%	100%
SO3	To improve customer experience and satisfaction to 92% by 2028/29	Improved customer and stakeholder satisfaction	Level of customer satisfaction	78%	82%	85%	89%	92%
SO4	To enhance brand perception to	Improved public image and	% increase in brand	57%	70%	71%	73%	90%

S No.	Strategic Objectives	Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
	above 90% by 2028/29	reputation	perception					
SO5	Enhanced stakeholder engagement participation to 80%	% Level of stakeholder engagement	Level of Stakeholder Engagement	63%	69%	75%	80%	80%
SO6	To raise brand visibility to 85% by 2029	% Improved brand visibility	Level of brand visibility	65%	70%	75%	80%	85%
SO7	To enhance organizational performance and productivity from 65% to 90% by 2029	Enhanced Organizational Performance and Productivity	Staff productivity/ Performance	70%	75%	80%	85%	90%
SO8	To enhance and maintain a healthy and safe work environment by 2029	Conducive Work Environment	Level of compliance with OSHA	100%	100%	100%	100%	100%
		Established Counselling and wellness section	Functional Counselling and wellness Section	0	1	0	0	0
SO9	To have a responsive organizational structure and competency framework	Revised organization structure and staff establishment	Approved organizational structure and staff establishment	0	1	0	0	0
		Revised Competency Framework	Existence of a Revised Competency Framework	0	0	1	0	0
		Succession Planning	Implementation of approved structure from JE	100%	100%	100%	100%	100%
SO10	To enhance staff skills and competencies	Enhanced Skills and competencies	% of staff trained	100%	100%	100%	100%	100%

Table 5.1.5: KRA 5: Climate Change and Future Proofing Outcomes Annual Projection

S No.	Strategic Objectives	Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
SO1	Develop and implement a comprehensive climate change framework for NCWSC by Dec 2026	Comprehensive climate change framework	Approved climate change Framework	Training (60)	Policy, baseline, and training (368)	Training (1,000)		
SO2	Improve energy consumption and transition to renewable energy sources by at least 75% over the next 4 years	Transition to renewable energy sources	% Reduction in energy costs and lowered greenhouse gases	0.0%	1.5%	1.5%	35%	75%
SO3	To implement sustainable wastewater reuse and recovery projects	Implementation of wastewater reuse and recovery projects	Number of circular projects implemented	0	Feasibility study	Bio-solids from Kariobangi	Biogas facility at Kariobangi and recycled water pipelines (5km) at Kariobangi	Biogas facility at Ruai and recycled water pipeline (7Km) at Kariobangi
SO4	Implement sustainable climate change CSR	Community engagement through	Number of community programs	0			20no tanks, 100,000 trees	20no tanks, 30no streetlights, and 100,000 trees

S No.	Strategic Objectives	Outcome	Outcome Indicator	Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
	programs in neighbouring communities	CSR programs	implemented					
SO5	Develop and implement a funding strategy for future-proof projects.	Funding for future-proof projects	Funding secured for future-proof projects	0	1	1	1	1

Table 5.1.6: KRA 6: Finance and Resource Mobilization Outcomes Annual Projection

KRA6: Finance and Resource Mobilization		Outcome	Outcome Indicator	Target Year 1 (2024/25)	Year 2 (2025/26)	Year 3 (2026/27)	Year 4 (2027/28)	Year 5 (2028/29)
S/No	Strategic Objective							
SO1	Increase revenue from current Ksh 10.95Bn to Ksh 24.41Bn	Increase in revenue	Revenue growth	19,894	19,053	21,893	23,144	24,411
SO2	Enhance financial sustainability	Sustained liquidity and solvency	% OPEX Cost cover	114%	123%	132%	141%	150%
SO3	Improve Collection Efficiency (CE) to 100% of revenue billed	Increased CE to 100%	Revenue collection efficiency rate (%)	96%	97%	98%	99%	100%
SO4	Increase asset utilization efficiency	Improved efficiency	Hours of availability per day	24	24	24	24	24

5.2 Strategic Choices

Strategic choices represent strategies that will be implemented to achieve the strategic objectives. These are summarized in Tables 5.2.1 to 5.2.6

Table 5.2.1 KRA 1: Water Supply Management Strategic Choices

KRA	Strategic Objective	Strategies
KRA 1: Water Supply Management	Increase base flows by 2% annually in the dam's feeder rivers	Measure base flow into Thika Dam & Sasumua Dam
	Ensure 100% responsiveness of the fluctuating turbidities at the treatment plant	Early warning systems in place
	Ensure 100% optimization of intake abstraction	Optimize flows at the intakes
	100% securing of riparian and installations	Securing of riparian and installations
	Lobbying for the Prioritization of the Construction of additional dams by June 2029, Maragua IV and Ndarugu, and the NCT2 tunnel	Lobbying with the National Government for Maragua IV and Ndarugu & NCT2 Tunnel
	Renewal of 100% of the malfunctioning dam safety read-out equipment by June 2029	Procurement of dam safety equipment
	Assess the safety of the dams	Procure a consultant to carry out a dam safety assessment & train staff on dam safety assessment
	To increase water production by 26,900m ³ /day by June 2028 from 95% Recovery of backwash wastewater	Backwash recycling system implementation in Kabete and Sasumua
		Ngethu Expansion
	100% Compliance with drinking water standards	Compliance with water quality standards
	Improve plants' capacity Utilization from 96% to 100 of % design capacity by 2029	Optimization of the treatment plants
	Improve the accuracy of raw water measurement into plants from $\pm 5\%$ Weir measurement to $\pm 1.5\%$ through the use of bulk meters	Acquire and install 7 No. raw water bulk meters for all production plants
	Transmit 95% of water produced to the distribution network by June 2029	Upgrading of pipes and appurtenances
	Increase water coverage from 79% to 92% by June 2029	Increase water coverage
	Optimization of the distribution system	Replacement of faulty appurtenances & Automation of water Distribution
	Increase in water supply by 45.99Mm ³ annually	Bulk water purchase

