



GOVERNMENT OF KENYA

MINISTRY OF TRANSPORT, INFRASTRUCTURE, HOUSING AND URBAN DEVELOPMENT (MoTIHUD)

STATE DEPARTMENT FOR HOUSING, URBAN DEVELOPMENT, AND PUBLIC WORKS

TERMS OF REFERENCE FOR CONSULTANCY FIRM TO SUPPORT THE DELIVERY AND COORDINATION OF URBAN DEVELOPMENT AND AFFORDABLE HOUSING PROGRAMS UNDER THE INTEGRATED PROJECT DELIVERY UNIT (IPDU)

1. BACKGROUND

The Government's overall response to Kenya's urban development challenge is articulated in the Sessional Paper No. 06 of 2016 - National Urban Development Policy (NUDP). The NUDP, intends to contribute towards the realization of the broader development goals articulated in Vision 2030 by addressing the key challenge of urban development. The State Department of Housing, Urban Development, and Public Works (the "State Department" or "SDHUD&PW") has designed the Kenya Urban Program (KenUP), as a vehicle to implement the NUDP. The overall objective of the NUDP is to provide a framework for sustainable urban development in Kenya by pursuing nine specific objectives: (a) create mechanisms for vibrant economic growth and development in urban areas and cities, (b) build efficient financial management systems in urban areas and cities, (c) develop effective governance structures for sustainable urbanization in the country, (d) reform urban planning to drive sustainable urban development in the country, (e) ensure access to land of the right quality for urban development, (f) promote city-wide environmental planning and management as well as climate change adaptation in urban areas and cities, (g) promote the development of requisite infrastructure and services in urban areas and cities, **(h) support the development of affordable housing of acceptable quality in urban areas and cities**, and, (i) mainstream urban safety and disaster risk management in urban planning and development.

Currently, SDHUD&PW has several initiatives running at the same time. The Urban and Metropolitan Development Directorate (**U & MDD**) within the MoTIHUD is a National government initiative aimed at strengthening the institutional and policy framework for urban development. There are several consultants working on various initiatives related to urban development under the Nairobi Metropolitan Services Improvement Project (**NaMSIP**). The State Department is also funding various urban infrastructure in the greater Nairobi Metropolitan including building markets, upgrading and building new railway stations, upgrading and installing storm water drainage, expanding capabilities for disaster management, and developing solid waste management plans.

There are various consultancies to support the Nairobi Metropolitan Area Transport Authority as it seeks to develop and operationalize its mass rapid transit (MRT) initiatives. In addition, under the Kenya Urban Support Program (KUSP), the State Department will be funding county headquarters and 14 Municipalities with a population of more than 70,000 to upgrade urban infrastructure. Furthermore, under Kenya Informal Settlements Improvements Project (KISIP), SDHUD&PW is upgrading informal settlements infrastructure for 15 Municipalities in 14 Counties.

The current administration has purposed as part of its legacy projects under the **Big Four Pillars** to provide low-cost affordable housing to hard working citizenry. Pursuant to the mandate provided by the Executive Order No. 1/2018, SDHUD&PW will focus on developing an enabling environment and implementing plans to deliver over 500,000 affordable housing units annually using sustainable methods and in line with the country's development objectives under the NUDP

While these programs meet the needs of the various urban development, housing and other sector segments, the State Department recognizes the need to develop a co-ordination and alignment mechanism that will ensure the various programs and initiatives are implemented in an efficient and cost-effective manner and contribute to the stated objectives of the priority national agenda of an affordable housing and other urban development programs and projects.

To this end, firstly, the State Department has seen it fit that there is an urgent need to re-align the initiatives being undertaken especially by the Urban and Metropolitan Development Directorate to support the affordable housing pillar. Secondly, the Department has organized around the Office of the Principal Secretary an Integrated Program Delivery Unit (IPDU) comprised of a multidisciplinary team to support the management and implementation of its urban development and housing programs.

Against that backdrop, furthermore, the SDHUD&PW has recognized the urgent need for external technical assistance in coordinating, monitoring, and providing timely, adequate and effective technical support for the implementation for various programs, projects, and initiatives of the State Department with the objective of ensuring that the investments in urban planning, urban infrastructure and affordable housing result in the desired outcomes.

Under the KUSP program, the SDHUD has the overall responsibility for the Operation and the UDD will provide technical leadership and support while the National Program Coordination Team (NPCT) conducts day-to-day management of the program. Realizing that the mandate of the SDHUD&PW is to integrate the urban development and housing agenda to fast track the realization of affordable housing and the objectives of the NUDP, the NPCT will engage the IPDU to provide the specialized support required to achieve its stated goals.

