



REPUBLIC OF KENYA

**MINISTRY OF LANDS, PUBLIC WORKS, HOUSING AND URBAN
DEVELOPMENT**

STATE DEPARTMENT FOR HOUSING AND URBAN DEVELOPMENT

Second Kenya Informal Settlements Improvement Project (KISIP2)

Credit No: 6759-KE

Terms of Reference

For

**CONSULTING SERVICES FOR A STUDY ON INTEGRATION OF UPGRADED
SLUMS/INFORMAL SETTLEMENTS INTO THE FORMAL URBAN FABRIC**

Contract No.

Contract No. KE-MOTI-419088-CS-CQS

May 2024

Client:

The Principal Secretary
State Department for Housing and Urban Development
P.O. Box 30119-00100
6th Floor, Ardhi House
1st Ngong Avenue
Nairobi, Kenya
Tel:+254-02-2729200
E-mail: kisip2.procurement@housingandurban.go.ke

1.0 Introduction

The Government of Kenya has received credit from the International Development Agency (IDA) and additional financing from the French Development Agency (AFD) towards the cost of the Second Kenya Informal Settlements Improvement Project (KISIP2) and intends to apply part of the proceeds of the credit to procure **Consulting service for a study on integration of upgraded slums/informal settlements into the formal urban fabric.**

The overall project development objective is to improve access to basic services and tenure security of residents in participating urban informal settlements and strengthen institutional capacity for slum upgrading in Kenya.

This Project, while concentrating on informal settlements, complements existing and past urban operations in Kenya, which address the urban infrastructure deficit and urban institutional challenges. It also supports the Governments' affordable housing agenda as it seeks to complement the demand-side and supply-side operations to improve housing affordability.

The project has the following four components:

Component 1: Integrated Settlement Upgrading

This component supports settlement upgrading through two main interventions classified under two sub-components:

Subcomponent 1.1: Tenure regularization: Coordinates regularization of tenure for people living on uncontested public lands, whose process includes: development of a local physical plan for the settlement which lays out land parcels and wayleaves for infrastructure like roads, drainage, walkways; surveying with physical placement of beacons to demarcate the parcels as per the plan; preparation and issuance of letters of allotment based on the survey plan; and Issuance of titles.

Sub-component 1.2: Infrastructure upgrading: Coordinates infrastructure investment portfolio whose menu includes: water and sanitation systems, storm water drainage, solid waste collection and settlement sorting, pedestrian walkways, cycle paths, roads, street and security lighting, vending platforms, public parks, and green spaces. It further includes investments related to prevention of crime and violence, including but not limited to community centers.

Component 2: Socio-economic Inclusion Planning

This component supports community development plans to enhance social and economic inclusion, identifies beneficiaries who fit the eligibility criteria of government programs but are excluded and connects them appropriately, supports participatory crime and violence mapping, monitors the employment of local labor, carries out community capacity building and awareness raising for various project interventions including community-based solid waste management.

Component 3: Institutional Capacity Development for Slum Upgrading

This component undertakes a set of activities designed to strengthen the capacity of counties and national government institutions carry out slum upgrading and prevention such as: assisting national government institutions and counties review existing slum upgrading policies and strategies (e.g. the 2005-2020 National Slum Upgrading and Prevention Strategy); supporting the development of county-specific slum upgrading and

prevention policy and strategies; developing and carrying out activities to build capacities of national and county teams mandated to implement such policies and strategies including technical assistance, training, workshops and learning events, experience sharing and peer-learning activities among others; developing financing mechanisms for slum upgrading at County level and; developing strategies to plan for urban growth; enhancing fiduciary and contract management across counties.

Component 4: Program Management and Coordination

This component supports activities of the NPCT and the CPCTs related to national and county-level project management and coordination, including planning, surveying, engineering, fiduciary (financial management and procurement), safeguards compliance and monitoring, monitoring and evaluation (M&E), communication and community development.