Table 5.2.2 KRA 2: Waste Water Management Strategic Choices

KRA	Strategic Objectives	Strategies
KRA 2: Waste Water Management	Increased sewerage coverage from 49% to 70% by 2028/29	Last mile connection to sewer lines
	Increased sewer revenue from 42% to 47% by 2028/29	Bill all customers for sewer in areas with a sewer network
	Rehabilitate 20% of the existing sewer network by 2028/29	Sewer upgrading
	100% compliance with to set regulatory standards/requirements	Trade effluent management
	To ensure 100% compliance with discharge standard into the environment by 2028/29	Improving the effluent quality

Table 5.2.3 KRA 3: Non-Revenue Water Strategic Choices

KRA	Strategic Objective	Strategic Choices
KRA3: Non-Revenue Water	Reduction of Transmission losses from 9% to 5 %	Accurate measurement of transmission losses
		Accurate WSPs consumption measurement
		Identification of sub-surface leaks and illegal connections for repair and disconnection respectively
		Reclamation of wayleaves
	Reduction of Physical Losses from 13% to 8%	Measurement of inflow and outflow into Regions
		Rehabilitation of the aged water network
		Asset Management
	Reduction of Commercial Losses from 31% to 18%	Reduction of illegal water consumption
		Monitoring of irregular/illegal consumption
		Lobby for enhanced penalties on offenders of irregular water practices during tariff review
		Accuracy of customer meters
		Serialized Meter Seals
		Proper installation of customer meters
		Metering of fire hydrants
		Mapping of all Customer meters and premises into GIS system
		NRW awareness creation

Table 5.2.4 KRA 4: Government Institution Capacity Strategic Choices

KRA	Strategic Objective	Strategic Choices
KRA 4: Governance and Institution Capacity	To ensure 100% adherence to Internal policies and procedures, statutory and regulatory requirements.	Compliance and policy updates
	To maintain a 100% good corporate governance	Provide oversight and leadership
	To improve customer experience and satisfaction to above 90% by 2028/29	Carry out customer satisfaction surveys

KRA	Strategic Objective	Strategic Choices
	To enhance brand perception to above 90% by 2028/29	Enhance brand awareness
	Enhanced stakeholder engagement participation to 80%	Stakeholder Collaboration and Partnerships
	To raise brand visibility to above 80% by 2028/29	Enhance brand identity
	To enhance organizational performance and productivity from 65% to 90% by 2028/29	Culture Change, Employee Engagement, Performance Management.
	To enhance and maintain a healthy and safe work environment by 2028/29	Implementation of OSH programs as per OSHA 2007
		Establishment of the Counselling and Wellness Section
	To have a responsive organizational structure and competency framework	Undertake Job Evaluation
		Organizational skills audit
		Right recruitment and staff placement
		Approved Staff Establishment
	To enhance staff skills and competencies	Staff Training and Development
	To enhance risk management to achieve 100% compliance by 2029	Implementation of Enterprise Risk Management framework
	To enhance corporate performance, monitoring and reporting	Tracking and reporting of organization performance
	Improve transport efficiency, safety, and sustainability from 66% to 84% by 2029	Optimize fleet maintenance and safety
	To automate and digitalize company's business processes and operations to above 90% by 2029	Holistic integrated ICT solutions
	To strengthen cyber security resilience by ensuring 100% compliance with security protocols by 2028.	Strengthening cyber security
	Upgrade ICT Infrastructure (Hardware and Software)	Modernize, replace redundant systems and renew licenses
	To develop, implement and maintain a resilient ICT business continuity plan by 2029.	Enhancement ICT BCP/DR policy, plan and procedures
	Applied research for decision making and knowledge management	Strengthen R&D Framework
	To build capacity and attract funding through the partnerships and collaborations	Collaborations and Partnerships
	To establish an innovation hub and Excellence Centre by 30th June 2029	Establishment of i-Water Hub and Excellence Centre

Table 5.2.5: KRA 5: Climate Change and Future Proofing Strategic Choices

KRA	Strategic Objective	Strategies / Strategic Choices
KRA5: Climate Change and Future Proofing	Develop and implement a comprehensive climate change framework for NCWSC by Dec 2026	Policy formulation
		Carbon Footprint Assessment
		Capacity building on climate change and PPP
	Improve energy consumption and transition to renewable energy by at least 75% over the 4 years	Feasibility study on energy transition
		Promote Energy Efficiency
		Solar PV system and hydro plant deployments
		Conduct feasibility study

	To implement sustainable waste water reuse and recovery projects	Collaborate with strategic partners for PPPs
	Implement sustainable climate change CSR programs in neighbouring communities	Community engagement and empowerment
	Develop and implement a funding strategy for future-proof projects.	Partner with green investment firms

