

## **Service Provider to be the Project Implementation and Learning Unit for the Hunger Safety Net Programme, Phase 2 (HSNP 2)**

### **ABOUT DFID**

DFID's mission is to help eradicate poverty in the world's poorest countries and this is underpinned by our set of values:

- Ambition and determination to eliminate poverty
- Ability to work effectively with others
- Desire to listen, learn and be creative
- Diversity and the need to balance work and private life
- Professionalism and knowledge

It works in 150 countries worldwide. Its programmes cover governance, education, health, conflict reduction, economic growth, climate change amongst others. As well as implementing programmes, its ministers and officials help represent the UK in relevant international organizations such as the United Nations, World Bank and the G20.

DFID wishes to work with Service Providers (SP) who embrace the above, and also demonstrate Corporate Social Responsibility (CSR) by taking account of economic, social and environmental factors. These practices, whether operated locally, regionally or internationally, should also comply with International Labour Organisation core standards on labour and social matters.

### **Introduction**

The first phase of the Hunger Safety Net Programme (HSNP) ran from 2009-2012 and reached 69,000 households with a cash transfer payment every two months. The programme was funded by DFID and run by a Secretariat set up in the Ministry of Northern Kenya. With a change in Government in 2013, the Hunger Safety Net Programme now comes under the remit of the National Drought Management Authority (NDMA), under the Ministry of Devolution. DFID is looking to strengthen the programme management of the HSNP and build the capacity of the NDMA to build sustainability for the future. See **Annex 1 for further detailed background.**

### **A: Objective**

1. The objectives of this assignment are:
  - a) To ensure the effective management of HSNP 2 in conjunction with the National Drought Management Authority (NDMA).*
  - b) To build capacity in GoK (NDMA) to implement HSNP 2 within its own structure by 2017;*

### **B: Services required**

2. DFID seeks a service provider to act as a Programme Implementation and Learning Unit (PILU) for the HSNP 2. The PILU will report to the NDMA which will oversee HSNP 2. HSNP 2 have two components, as outlined in Table 1 below.
3. In line the objectives, the PILU will be accountable to the CEO NDMA. It will be appropriately staffed with NDMA civil servants, and PLIU TA team counterparts. The HSNP 2 PILU will work with GoK and DFID in the management arrangements outlined in Figure 1 below.

### **C: Recipient**

4. The main recipient of services under this assignment is GoK. Secondary recipients include: DFID Kenya and other development partners.