2.0 Background of the Assignment

Informal settlements are home to millions of people in Kenya. The National Slum Upgrading and Prevention Strategy (2023) estimates that more than half of the urban population live in slums and informal settlements across the country. These informal settlements are characterized by poor living conditions, inadequate infrastructure, lack of basic services, and land/housing tenure insecurity. Residents of informal settlements often face numerous challenges, including poor access to health and educational facilities and limited economic opportunities. Further, most of the people living in these settlements do not have formal ownership documents in regards to land and housing tenure. As a result, the lack of tenure security has discouraged investments in infrastructure and permanent dwellings/developments.

Recognizing the need to improve the living conditions and livelihoods of residents in slums and informal settlements, the Government of Kenya in 2011 launched the Kenya Informal Settlement Improvement Project (KISIP) which ran up to 2019. The project aimed to address the challenges faced by residents of informal settlements by providing basic infrastructure and services, improving tenure security. The first phase of KISIP (KISIP 1) focused on regularizing land tenure and providing basic infrastructure and services in the targeted settlements. In this phase, 80 settlements across 13 counties benefited from tenure regularization, while 35 settlements in 10 counties had infrastructure upgrading done. The project regularized land tenure for over 17,000 households and issued over 8,000 title deeds. and KISIP 1 undertook various infrastructure and services improvement interventions, including water and sanitation, solid waste management, and access roads, among others. These interventions were all aimed at improving access to basic services and enhancing the living conditions of residents in the targeted settlements.

Despite the interventions of both the government and the private sector in the informal settlements over the years, these settlements are still termed as informal. Experience from KISIP1 indicate that upgraded settlements have the potential to attract investments particularly from the private sector in form of housing and building development. These investments combined with the infrastructure and services provided under upgrading projects transform the character of the settlements, changing the characteristics/dynamics that initially defined them as slums/informal settlements.

3.0 Objective of the assignment

The objective of the consultancy is to evaluate the level of transformation, sustainability and integration of the upgraded Slums/informal settlements into 'formal' urban fabric and propose practical measures and metrics to measure and to fully integrate settlements that no longer qualify as informal into the formal urban fabric. This is aimed at safeguarding the land/housing tenure security achieved through upgrading, ensure maintenance and operation of infrastructure investments by the relevant public agencies, promote municipal revenue generation and prevent any continuation of informality post implementation of upgrading interventions.

4.0 Scope of Services and Specific Tasks of the Assignment

4.1 Scope of the Services

The study will target the settlements that benefited under KISIP 1 both for land tenure regularization and infrastructure upgrading i.e. (80 settlements across 13 countries for land tenure) and 35 settlements in 10 counties for infrastructure upgrading) from a which a sample will be drawn..

4.2 Specific Tasks of the Assignment

The study will encompass the following key areas and tasks:

- 1) Review of KISIP1 interventions for physical and social transformation in the select settlements.
 - a) Undertake an analysis of identified KISIP1 intervened settlements to understand the project objectives, target areas, and the extent of transformation resulting from interventions such as tenure regularization and infrastructure improvements e.g. have investments catalyzed or initiated long term and ongoing processes of improvement in building stock, additional infrastructure services, environmental preservation, and improvement of social infrastructure within the select settlements.
- 2) Beneficiary Analysis:
 - a) *An evaluation on the status of tenure rights and its impacts on the community's social, economic, spatial and governance structures:* looking into the changes that have occurred in terms of tenant, structure owner and (absentee) landlord demographic composition as well as changes that have occurred in terms of tenure and community relations among these different groups?
 - b) *An investigation into the motivations and circumstances leading beneficiaries to sell off their allocated parcels and relocate:* Assessing the level of beneficiary displacement (including in-situ displacement) motivations for relocation and the demographic and socio-economic characteristics of displaces.
 - c) *An investigation into the new destinations of displaced beneficiaries:* Where are the new locations for displaced beneficiaries? What is the spatial, economic and environmental characteristics of the new destinations vis-à-vis the origins of the displaces?
 - d) *An investigation into the tenure models in new destinations:* What are the tenure models practiced by displaces in their new destinations? How do these vary from that obtained in places of origin?
 - e) An investigation into the socio-economic characteristics of the replacement households in comparison to the lading beneficiaries.