Table 5.2.6: KRA 6: Finance and Resource Mobilization Strategic Choices

KRA	Strategic Objective	Strategies / Strategic Choices (means of achieving the strategic objectives)
KRA6: Finance and Resource Mobilization	Increase revenue from current Ksh 10.95Bn to Ksh 24.41Bn	Identify and pursue new revenue streams
		Increase sewer revenue from 42% to 47% by 2028/29
		Secure at least \$10 million in grants (monetary & Assets) and donor funding over the next five years
		Establish funding agreements with at least two financing institutions
	Enhance financial sustainability	Continuously track key financial metrics
	Improve Collection Efficiency (CE) to 100% of revenue billed	Increase collection efficiency to 100% as per sector requirements
	Increase asset utilization efficiency	Automation of asset management process
		Secured wayleaves
		Implement the approved disposal policy
		Asset Valuation and Financial Reporting
		Implement asset maintenance system



CHAPTER 6

IMPLEMENTATION AND COORDINATION FRAMEWORK

6.0 Overview

This chapter presents the coordination framework that will be used in the implementation of the Strategic Plan. It outlines the structure and any gaps in the establishment. It also outlines the various human development strategies that will be employed including the inherent risks and mitigation measures.

6.1 Implementation Plan

The implementation plan outlines how the Strategic Plan will be operationalized through identification of various key activities under each strategy. This includes an action plan with respective budgets. The Implementation Plan is represented in the Implementation Matrix.

6.1.1 Action Plan

NCWSC Action plan is outlined in the Implementation Matrix which outlines the Strategic Issues, Strategic Goals, KRA, Outcomes, Strategic Objectives, Strategies, Key Activities, expected outputs, Output Indicators, Annual Targets, Annual Budgets and Responsibility for execution of the activities as presented in the Annex for all the KRAs.

6.1.2 Annual Workplan and Budget

The Company will prepare an annual work plan based on the strategic plan action to implement the Strategic Plan. This shall guide the development of the annual budget for the Company which has adopted activity-based costing. The annual work plan for the first year of implementation of the strategic plan has been annexed.

6.1.3 Performance Contracting

The annual work plans shall form the basis of annual performance contracts, which will guide the Company's commitment every year. The Annual Performance Contracts will have all the identified strategic objectives, key activities and targets as outlined in the strategic plan.

6.2 Coordination Framework

The coordination framework details the implementation of the strategic plan, focusing on strengthening institutional capacity. A review of NCWSC's structure and staffing is underway through a Job Evaluation Exercise to support successful execution of the strategic plan.

The Board of Directors will oversee the overall implementation of the Strategic Plan, while the Managing Director will lead the Board of Management and the entire

Company in the implementation of this strategic plan.

6.2.1 Institutional Framework

The implementation of this Strategic Plan requires alignment of the various functions within the Company to create a seamless and effective implementation of different strategies identified in the plan.

The Company's policies and structure will be evaluated to ascertain the appropriateness and adequacy of the existing structure towards effective implementation of various activities identified in the Strategic Plan.

6.2.2 Staff Establishment, Skills Set and Competence Development

The Company undertook an evaluation of the adequacy and appropriateness of the existing staffing levels, skills and competencies to support effective and efficient implementation of the Strategic Plan. The evaluation identified various skills set and competencies that require to be developed for effective and efficient implementation of the strategic plan and how the gaps identified will be closed as outlined in Tables 6.1 and 6.2.

“

The Company will strengthen its institutional capacity and put in place the requisite coordination framework for successful implementation of this Strategic Plan.

”

Table 6.1: Staff Establishment

Staffing levels as at February 2025			
S/No	Cadre	Grade	In-Post
1	Managing Director	1	1
2	Functional Directors	2	3
3	Managers	3	27
4	Coordinators	4	106
5	Officers	5	232
6	Supervisors	6	628
7	Support I (Assistants)	7	570
8	Support II	8	1,188
9	Support II	9	98
Total			2,853

This table summarizes the skills set and competencies that the Company will develop to effectively implement this strategic plan.

Table 6.2: Skills Set and Competence Development

S/No	Cadre	Skills Set	Skills Gap	Competence Development
1	Senior Management	<ol style="list-style-type: none"> Leadership Skills Problem Solving skills, Analytical Skills Conflict management Crises Management Negotiation skills Communication skills 	<ol style="list-style-type: none"> Change Management Crises Management Conflict management Media Relations, Crisis Communication & Reputation Management 	<ol style="list-style-type: none"> Change Management, Culture Change, Crises Management Excellent organizational skills, Financial and business Skills, Emotional skills and Empathy. Media Relations Crisis Communication & Reputation Management
	Middle Level Management	<ol style="list-style-type: none"> Leadership Skills Problem Solving skills, Analytical Skills Conflict management Crises Management Analytical skills, Negotiation skills Board paper & report writing skills presentation skills. Customer management skills interpersonal skills communication skills. 	<ol style="list-style-type: none"> Change Management Crises Management Analytical Skills Board paper & Report writing skills Media Relations, Crisis Communication & Reputation Management 	<ol style="list-style-type: none"> Change Management Culture Change Data Analytics and Reporting skills Policy development and Implementation training Business analytics Media Relations, Crisis Communication & Reputation Management
	Supervisors	<ol style="list-style-type: none"> Good Communication skills, Interpersonal skills, 	<ol style="list-style-type: none"> Communication skills Report writing skills 	<ol style="list-style-type: none"> Supervisory management