#### D. Scope: Roles and responsibilities, core deliverables and delivery mechanisms by Component

Component	Component Description		
<b>Component 1: Project Implementation and Learning Unit (PILU)</b>	<p>The PILU consortium will be responsible for delivery of components: 1a, 1b, and 1c and 2 below.</p> <p>To note:</p> <ul style="list-style-type: none"> <li>• All PILU TA ToR and contracts will explicitly focus on capacity building of NDMA counterparts (notably the teams under the Director for Technical Services, the M&amp;E Coordinator, Director of Resources, Manager Drought Responses) as a key success criteria and output based contractual milestones;</li> <li>• All work plans that PILU develops are for the approval by NDMA and DFID and the PILU contributes to NDMA's successful delivery of the actions required in the HSNP related Disbursement Linked Indicators under the NSNP;</li> <li>• The PILU will have to take account of NDMA county institutional arrangements in implementation;</li> <li>• All budgets, work plans, etc., should be developed together with the NDMA for the entire HSNP (i.e. DFID and GOK-financing) and these should be approved by the steering committee;</li> <li>• If services/goods need to be procured then these should be consistent with the agreed Procurement Manual.</li> <li>• The PILU will also be responsible for taking on board any recommendations coming from the Kimetrica work on the scalability of the HSNP and working with NDMA and others to implement these.</li> </ul>		
<b>Component 1 A: Management and monitoring, including ST TA supply</b>	<table border="1"> <tr> <td data-bbox="483 868 1077 1326"> <p>The PILU will manage the day to day implementation and oversight of the programme, working closely with the NDMA to ensure coordination with and build GoK capacity within Government structures.</p> <p>The PILU will consist of the following technical assistance:</p> <ul style="list-style-type: none"> <li>• Principal counterpart NDMA HSNP Coordinator &amp; TA team leader;</li> </ul> </td><td data-bbox="1077 868 2130 1326"> <p><b>Management</b></p> <ol style="list-style-type: none"> <li>1. Ensure timely and effective management and implementation of the programme, to help the NDMA meet HSNP objectives and key disbursement linked indicators as part of the wider National Safety Nets Programme Assess and manage risks at regular intervals with regard to progress of approaches to funded activities. This will include contingency plans and programming adequate flexibility to deal with unforeseen risks;</li> <li>2. Build the capacity of the NDMA to effectively manage and implement the HSNP 2;</li> <li>3. Convene quarterly meetings with implementing partners to discuss</li> </ol> </td></tr> </table>	<p>The PILU will manage the day to day implementation and oversight of the programme, working closely with the NDMA to ensure coordination with and build GoK capacity within Government structures.</p> <p>The PILU will consist of the following technical assistance:</p> <ul style="list-style-type: none"> <li>• Principal counterpart NDMA HSNP Coordinator &amp; TA team leader;</li> </ul>	<p><b>Management</b></p> <ol style="list-style-type: none"> <li>1. Ensure timely and effective management and implementation of the programme, to help the NDMA meet HSNP objectives and key disbursement linked indicators as part of the wider National Safety Nets Programme Assess and manage risks at regular intervals with regard to progress of approaches to funded activities. This will include contingency plans and programming adequate flexibility to deal with unforeseen risks;</li> <li>2. Build the capacity of the NDMA to effectively manage and implement the HSNP 2;</li> <li>3. Convene quarterly meetings with implementing partners to discuss</li> </ol>
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	<ul style="list-style-type: none"> <li>• An MIS specialist with GIS back stopping and capacity building skills;</li> <li>• An M&amp;E specialist;</li> <li>• A communications specialist;</li> <li>• An administrator; and</li> <li>• Support staff.</li> </ul> <p>Monitoring will be overseen and coordinated by the PILU, using existing monitoring tools such as the programme MIS, the Single Registry and financial reports from the payment service provider.</p> <p>The PILU will have oversight of the Evaluation Component, as part of its contract and will manage the Rights and Grievances Component, taking over HelpAge International's Accountable Grant agreement.</p> <p>The PILU, with NDMA approval, will be able to procure ad hoc short term technical assistance should it be needed. In addition TA will be provided through the NSNP in the areas specified under</p> <p>progress and ensure programme is on track to meet its overall objectives;</p> <ol style="list-style-type: none"> <li>4. Prepare and submit to TWG, bi monthly, Quarterly, half yearly and Annual reports should be compiled by the Management agent for the TWG;</li> <li>5. Ensure all relevant indicators are included in the quarterly reports;</li> <li>6. Effectively manage all the programme processes while at the same time being flexible and ready to proactively adapt to the changing programme environment;</li> <li>7. Participate, as needed in the working groups of the NSNP;</li> <li>8. Develop a strategy and implementation plan for the re registration process which will take place 2 years into the programme.</li> <li>9. Contract the necessary expertise to conduct the re registration exercise.</li> </ol> <p><b>Financial management</b></p> <ol style="list-style-type: none"> <li>10. Ensure that the HSNP provides regular financial reports, using the Standard Chart of Accounts, to the NDMA for DFID and GoK resources to enable a consolidated NSNP financial report by the SP Secretariat. It will also be responsible to facilitate the internal and external audits of the program by government and to report on AinA expenditure to the NDMA;</li> <li>11. Through M&amp;E, ensure compliance with DFID Value for Money (VfM) and National Audit Office (NAO) guidance, particularly where it relates</li> </ol>