- 3) Settlement Formalization Analysis: *An evaluation of settlements (in)ability to embrace formalization, identifying underlying reasons and obstacles.* Looking into the spatial, socio-economic and environmental as well as governance obstacles to settlement formalization.

- 4) Infrastructure Maintenance Assessment:
 - a) An evaluation of the current status of upgraded infrastructure facilities
 - b) Evaluate the extent to which communities, relevant service providers and public agencies have successfully integrated the operation and maintenance of the infrastructure installed in the select settlements into their ongoing operations, including the financing of affordability of ongoing maintenance and operations.
 - c) Assess impacts of infrastructure after upgrading
 - d) Suggest sustainable approaches to infrastructure maintenance
 - e) An assessment of the participation of residents in the design, implementation, and maintenance of facilities/installations under the projects.
 - f) An evaluation of the current status of infrastructure facilities and installations, together with the maintenance actions taken by relevant authorities post-upgrading.
 - g) An assessment on the level of infrastructure network connectivity and its impacts after infrastructure upgrading.
 - h) An evaluation of sustainable approaches to infrastructure maintenance in upgraded settlements.

- 5) Integration of Settlement into the Formal Urban Fabric:
 - a. Urban Planning and Design: An assessment of the alignment of upgraded informal settlements with formal urban planning and design principles and suggesting adjustments for better integration.
 - b. Infrastructure Compatibility: An analysis of the compatibility of infrastructure with surrounding urban areas, ensuring alignment and fit with city or regional infrastructure network.
 - c. Access and Connectivity: An evaluation of access and connectivity to public transportation, roads, sewer, drainage, solid waste and other critical urban infrastructure.
 - d. Social Inclusion: An examination of the extent to which upgraded settlements promote social inclusion and cohesion with the broader urban community.
 - e. Housing: An assessment of the impacts of tenure security and infrastructure upgrading on quality of dwellings and access to/affordability of housing for different groups within upgraded informal settlements.

- 6) Economic and Environmental Considerations
 - a. Economic Opportunities: An evaluation of the impact of KISIP₁ on the availability of economic opportunities within and around the upgraded informal settlements.
 - b. Environmental Considerations: An evaluation of the environmental impact of upgraded settlements, including sustainability and waste management.

- c. Community Services: An evaluation of the availability and sustainability of essential community services within and around upgraded settlements.
 - d. Community health: Evaluate impacts of settlement upgrading on general health of the community.
- 7) Governance, Culture, and Collaboration
- a. Local Governance: An examination of the role of local governance and community participation structures in managing and integrating upgraded settlements, highlighting successes, bottlenecks and failures.
 - b. Cultural Implications: An examination of settlement upgrading on the cultural disposition and practices of beneficiary groups, highlighting successes and challenges.
 - c. Collaboration with Stakeholders: An assessment of stakeholder collaboration among relevant stakeholders and its implications for effective integration.
 - d. Evaluate the possible negative externalities of integrating upgraded settlements into the urban fabric of their host urban settlements.
 - e. Evaluate the preparedness of the county governments to integrate upgraded settlements into their urban fabric
- 8) International Case Studies
- Assessment of international case studies to understand the potential processes and outcomes of formalizing upgraded slums/informal settlements
- 9) Recommendations
- a) Developer actionable recommendations based on the findings to enhance the success of tenure regularization and infrastructure improvement initiatives in Kenya's informal settlements.
 - b) Sustainability: Propose urban development and governance measures to ensure the long-term sustainability of the upgraded informal settlements.
 - c) Suggest minimum considerations or thresholds of incorporating upgraded settlements into wider formal city systems and a process for the same.