S/No	Cadre	Skills Set	Skills Gap	Competence Development
		3. Customer management skills 4. Report writing skills	3. Business Analytic skills.	2. Problem-solving and decision-making training, 3. Report writing skills 4. Communication skills
	Operators/ Assistants	1. Technical & Operational skills in the respective field of work 2. Analytical skills, 3. decision-making skills 4. Customer Care 5. Communication Skills 6. Data Entry & Record-Keeping 7. negotiation skills	1. Analytical skills, 2. decision-making skills 3. Customer Care	1. Supervisory management 2. Customer Care 3. Communication skills 4. Effective work practices 5. Record keeping
	Support Staff	1. Technical & Operational skills in the respective field of work 2. Customer Care 3. Communication Skills 4. Data Entry & Record-Keeping	1. Customer Care 2. Communication Skills 3. Data Entry & Record-Keeping	1. Customer Care 2. Communication skills 3. Effective work practices 4. Record keeping

6.2.3 Leadership

The Board of Directors will oversee the overall implementation of the Strategic Plan, while the Managing Director will lead the Board of Management in implementing the planned strategies and activities identified. There shall be a Strategic Plan Implementation Committee consisting of membership drawn from all the Directorates. The Committee will also include Business Process Owners responsible for each Key Results Areas.

The department of Planning, Monitoring and Evaluation will be responsible for tracking and reporting the implementation status of the Strategic Plan.

6.2.4 Systems and Procedures

The Company is enhancing operations by integrating emerging technologies and achieving ISO 9001:2015 certification for its Quality Management System. A Management Representative ensures documentation oversight, while digitization of processes like billing and onboarding improves efficiency. An extensive value chain framework supports effective supply chain operations and decision-making.

6.2.5 Risk Management Framework

The Company is implementing a comprehensive Risk Management Framework integrated into its Strategic Plan. This strategy focuses on timely risk identification and mitigation measures to reduce adverse effects, ensuring successful execution. Key strategic risks have been identified and will be managed throughout the Plan's duration to maintain effectiveness.

Table 6.3: Risk Management Framework

Risk No.	Corporate Risk	Description of the risk	Likelihood	Severity	Overall Risk Level	Mitigation Measure(s)
1	Water Production, Distribution and Revenue risk	1.1. Inadequate capacity to Preserve Water Catchment Areas.	4	5	20	Collaborate with key stakeholders and neighbouring communities
						Enforce protection policies and conversation initiatives (e.g. Afforestation, fencing, surveillance etc.)
		1.2. Inadequate production.	4	4	16	Collaborate with key stakeholder for additional water sources
						Upgrade and expand water treatment plants for efficiency.
		1.3 Inadequate Infrastructure for distribution and reticulation	5	5	25	Investment in infrastructure development, regular maintenance, and expansion of water supply systems
2	Sewer and Waste Water Management Risk	1.4 Loss of revenue due to rise of Non-Revenue Water Quantities	5	5	25	Reduce transmission, physical, and commercial losses
		2.1	5	4	20	Expand and upgrade the existing infrastructure.
		Inadequate capacity to collect, convey, and treat sewer and wastewater				Collaborate with a strategic partner for the expansion of the sewer treatment plant capacity to match demand
		2.2	4	4	16	Map all sewer and wastewater infrastructure.
		Loss of revenue in sewer and wastewater services				Collaborate with NCCG for effective mapping and licensing of new buildings
3	Compliance and					Embrace technology for effective monitoring and tracking of effluent discharge and Sewer management
		2.3. Public health and safety	3	5	15	Collaborate with key stakeholders to enhance public safety in our services
						Ensure compliance with OSHA and health standards and guidelines
3	Compliance and	3.1. Non-Compliance	3	4	12	Regular monitoring and legal compliance

Risk No.	Corporate Risk	Description of the risk	Likelihood	Severity	Overall Risk Level	Mitigation Measure(s)
4	Regulatory risk	to Regulatory and Legal requirements				assessments ensure adherence to all regulations
		3.2. Brand and Reputational Risk	4	4	16	Strengthen public relations, enhance transparency, and manage stakeholder communication effectively
	Financial, Operational, and Sustainability Risk	4.1. Liquidity and Cashflow Risk	4	5	20	Strengthen financial planning, diversify revenue streams, and improve debt collection
		4.2. Ineffective Budgetary Control / Low Value for Money	4	4	16	Implement strict budget monitoring, enhance cost efficiency, and conduct regular financial reviews
		4.3. Cybersecurity Risk	4	5	20	Implement cyber security policies, conduct regular security assessments, and train employees on cyber security best practices
		4.4. Business Continuity Risk	3	5	15	Develop and implement Enterprise Risk Management framework covering all key operations

KEY

High Risk	15-25
Moderate Risk	5-12
Low risks	1-4

Risk Likelihood is stated on a scale of 1 – 5 (where 1 = Rare, 2 = Unlikely, 3 =Possible, 4 = Likely, 5 =Almost certain). Hence, Low (L) = 1 – 2; Medium (M) = 3; High (H) = 4 – 5.