Component	Component Description	
	<p>the TA Pool para in this ToR.</p> <p>The PILU and NDMA will work closely with FSD to provide targeting data and verify payment reports.</p> <p>The Technical Working Group will provide oversight of this component and this component will work closely with the monitoring specialist in the PILU.</p> <p>The PILU will also issue, monitor and manage any accountable grants (no more than 10 maximum) under the Arid Lands Support Programme (<b>£14.3m over 3 years</b>), community resilience module, which is designed to complement the HSNP and other community resilience work supported by the NDMA. There remains a possibility that this Community Resilience Module, could increase in size/value during the next 3 years depending on the prevailing context and in line with the scalability arrangements of the programme especially during emergencies.</p>	<p>to CTs;</p> <ol style="list-style-type: none"> <li>12. As part of GoK system, MTEF and NSNP requirements, review and prepare for approval by NDMA budgets work plans and accounting systems for funds directly overseen;</li> <li>13. Prepare and issue funding agreements for both HSNP and ASP when needed;</li> <li>14. Maintain financial oversight of programme funds, and spending and ensure compliance with financial management regulations;</li> <li>15. Appoint a dedicated accounts staff to support and monitor forecasting and spending and build capacity of the NDMA in this area;</li> <li>16. Submit monthly forecasts by the 10th day of each month</li> </ol> <p><b>Monitoring</b></p> <ol style="list-style-type: none"> <li>17. Prepare and submit quarterly progress reports against the programme M&amp;E framework to TWG and the Steering Committee</li> <li>18. Monitoring and reporting on the progress and performance of the programme to the TWG and the Steering Committee</li> <li>19. Arranging for and conducting bi-monthly field visits, and involving the partners during such visits as much as possible.</li> <li>20. Supporting and mentoring NDMA staff to ensure that results based monitoring evaluation and reporting is integrated in the programmes.</li> <li>21. Provide overall quality assurance of the programme, develop a knowledge management system where good practices and lessons learnt are maintained and shared by partners and grantees.</li> </ol>

Component	Component Description	
	<p>-Analyse results from annual Programme Implementation &amp; Beneficiary Survey and adjust monitoring accordingly.</p>	<p>22. Facilitate and procure an independent consultant for DFID's independent Annual Reviews and produce the reports in DFID format and template.</p> <p>23. Secure co-ordination and synergy between the programme components. Linkages to the drought early warning sentinel site monitoring system which is gathering community level data about the economy, including shocks</p> <p>24. Collect information about other cash or food programmes that operate in the target areas (whether through the smartcard used for HSNP 2 or not</p> <p>25. Collect information on complaints/ grievances around HSNP 2, as submitted by Help Age.</p> <p>26. Monitor the Payments component to ensure that it is appropriately recording of all payments made on each beneficiary's card.</p> <p>27. Keep close records of the costs of operation of HSNP 2 to allow cost effectiveness analysis (the project MIS includes cost data – both recurrent and fixed- useful in value for money analysis).</p> <p>28. Monitor funding GoK (and other donors) put into HSNP and other welfare programmes in the NSNP.</p> <p>29. Document HSNP work for up-scaling and accountability.</p> <p><b>Short term and ad hoc TA to GoK</b></p> <p>30. Provision of short term experts as and when identified by the TWG, the NSNP Functional Review and NDMA response to the NSNP requirements.</p>