5.0 Duration of the Assignment

The assignment shall be undertaken within a period of Six (6) calendar months from contract commencement date.

6.0 Reporting Requirements and Timelines for Deliverables/outputs

The consultant shall submit all the reports to the Client through the Project National Coordinator in accordance with the schedule indicated in Table 1 below:

Table 1: Reporting Requirements and Timelines for Deliverables/outputs

	Deliverable/Output	Timeline for Submission after Contract Commencement (calendar weeks)	Format of Presentation
1	Inception report summarizing how the consultant intends to execute the assignment to achieve the expected results. This will include a detailed methodology, data collection tools and work plan	2 weeks	4 hard copies and a soft copy
2	Situational analysis report incorporating data collection, analysis and preliminary finding of the study.	12Weeks	4 hard copies and a soft copy of draft report,
3	Draft final report Incorporating comments and suggestions from relevant stakeholders	18 weeks	4 hard copies and a soft copy of draft report,
4	Final study report including an abridged/popular version of the report and Completion Report	24 weeks	4 hard copies and a soft copy of draft report, soft copy of raw data in appropriate format.

All draft reports shall be submitted in the subscribed format to the Client at the following address:

The Principal Secretary
State Department for Housing and Urban Development
P.O Box 30119-00100
2nd Floor, Wing B, Ardhi House
1st Ngong Avenue
Nairobi, Kenya
Tel: +254-02-2729200
E-mail: kisip2.procurement@housingandurban.go.ke

Attention: KISIP2 National Coordinator,

7.0 Payment Schedule

The payment schedule will be based on satisfactory performance and upon delivery of the outlined outputs as indicated in the Table 2 below.

Table 2: Payment Timelines

	Deliverable/Output	Timeline	Payment
1	Submission and Acceptance of An Inception Report detailing the tasks, methodology of execution and a realistic work plan	2 weeks	25%
2	Submission and Acceptance of the Situational analysis report incorporating Stakeholder engagement, data collection, analysis and preliminary finding of the study.	12 Weeks	15%

	Deliverable/Output	Timeline	Payment
3	Submission and Acceptance of the Draft final report Incorporating comments and suggestions from relevant stakeholders	18 weeks	25%
4	Submission and acceptance of the final study report including an abridged/popular version of the report including Completion report	22 weeks	35%

8.0 Minimum Consultant’s Qualifications and Experience Requirements

The shortlisting criteria are:

1. **Core business and years in business:** The firm shall be registered/incorporated as a consulting firm in the field of urban built environment or related field for at least ten (10) years.
2. **Relevant experience:** The firm shall demonstrate as having successfully executed and completed at least two (2) assignments of similar nature both in scope and complexity in similar operating environment in the last ten (10) years. Details of the assignment-Name and address of the client, scope, value, and period shall be provided in the submitted expression of interest (EoI);
3. **Technical and managerial capability of the firm:** The firm shall demonstrate as having the requisite technical capacity including relevant equipment, tools, software etc. and managerial capacity to undertake the assignment in the submitted company profile(s).

Key Experts shall not be evaluated at the shortlisting stage.

9.0 Team Composition and Minimum Qualification and Experience Requirements for the Key Experts

The Consultants shall have well-qualified and experienced professionals as required and appropriate for completion of the exercise. They should possess necessary resources to undertake services of such nature including equipment and software required to execute the assignment. The key professionals/expert shall personally carry out (with assistance of non-key staff deemed appropriate) the services as described in this TOR. The key experts to be provided by the Consultants for this assignment are as follows: -

a) Urban Development expert/Team Leader

1. Minimum of a Master’s degree in Urban Development/and Management, Urban and Regional Planning, Public Policy, Urban sociology, Urban Geography, Urban Economist or any other relevant urban-oriented disciplines from a university recognised in Kenya.
2. At least Ten (10) years of general experience in urban development and urban policy and analysis related assignment