Risk Impact is stated on a scale of 1 – 5 (where 1 = Insignificant, 2 = Minor, 3= Medium, 4 = Major, 5 = Catastrophic). Hence, Low (L) = 1 – 2; Medium (M) = 3; High (H) = 4 – 5.

Overall Risk Level is calculated by multiplying Likelihood by Impact. Hence, Low (L) = 1 – 10; Medium (M) = 11 - 15; High (H) = 16 – 25.

During the Plan period, the Board of management will continuously identify, evaluate, manage, monitor and report significant risks to the Board of Directors on time for decision making and guidance on appropriate controls and mitigation measures to be put in place to enable the Company to implement this strategic plan and achieve its mandate.

The background of the page is a photograph of a large, calm body of water, possibly a reservoir or lake, under a clear, vibrant blue sky. In the foreground, there is a field of green, wild vegetation and shrubs. The water reflects the sky, and a distant shoreline with some structures is visible on the horizon.

CHAPTER 7

RESOURCE REQUIREMENTS AND MOBILIZATION STRATEGIES

7.0 Overview

This chapter outlines the financial requirements, resource gaps and resource management framework in line with BETA principles for effective realization of this plan.

7.1 Financial Requirements

The implementation of the Strategic Plan requires an estimated Ksh 107,763 million, primarily funded through the Company's revenue, donor support, and the National Government via the Athi Water Works Development Agency (AWWDA) and public-private partnerships (PPP). The Company will manage its financial resources judiciously, following BETA principles to prioritize high-impact areas. Additionally, the Company aims to pursue self-sustenance strategies identified in the Finance and Resource Mobilization Key Results Area (KRA) to support key projects and administrative functions over the long term.

The following is the breakdown of the financial requirements and proposed funding for the plan period, figures in millions Ksh.

Table 7.1: Financial Requirements for Implementing the Strategic Plan

Financial Requirements	Year1	Year 2	Year 3	Year 4	Year 5	Total
	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total
KRA 01: Water Supply Mngt	1,240.23	2,310.87	5,065.83	4,879.13	2,502.10	15,998.16
KRA 02: Waste Water (Sewers)	1,913.00	2,073.00	1,982.50	1,951.50	1,970.00	9,890.00
KRA 03: NRW	299.71	1,024.30	649.25	657.25	658.75	3,289.27
KRA 04: Governance, Institutional Capacity	1,710.30	2,758.30	2,815.30	2,366.90	2,263.80	11,914.60
KRA 05: Climate Change and Future Proofing	-	125.00	144.34	2,237.41	3,500.69	6,007.44
KRA 06: Finance & Resource Management	173.71	158.50	136.50	83.50	98.50	650.71
Other Capex	2,903.56	1,139.73	900.00	280.00	1,700.00	6,923.29
Recurrent Expenditure	11,653.94	9,463.70	10,067.00	10,535.31	10,943.66	52,663.62
Loan principal repayments (commercial loans)	-	-	121.31	140.82	163.45	425.58
Gross Total	19,894.45	19,053.39	21,882.04	23,131.82	23,800.96	107,762.67

7.2 Resource Gaps

To fully realize this plan, the Company will need to mobilize financial resources. The following is the summary of the total financial requirement for the respective financial years;

Table 7. 2: Resource Gaps (Ksh Million)

Financial Year	Estimated Financial Requirements (Ksh)	Estimated Allocations (Ksh)	Variance (Ksh)
2024/2025	19,894.45	19,894.45	0.00
2025/2026	19,053.39	19,053.39	0.00
2026/2027	21,882.04	21,882.04	10.86
2027/2028	23,131.82	23,131.82	11.83
2028/2029	23,800.96	23,800.96	610.49
Total	107,762.67	108,395.85	633.18

7.3 Resource Mobilization Strategies

To successfully implement the Strategic Plan, the Company aims to achieve a Non-Revenue Water (NRW) reduction to 30% and add 50,000 new water and sewer connections during the plan period. To mitigate the impacts of economic fluctuations, a tariff review of 15% is planned for FY2026/2027, followed by a 5% annual indexation. The Company anticipates executing several projects that will enhance water supply and sewerage management capacities to meet the increasing demands of the City and its surroundings. Additional water sources from Maragua IV, Ndarugu, and NCT2 are critical to fulfilling the projected demand of 1,200,000 m³/day for water. Similarly, improved sewer infrastructure will be necessary to address a demand of 675,000 m³/day for sewerage services. These projects are expected to be completed by the end of FY 2027/2028, with benefits anticipated in subsequent years. To secure the necessary financial resources for the plan's full implementation, the Company will leverage its revenue streams from water and sewer services, seek donor support, collaborate with the National Government through the Athi Water Works Development Agency (AWWDA), and explore public-private partnerships and other alternative funding sources, as outlined in Table 7.3.