To avail this assistance, the SDHUD&PW seeks to procure the services of a competent Consulting Firm (the Consultant).

2. OBJECTIVES OF THE ASSIGNMENT

The overall purpose of the assignment is to support the State Department of Housing, Urban Development, and Public Works initiatives in coordinating programs implementation, backstopping, and resources mobilization. The Consultant will promote and support programs and projects by: (i) providing analytical and technical advice on options for financing and resource mobilization,

especially through joint ventures and other private sector participation modalities; and (ii) collaboratively harnessing the talents and insights of all participants to optimize the programs' and projects' results, reduce waste, and maximize efficiency.

3. SCOPE OF WORK

Firstly, the Consultant will support the SDHUD&PW in the technical coordination of the implementation of the on-going and planned urban infrastructure development programs, including:

- i. Those funded by the World Bank: Kenya Urban Support Program (KUSP), Kenya Informal Settlements Improvements Project (KISIP), Nairobi Metropolitan Services Improvement Project (NaMSIP), Kenya Slum Upgrading Program (KENSUP); as well as those sponsored by other development partners;
- ii. The Government's new initiatives, and particularly the 500,000 Affordable Homes Program, and the Mass Rapid Transit projects in the metropolitan area;
- iii. Initiatives and projects by other sector ministries, departments and agencies (MDAs) and County Governments that should interface with and/or complement the Government's urban development initiatives, and with special focus on the Affordable Homes Program.

Secondly, the Consultant will support the SDHUD&PW in the mobilization and management of private sector resources, both technical and financial, that are required to implement the Government's urban development agenda by: developing frameworks and project-packages for: private sector contributions through such modalities as joint ventures; and advising on modalities and schemes for tapping into financial sector funding for affordable housing and complementary urban infrastructure development.

More specifically, the Consultant will:

- Conduct a comprehensive review and diagnostic of existing projects, programs, and initiatives under the State Department to establish the status of existing projects, major gaps and risks in implementation, and required mitigations, if any, to ensure that program goals are achieved.
- Provide real-time support to County Governments that reach out to the SDHUD&PW with specific demand for designs of specific urban infrastructure supported under KUSP, review and support the validation of existing or ready designs to ensure that they embrace principles of livability, safety, smart and coherent with the planning framework.
- Support county governments to prepare spatial plans of their municipalities as envisaged under KUSP as well as validate existing spatial plans where these do exist.
- Establish integrated implementation plans and underlying planning principles that will enable the SDHUD&PW to have a stabilized framework for decision making and prioritization of initiatives and projects.
- Develop and maintain master programmes together with requisite interface registers that will form a centralized database on the overall portfolio of programs, initiatives, and projects under SDHUD&PW.
- Develop a comprehensive view of the workstreams required to deliver on stated projects and initiatives within SDHUD&PW including but not limited to commissioning studies and consultancies that will provide required inputs and information to improve SDHUD&PW's delivery goals.
- Develop a clear financial proposal outlining the costing for the overall technical support required by the SDHUD&PW, as well as all the units and teams operating under its umbrella.

- Support development of transparent, efficient, and fast-tracked processes for procurement, tendering, and evaluation of required goods and services for urban development programs and projects.
- Establish and pre-qualify panels of technical experts and private suppliers of other resources to support implementation of the urban development programs and projects. These supplier panels will include small and medium sized enterprises (SMEs) and Access to Government Procurement Opportunities (AGPO) firms. The Consultant will be required to establish systems that meet government targets on the use of SMEs and AGPO firms in the IPDU activities and report regularly on the same.
- Develop and maintain reporting frameworks for a cross-section of internal and external stakeholders on the portfolio of programs, initiatives, and projects under SDHUD&PW.
- Develop and support implementation of a comprehensive capacity building program that will ensure specialist skills transfer and knowledge among SDHUD&PW staff for sustainable implementation of both on-going and planned urban development and affordable housing programs and projects. This capacity building program will not duplicate the capacity building interventions already planned in the ongoing programs and projects, i.e. KUSP, NaMSIP, KISIP, etc.

The SDHUD&PW will facilitate the Consultant to procure and fit out the offices of its team members. However, the firm will be responsible for installing the requisite IT infrastructure and shared services that will allow its efficient and effective operations in coordination with senior executives and advisers in the SDHUD&PW. To the latter end furthermore, the Consultant will support mobilization of the funding for all technical requirements of the SDHUD&PW in the effective coordination of the on-going programs, and in development, launching and implementing new urban development programs and projects, in line with the priority Government urban development agenda for the next five (5) years.