3. Be involved in at least two (2) projects of similar nature and scope within developing country(ies)
4. Must be validly registered and holding current annual practicing license from a relevant professional body recognized in Kenya.

b) Urban Planner

1. A minimum of Master's degree in Urban and Regional Planning/Spatial planning or its equivalent from a university recognized in Kenya
2. Minimum eight (8) years of general experience in urban development and land use planning in similar operating environment, with 2. No projects completed and approved.
3. Demonstrated experience in public policy formulation and analysis, human settlement analysis with at least 2 assignments completed within similar operating environment.
4. Must be validly registered and holding current annual practicing license from a relevant professional body recognized in Kenya.

c) Social/Community Development Specialist

1. A minimum of a Master's degree in Sociology/Community Development/Gender studies, or its equivalent from a university recognized in Kenya.
2. Minimum Eight (8) years of general experience in community development, especially in in similar operating environment including urban informal settlements and slums.
3. Demonstrated 5 years' specific experience in socio-economic studies, community mobilization, Organizing and facilitating public participation, gender analysis and mainstreaming studies in similar operating settlements and understanding of work in a multi-agency and donor-funded projects implementing similar projects.
- 4.

d) Environmental Expert

1. A minimum of Master's degree and Bachelors' degree in Environmental Studies/Sciences from a university recognized in Kenya
2. A minimum of eight years (8) years' general experience in the environmental related field.
3. Must be validly registered and holding current annual practicing license from NEMA as lead expert and registered by relevant professional body recognized in Kenya.
4. Must be familiar with the World Bank safeguard policies and the Government of Kenya legal, policy and institutional frameworks governing environment, land and resettlement and demonstrate prior experience of conducting ESIA, SEA or RAPs, in projects, plans, policies and programs in the last 5 years.

e) Legal/ Policy Expert

1. A relevant Master's degree and Undergraduate degree in law from a university recognized in Kenya.

2. Must be registered and have a valid, current practising license as an advocate in Kenya.
3. Minimum of (8) years' general experience,
A minimum of 5 years' specific experience in policy formulation and drafting of strategies/guidelines and legislations with at least 2 Assignment completed
And understanding of Kenyan land law and urban development context and urban governance structures.

10. Estimated Time Inputs for Key Experts

The number of key experts and the estimated time input for each key expert for the assignment are presented in Table 3.

Table 3: Estimated Time Inputs for Key Experts

S/No	Key and Support Staff	No.	Input staff- months
1	Urban Development Specialist /Team Leader	1	6
2	Urban Planner	1	5
3	Sociologist/Community Development Specialist	1	5
4	Legal/ Policy Expert	1	5
5	Environmental expert	1	4
	TOTAL	5	25

11.0 Responsibilities of the Client

The Client will provide and collaborate with the Consultant in making available the following documents relevant to the project, subject to the extent of availability of such information:

- Access to KISIP existing database on informal settlements
- The National Slum Upgrading and Prevention Policy
- The National Slum Upgrading and Prevention Strategy 2023-2033
- The slum upgrading and prevention bill.
- KISIP II Project Appraisal Document (PAD)
- KISIP II Operations Manual (POM)
- Other relevant policy and research documents.
- The Client will also facilitate the Consultant's access to Government departments both at the National and County level.

12.0 Responsibilities of the Consultant

The Consultant shall be responsible for the provision of all the necessary resources to carry out the Services such as, project transportation for visits in counties, subsistence allowances, accommodation, information technology, and means for communications, organization of the workshops, reporting materials, insurance and any other required resources.

The consultant is expected to undertake activities that will ensure that outputs are consistent with the professional and legal requirements. All outputs will be presented using modern techniques/technology and will form part of the digital land information systems for informal settlements being generated by the Project. It is also required that

the data is generated through a consultative process that guarantees authenticity and ownership.