Table 7. 3: Production & Revenue Projection (Ksh Million)

Source of FUNDS	2024/2025	2025/2026	2026/2027	2027/2028	2028/2029	Total
Production & Projected - NCWSC	191,844,000	191,844,000	191,844,000	191,844,000	196,569,000	963,945,000
Karimenu Water bought from AWWDA (23,000 m ³ /day)	8,395,000	8,395,000	8,395,000	8,395,000	8,395,000	41,975,000
50% of Kigoro Water bought from AWWDA (140,000 m ³ /day)	25,550,000	25,550,000	25,550,000	25,550,000	25,550,000	127,750,000
Total BWS (Karimenu + Kigoro)	33,945,000	33,945,000	33,945,000	33,945,000	33,945,000	169,725,000
Total product	225,789,000	225,789,000	225,789,000	225,789,000	230,514,000	1,133,670,000
NRW%	30%	30%	30%	30%	30%	30%
Billed Volume million m ³	158,052,300	158,052,300	158,052,300	158,052,300	161,359,800	793,569,000
Revenues (Ksh Mn)						
Water	11,284.93	10,788.15	12,177.93	12,786.83	13,426.17	60,464.01
Sewer	7,307.52	7,110.96	8,360.97	8,779.02	9,217.97	40,776.42
Illegal Connection	11.90	11.90	11.90	11.90	11.90	59.51
Meter Replace (Stolen/Damaged)	6.40	6.40	6.40	6.40	6.40	32.00
Water Reconnect	33.64	33.64	33.64	33.64	33.64	168.18
Water Sales using Tankers	36.55	36.55	36.55	36.55	36.55	182.73
Flushing Units Charges	1.00	1.00	1.00	1.00	1.00	5.00
Water analysis	1.00	1.00	1.00	1.00	1.00	5.00
EDL	19.38	29.07	43.61	65.41	98.11	255.57
Bio gas revenue	-	-	-	61.32	61.32	122.64
Exhausters	6.00	6.00	6.00	6.00	6.00	30.00
Sale of Sludge (bio solids)	2.40	2.40	4.80	4.80	4.80	19.20
MDU's Sewer Charges	100.17	200.33	300.50	400.67	500.83	1,502.50
Number of Exhausters Licensed	6.00	6.00	6.00	6.00	6.00	30.00
Bad debt recoveries	600.57	491.00	311.21	329.88	352.98	2,085.64
PPP	-	-	-	450.00	472.50	922.50
Carbon credit	-	-	-	9.66	20.71	30.37
Grant	352.00	204.00	-	-	-	556.00
New connection fees	125.00	125.00	125.00	125.00	125.00	625.00
Incremental Sewer Revenue on Bulk water received	-	-	466.40	28.59	28.59	523.58
TOTAL REVENUE	19,894.45	19,053.39	21,892.89	23,143.66	24,411.45	108,395.85

7.4 Resource Management

The Company plans to implement a value chain execution framework as part of its Strategic Plan to optimize the allocation of resources towards critical activities that yield the greatest impact for both the Company and its key stakeholders. By prioritizing and sequencing these activities based on their potential impact and available resources, the Company aims to effectively achieve key outcomes, as detailed in Table 7.4.

Table 7.4: Resource Management

Key Result Areas	Value chain management framework	Resource management strategies
KRA I: Water Supply Management	<ul style="list-style-type: none"> Project Implementation and Management- Need Based Approach 	<ul style="list-style-type: none"> Increase in production capacity Enhanced distribution network Increase in water connections
KRA II: Waste Water Management	<ul style="list-style-type: none"> Project Implementation and Management- Need Based Approach Environmental Waste Management 	<ul style="list-style-type: none"> Enhanced sewer network Increase in connections Expansion of sewer treatment capacity Effluent Discharge Licensing
KRA III: Non-Revenue Water	<ul style="list-style-type: none"> Transmission and distribution framework 	<ul style="list-style-type: none"> Reduction of technical and commercial losses Increased metering Reduction of illegal connections
KRA IV: Governance, Institutional Capacity	<ul style="list-style-type: none"> Stakeholder Engagement and Collaboration Enhanced Efficiency and staff productivity Cost Reduction and Containment Innovation and technological solutions 	<ul style="list-style-type: none"> Staff performance and productivity optimization Strong corporate culture Central Repository for knowledge management (i-water hub) Digitization of internal processes
KRA V: Climate Change and Future Proofing	<ul style="list-style-type: none"> Circular economy and resource recovery Adoption of PPP framework 	<ul style="list-style-type: none"> Strengthening of PPP engagement framework Strengthened Resource Mobilization/PPP unit
KRA VI: Finance and Resource Mobilization	<ul style="list-style-type: none"> Sustainable Financial Management Operational efficiency 	<ul style="list-style-type: none"> Lobbying for Enactment of Nairobi Water Act Alternative Sources of Revenue Cost Containment Enhanced monitoring and reporting framework

To improve prudence in financial management and enhance cost efficiency in implementation of the Strategic Plan, the Company will: -

- i) Automate processes and services to ensure efficiency and transparency;
- ii) Undertake business process re-engineering to eliminate bottlenecks and redundancy in the business processes;
- iii) Enhance research and innovation in order to minimize cost of operations;
- iv) Fully roll out the operational modules of the ERP to improve internal controls and enhance accountability;
- v) Undertake pre-feasibility and feasibility studies to ensure projects are prioritized for high impact and resource allocation;
- vi) Adopt productivity management to improve efficiency and effectiveness in the delivery of results; and
- vii) Integrate risk-based management principles and practices to reduce exposure.



CHAPTER 8

MONITORING, EVALUATION AND REPORTING FRAMEWORK

8.0 Overview

This chapter discusses the monitoring, evaluation and reporting framework for the Strategic Plan. It provides the methodology for collection of data on indicators to monitor the extent of progress and achievement of Strategic Plan objectives.