The Consultant will undertake activities using an integrated, multidisciplinary approach that will ensure that a holistic view of the State Department's functions and goals is maintained.

It is brought to the early attention of the Consultant that, in performing the above scope of work, the firm agrees that they will not participate in downstream programs and projects arising from the outputs of its support to the SDHUD&PW.

4. KEY EXPERTS AND QUALIFICATIONS

The Consultant's team should include a multi-disciplinary team of experts with project experience in finance and economics, urban planning, housing and urban development, urban transport, legal, social and environmental safeguards, communications and stakeholder engagement, project management, and other areas of expertise that would ensure that SDHUD&PW programs and projects are delivered. The team members should have at least Ten years' working experience with knowledge of working in developing economies similar to Kenya.

5. ACCOUNTABILITY AND DELIVERABLES

The Consultant, through its Team Leader will be responsible to the Principal Secretary of the SDHUD&PW, to whom it will submit regular (at minimum monthly) written reports on its performance as well those of the urban development and affordable housing programs and projects

under its purview. At the same time, it will be imperative that the firm's team of experts engage based on regular consultations with both the senior executives and other experts in all directorates of the SDHUD&PW, and where necessary the County Governments.

The Consultant will provide the following deliverables in the manner prescribed by the SDHUD&PW:

- Within one month following contract signing, an Inception Report of acceptable quality with:
 - Detailed work plans with activities that the Consultant will undertake, related implementation plans, expected outputs, and execution plan for the rapid deployment of a project delivery office;
 - Detailed programming coordination and monitoring approach for projects, programs, and initiatives in the SDHUD&PW portfolio on human settlement and mobility;
 - Detailed timetable for project execution; and
 - Proposed modifications to the Consultant's initial methodology as set out in the Technical Proposal.
- Within one month of submitting the Inception Report, a Development Framework for the Affordable Housing Program of acceptable quality with:
 - Detailed guidelines on the approach for the technical, financial, legal, and other related project delivery elements;
 - Approach for working with public entities who own land, county governments, and private land owners; and
 - Approach for onboarding and working on multiple projects across the country.
- Within one month of submitting the Development Framework, a Detailed Project Pipeline Framework of acceptable quality with approach for programming technical support from IPDU for projects at the County level;
- Regular updates through progress meetings;
- Quarterly progress reports due within three (3) months, six (6) months, and nine (9) months of contract signing;
- Annual report on project performance due within 12 months of contract signing; and
- Other deliverables that will satisfy sufficient progress across SDHUD&PW programs, projects, and initiatives as required and outlined in the Inception Report.

6. CONSULTANCY DURATION & TIMELINES

The assignment will be for an overall period of five (5) years. It is intended that this consultancy will be contracted for an initial period of one year, renewable for a further four (4) years, based on satisfactory performance and business need following annual reviews by the office of the Principal Secretary, SDHUD&PW.

7. CONFIDENTIALITY AND DATA OWNERSHIP

The Consultant agrees to keep confidential all information that they receive, directly or indirectly, from the State Department, MoTIHUD, the KUSP project team, or any other stakeholder, as well as all copies or analyses that they make, or have been made by third parties, on the basis of such information (collectively, the Material). The Consultant shall use the Material exclusively for the purpose of preparing deliverables relevant to this assignment. The confidentiality obligations shall not apply to information in the public domain. The Consultant shall only permit access to the Material to persons within their organizations on a need-to-know basis. The Consultant shall explicitly inform

such persons of the confidential nature of the Material and, prior to providing them the Material, subject them to the confidential obligations contained in this Terms of Reference.

Ownership of any studies, reports or other material, graphic, Material software or otherwise prepared by the Consultant for the State Department under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software.

8. TERMS OF PAYMENT

The Consultant will be engaged under a lumpsum form of contract. Payment for the Consultant’s services shall be according to the schedule based on achievement of the noted milestones following acceptance of submitted reports by the State Department:

i. Inception Report	10% of total fees
ii. Development Framework	15% of total fees
iii. Detailed Project Pipeline Framework	15% of total fees
iv. Quarterly Report 1	15% of total fees
v. Quarterly Report 2	15% of total fees
vi. Quarterly Report 3	15% of total fees
vii. Annual Report	15% of total fees