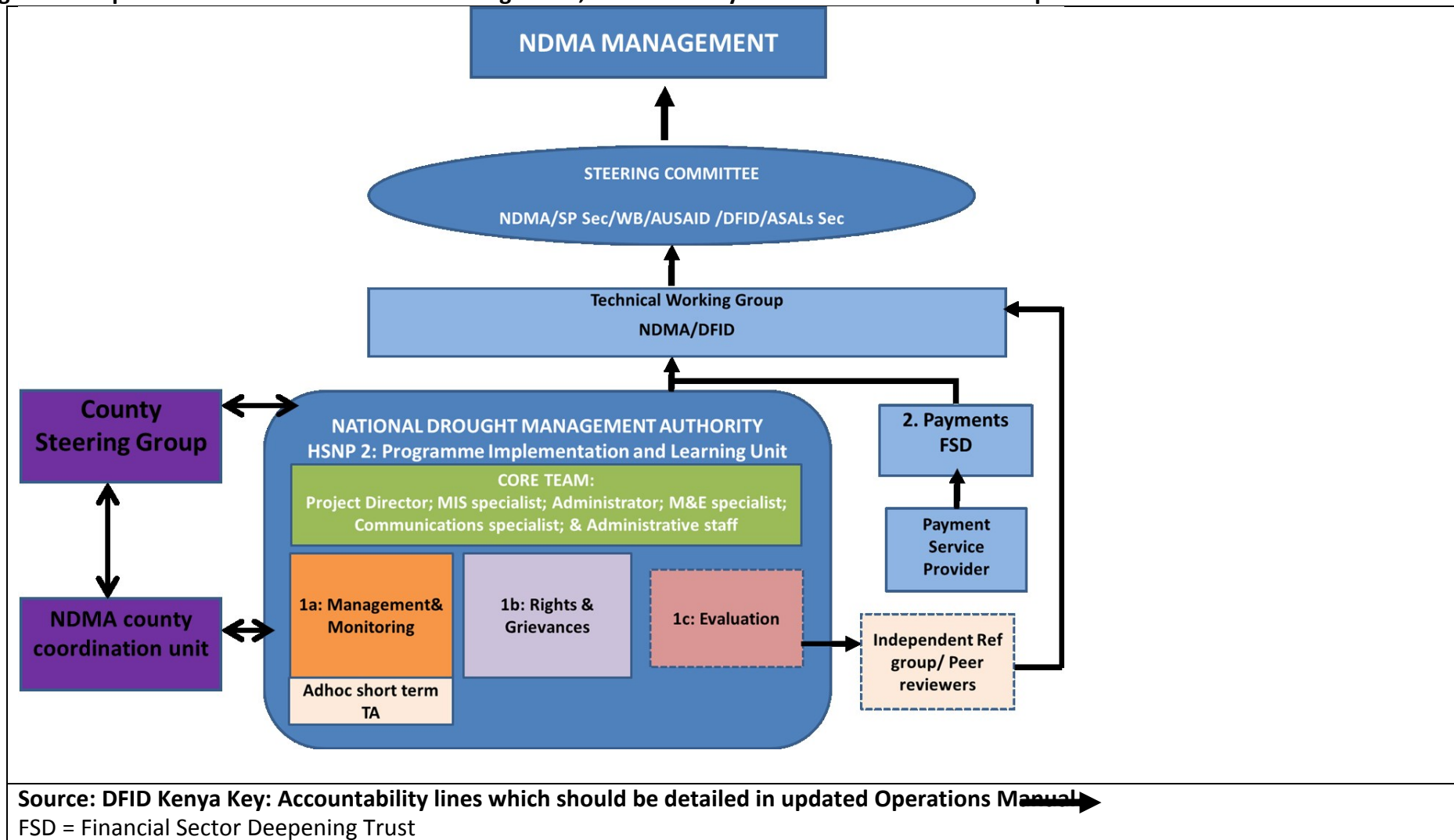
Component	Component Description	
<b>Component 1 B: Rights and Grievances</b>	<p>The PILU will issue, monitor and manage an Accountable Grant to Help Age International. This amounts to a total amount of £2.62m</p> <p>The Rights and Grievances component will:</p> <ul style="list-style-type: none"> <li>-Ensure all programme grievances are recorded and resolved at the correct level.</li> <li>-Liaise with the PSP/FSD to resolve any direct payment related grievances.</li> <li>-Ensure grievances are entered into HSNP MS and automatically transmitted to the Single Registry, as required by NSNP.</li> <li>-Escalate any unresolved grievances to next level and ensure that complaints and grievances related to fraud and corruption are recorded and escalated as required by the NSNP.</li> <li>-Escalate any non-programme specific grievances to the necessary authority</li> </ul> <p>In conjunction with NDMA field offices build the capacity or establish and oversee Rights and Grievances Committees to</p>	<ol style="list-style-type: none"> <li>1. To ensure the delivery against agreed logframe indicators, within budget and agreed timelines</li> </ol>