8.1 Monitoring Framework

A robust M&E framework is essential for NCWSC, providing timely, objective performance information through systematic observation, measurement, feedback, and guidance for strategic plan implementation.

- The Board of Directors (BoD) will supervise the Strategic Plan's implementation through the Finance Committee.
- Quarterly reviews during Board of Management (BoM) meetings will facilitate potential strategy adjustments, with annual progress reports submitted to the BoD.
- Ongoing monitoring will identify and address gaps or deficiencies promptly.

The Company will establish a robust M&E system with indicators, data collection, and improvement plans to track implementation, address discrepancies, and support the Strategic Plan's objectives.

8.2 Performance Standards

Performance standards for monitoring and evaluation are essential for assessing program effectiveness, enabling NCWSC to track strategic progress and uphold accountability. Key performance standards include:

- **Outcome Indicators:** Measure specific changes achieved from interventions related to the Key Result Areas (KRAs) outlined in the strategic plan.
- **Output Indicators:** Assess the implementation of key activities specified in the Strategic Plan that contribute to achieving the strategic goals.
- **Quality of Service Indicators:** Track and report critical KPIs mandated by the regulator, such as Water Coverage %, Quality of Water %, and

Hours of Supply.

- **Economic Efficiency Indicators:** Evaluate resource utilization and financial sustainability by monitoring KPIs like Personnel Expenditure as a percentage of Operation and Maintenance (O+M) costs, O+M Cost Cover %, and Revenue Collection Efficiency %.
- **Operational Efficiency Indicators:** Measure sustainability and service delivery effectiveness through KPIs such as Non-Revenue Water %, Staff Productivity, and Metering Ratio %.

These standards will inform decision-making and help identify any discrepancies during the implementation of the Strategic Plan.

8.3 Evaluation Framework

The evaluation will assess performance against targets, identify variances and causes, recommend corrective actions, and review objectives, ultimately providing insights into the effectiveness and progress towards strategic goals for each Key Result Area.



A summary of the evaluation outcome indicators, including baselines and targets, is presented in Table 8.1.

Table 8.1: Outcome Performance Matrix
KRA 1: Waste Supply Management

KRA1: Water Supply			Target	
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Increased base flows	Base flows into Thika Dam (m ³ /s)	Base flows (FY 2023/24): Thika Dam Rivers combined 2.1 m ³ /s (Mean)	2.23m ³ /s	2.31 m ³ /s
	Base flows into Sasumua Dam (m ³ /s)	Base flows (FY 2023/24): Sasumua Dam Rivers combined 0.105 m ³ /s (Mean)	0.109 m ³ /s	0.114m ³ /s.
Improved responsiveness to fluctuating turbidities	Reduced plant downtimes	28 days	14 days	14 days
Optimal flows	Number of intakes Desilted	Two in Chania intake & Kimakia	6 Intakes	9 intakes
Reduced intrusion of installation	Fenced water installations	0	7km	12.5km
New Dams & NCT2 Tunnel	Construction by AWWDA/ Development partners	0	0	Additional water sources (NCT2, Maragua IV Dam and Ndarugu Dam)
Working equipment	% of malfunctioning equipment replaced	0%	67%	100%
Dam safety assessment report	Improved understanding of dam safety	0	3	6
	Volume of backwash water recovered	0	Rehabilitation of Kabete backwash system and	1900m ³ /day
26,900m ³ /day increase in volume			consultancy studies for Sasumua	
	Expansion of Ngethu	0	Construction of 6.5Km, DN 800 Mataara - Ngethu raw water pipeline, one Clarifier and six RSF Filters	25,000m ³ /day

KRA1: Water Supply		Target		
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Compliance to quality standards	% compliance	96%	100%	100%
100% Utilization	% change	96%	98%	100%
Accurate measurement of raw water	Volume of raw water	0	±1.5%	±1.5%
95% water transmission	% of Water Transmitted	90%	93%	95%
6% increase in water coverage	% coverage	79%	86%	92%
Improved supply levels	Reduction in Number of supply fails (by 40% by 2029)	7,968	5,809	4,705
Additional Water from Bulk Water Purchase	Increased volume m3	0	45,990,000	45,990,000

KRA 2: Waste Water Management

KRA2: Waste Water Management		Target		
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Increased sewerage coverage	% of sewer coverage	49%	61%	70%
Move from 42% sewer revenue to 47% sewer revenue	% of increased sewer revenue	42%	45%	47%
Rehabilitated sewer network	Km of Rehabilitated sewer network	410Km	800Km	11000Km
100% compliance to environmental regulatory requirements	Increased compliance	85%	100%	100%
Increased compliance with discharge standards	Level of compliance	50%	60%	100%

KRA 3: Non-Revenue Water Management

KRA3: Non-Revenue Water Management		Target		
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Reduced Transmission losses	Percentage reduction of transmission losses	9%	5%	5%
Reduced Physical Losses	% Reduction of physical losses	13%	8%	8%
Reduced Commercial Losses	% reduction of commercial losses	31%	18%	18%
Combined NRW		48%	30%	30%