Component	Component Description	
	<p>manage complaints</p> <ul style="list-style-type: none"> <li>-Work with GoK institutions such as Kenya National Human Rights Commission to build a platform for dealing with citizen access to Rights.</li> <li>-Analyse results from annual Programme Implementation &amp; Beneficiary Survey and adjust Rights and Grievances component accordingly.</li> </ul>	
<b>Component 1 C: Evaluation</b>	<p>The Evaluation component will analyse the impact HSNP is having by tracking beneficiary and non-beneficiaries, examine the policy influence of HSNP and assess how the programme is implemented.</p> <p>See detailed ToRs at Annex 3.</p>	<p>PILU will deliver on:</p> <ol style="list-style-type: none"> <li>1. Monitoring and reporting on the progress of the contracted service provider to the TWG and the Evaluation Peer Review Group</li> </ol>
<b>Component 2: Payments</b>	<p>FSD are responsible for:</p> <ul style="list-style-type: none"> <li>- The provision of both DFID funds and GoK funds as cash transfer payments</li> <li>- Ensure that monthly reconciliation of all payments made and that the service provider is held to account against service level agreement (SLA) in the contract.</li> <li>- Forwarding financial reports to the PILU for monitoring, MoU to be set up clearly</li> </ul>	<ol style="list-style-type: none"> <li>1. The PILU will be the sole custodian of beneficiary data. The NDMA will give authorization for FSD to make each cycle payment and will manage additions and deletions of names from the list of eligible beneficiaries.</li> <li>2. THE PILU will also work with FSD in managing complaints against the payment component.</li> <li>3. Work with FSD in coordinating reviews of the performance of the Payment Service Provider</li> </ol>

Component	Component Description	
	outlining roles and responsibilities between FSD and the PILU	<ol style="list-style-type: none"> <li>4. FSD to provide reconciled reports to NDMA and integrate them into the programme MIS. FSD to have access to the programme MIS to create necessary reports.</li> <li>5. The PILU will maintain the programme wide MIS system and will be expected to provide reports to FSD and the PSP on the performance of the PSP</li> <li>6. The PILU will also manage and deliver key communication messages to the beneficiaries on behalf FSD and PSP</li> </ol>



Figure 1: Proposed schematic of the HSNP 2 management, accountability and institutional relationships and structures



## **E: Performance Requirements**

### **Inception Phase (Mar 2014 – Aug 2014)**

5. During this period, the PILU will be expected to deliver:
- a) Fully functional systems and tools (e.g. functional MIS with all modules updated and staff trained; physical equipment including vehicles, local offices, ICT, etc; payment service agreements for use of government resources; equipment) to manage the programme including trained staff, an equipped office within the NDMA, all necessary equipment, payment service agreements for use of government resources.
  - b) A synergised and aligned approach towards the objectives of HSNP 2 by all the partners under each of the programme components within the first three months;
  - c) Detailed work plans within the first three months;
  - d) Programme Management structure, including NDMA and partners, roles and responsibilities by the end of the inception phase;
  - e) Programme Management Manual before the end of the inception phase. This should be compliant with the procurement and management practices of NDMA, and DFID. It should also be consistent with and detail as required the NSNP-related procedures and practices of the HSNP set out roles, responsibilities and reporting lines. Particular attention should be given to:
    - i. Procedures for engaging with organisations with regard to the identification and commissioning; and
    - ii. Mechanisms for providing funding for implementing partners.
  - f) A detailed M&E framework and strategy by the 6th month, meeting the relevant DFID, NDMA and NSNP frameworks, standards and reporting requirements which will comprise of:
    - i. A clear theory of change from activities through to impacts (economic, social and environmental), identifying the critical assumptions and causal factors;
    - ii. A monitoring plan establishing quantified milestones against which progress can be tracked and budgeted plan for data collection activities. The plan should establish arrangements for monitoring value for money. Baselines appropriate to the subject methodology and reflecting the need to monitor environment / climate change (using e.g. drought monitoring data) and gender will be undertaken once intervention areas are identified;
    - iii. A budgeted evaluation monitoring plan for the evaluation component.
  - g) Detailed work plan & budget for the next 12 months setting out the main tasks and the cost of activities, developed in conjunction with the NDMA (e.g. so it's clear how the 15% operating costs of the HSNP for the NDMA will complement DFID resources);
  - h) Mechanism to review and approve the work plan & budget, with independent technical advice sourced;

- i) Consultation record and coordination plan with relevant programmes, policies and stakeholders;
- j) Value for Money strategy;
- k) ToRs for the Steering Committee and Technical Working Group
- l) Sustainability strategy; and
- m) Communication strategy which should fit with the NSNP communications strategy.