KRA 4: Governance & Institutional Capacity

KRA 4: GOVERNANCE & INSTITUTIONAL CAPACITY			Target	
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Increased level of compliance from 57% to 100% by 2028/29	Level of compliance	57%	87%	100%
Level of good corporate governance	% level of compliance with Board Charter	100%	100%	100%
Improved customer and stakeholder satisfaction	Level of customer satisfaction	75%	85%	92%
Improved public image and reputation	% increase in brand perception	46%	71%	90%
% Level of stakeholder engagement	Level of Stakeholder Engagement	57%	75%	80%
% Improved brand visibility	Level of brand visibility	65%	75%	85%
Enhanced Organizational Performance and Productivity	Staff productivity/ Performance	65%	80%	90%
Conducive Work Environment	Level of compliance with OSHA	90%	100%	100%
Established Counselling and wellness section	Functional Counselling and wellness Section	0	1	1
Conducive Work Environment	Level of compliance with OSHA	90%	100%	100%
Revised organization structure and staff establishment	Approved organizational structure and staff establishment	0	1	1
Revised Competency Framework	Existence of a Revised Competency Framework	0	1	1
Succession Planning	% of optimal staffing levels	100%	100%	100%
Revised organizational structure and staff establishment	Approved organizational structure and staff establishment	0	2	2
Enhanced Skills and competencies	% of staff trained	100%	100%	100%
Efficient and effective risk management and compliance	% implementation of ERM Framework	55%	70%	100%
Performance evaluation reports	Number of reports submitted to BOM	12	48	72
Optimized fleet operations	Improved and efficient fleet	66%	84%	100%
Increased automation levels from 72% to 90%	Level of automation and digitization	34%	87%	100%
Reduced risks of cyber threats, data breaches and system downtime	Achieve 100% service availability and data protection and compliance to data protection laws	50%	100%	100%
Improved Business Efficiency	Upgraded ICT infrastructure	34%	87%	100%
Enhanced Business resilience, minimized disruptions and improved disaster recovery capabilities	Recovery Time Objective/Recovery Point Objective	50%	100%	100%
Fully functional R&D Department	Level of implementation of R&D framework	50%	80%	100%
Established Partnerships and Collaborations.	Number of MOUs executed	2	5	7
The i-Water Hub & Excellence Centre	No of innovations adopted and/commercialized		1	3

KRA 5: Climate Change and Future Proofing

KRA 5: CLIMATE CHANGE AND FUTURE PROOFING		Target		
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Comprehensive climate change framework	Approved climate change Framework	0	1428 trainings	1428 trainings
Transition to renewable energy sources	% Reduction in energy costs and lowered greenhouse gases	0	35%	75%
Implementation of waste water reuse and recovery projects	Number of circular projects implemented	0	Biosolids from Kariobangi	Biogas facility at Kariobangi and Ruai, and recycled water pipelines (12km) at Kariobangi
Community engagement through CSR programs	Number of community programs implemented	0	0	40 tanks, 30 streetlights, and 200,000 trees
Funding for future-proof projects	Funding secured for future-proof projects	0	2	4

KRA 6: Finance and Resource Mobilization

KRA6: Finance and Resource Mobilization		Target		
Outcome	Outcome Indicator	Baseline value (FY2023/24)	Mid-Term (2026/2027)	End-Term (2028/2029)
Increase in revenue	Revenue growth	10,949	18,622	22,489
Sustained liquidity and solvency	% OPEX cover	105%	132%	150%
Increased collection efficiency to 100%	Revenue collection efficiency rate (%)	95%	98%	100%
Improved efficiency	Hours of availability per day	-	24	24

NB: Evaluation of the Plan should be undertaken at least mid-term and end-term.

8.3.1 Mid-Term Evaluation

A mid-term evaluation will be undertaken with the purpose of verifying that the implementation of the plan is on the right track and provide information to correct observed deficiencies, including the revision of objectives, strategies or activities. The mid-term review will be conducted during the FY 2026/2027.

8.3.2 End-Term Evaluation

The final evaluation to assess the achievement of the objectives of the plan and identify and document the lessons will be undertaken in the FY 2028/2029. The evaluations will be guided by key questions to address key evaluation criteria including relevance, effectiveness, efficiency, impacts, and sustainability.

8.4 Reporting Framework and Feedback Mechanism

The implementation reporting for the Strategic Plan will be guided by various outcome indicators, baselines, annual work plans, and targets as outlined in the implementation matrix. This process will take place at both the Management and Board levels.

Key reporting mechanisms include:

1. Quarterly Progress Reports: The Strategic Plan Implementation Committee (SPIC) will convene quarterly meetings to review the status of the strategic plan. These evaluation reports will be presented to the Board of Management (BoM), highlighting progress, challenges encountered, lessons learned, and recommendations for corrective actions.
2. Annual Reports: An annual review will be conducted at the end of each financial year to consolidate achievements, address challenges faced, document lessons learned, and propose remedial actions.

The Managing Director will oversee the implementation of strategic plan activities and ensure the provision of performance data and relevant reports from their respective departments to the Board of Directors. Reporting will involve the use of specific tools designed to monitor the status of the Strategic Plan implementation effectively.

Table 8.2: 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 8.3: Annual Progress Reporting Template

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

Table 8. 4: Evaluation Reporting Template

Key Result Area	Outcomes	Outcome indicator	Baseline		Mid-Term Evaluation		End of Plan Period Evaluation		Remarks	Corrective Intervention
			Value	Year	Target	Achievement	Target	Achievement		
KRA 1										
KRA ...										