#### **Implementation Phase: (Sep 2014 – Mar 2017)**

6. The implementation phase will start immediately after the inception phase. In this phase, the PILU will be expected to:
  - n) Work with implementing partners to review annual work plans and budgets (disaggregated monthly), including annual procurement plan detailing equipment and other requirements for goods and services; and consolidate the work plans and budget for approval;
  - o) Work with the NDMA to review the functions and roles of the NDMA to inform reorganisation and/or further capacity building as needed.
  - p) Consolidate programme funds and report to DFID on expenditure on quarterly basis and update annual financial forecasts monthly;
  - q) Submit annual financial reports, supported by annual external audits;
  - r) Monitor programme implementation, making sure that implementing partners report on operational and financial progress at regular intervals to be determined in the funding agreements;
  - s) Ensure that funds are properly spent on agreed activities, quality requirements are met, and expenditure statements from those in receipt of funds are accurate;
  - t) Implement strategies set up in the inception period and programme management manual;
  - u) Produce quarterly performance management reports, in a format agreed outlining programme progress and issues including updated risk analysis;
  - v) Prepare an annual report outlining progress against agreed targets;
  - w) Ensure quality of the work and value-for-money are achieved;
  - x) Document and disseminate useful results and lessons learned, acting as a conduit of information and best practice between partners and to key stakeholders;
  - y) Liaise closely with the DFID Kenya staff to ensure a coherent approach; and
  - z) Specific terminal evaluation in the final year of the programme and preparation of Project Completion Report in DFID format.

#### **Technical assistance to the NDMA for implementation of HSNP 2 (£1m).**

It is envisaged that a set of empanelled consultants, as part of the resource pool, will support short-term and longer term consultancy responding to needs of the NDMA relating to the implementation of the HSNP. This will be developed in consultation with the HSNP. Consultancy needs are expected in the following broad thematic areas for which the

bidders need to submit CVs and indicative fee rates only in their commercial bid. The envisaged experts should include:

- Social protection expert: should demonstrate advanced training/qualification in social protection issues. S/he should preferably demonstrate eight years of relevant experience on working on social protection projects. Experience of working at policy level, design and implementation of programmes is desirable.
- Livelihoods expert: should demonstrate basic qualification in livelihoods with experience in climate change adaptation and resilience building. S/he should preferably demonstrate eight years of relevant experience on working on livelihoods projects. Experience of working at policy/regulatory level is desirable.
- Social Policy Finance and institutional expert: should demonstrate basic qualification in institutional development/financial management with advanced training/qualification in governance and social policy issues. S/he should preferably demonstrate eight years of relevant experience on working on social policy and institutional design projects. Experience of working at policy level, within government systems and in preparation of rules/regulations is desirable.

### **Financing Mechanisms for the Accountable Grants**

DFID will provide financing for the Accountable Grants on a “Just-in-Time” basis where funds will be provided to the downstream partners through a 3<sup>rd</sup> party (Crowne Agents Bank) on submission of an approved payment request and accompanying financial and narrative reports from the downstream partners by the PILU to DFID. Funds will be credited to the partners 5 working days after receipt of the approved documents mentioned above and subject to confirmation by DFID Project management team (PHV)

HSNP will use Crown Agents Bank (CAB) to manage the programme funds through its existing Third Party Money contract with DFID. This is a pre-existing contract and costs for its operation are met centrally and will not be charged to HSNP. CAB will make disbursements to implementing partners on instructions from the Service Provider with approval from DFID. The exact governance arrangement will be clarified during inception period.

The quantum of funds DFID expect the SP to manage in relation to HSNP is approximately £14.3 million. The SP is not expected to pre-finance as all project implementation funds are parked with CAB. HSNP and the Arid Lands Support programme allows for inclusion of new donors, which might increase the proportion of funds to be managed. Should such variation result in resource implications for the service provider for such extended fund management, DFID will consider such variation in management cost through mutual negotiation.

For the purpose of this contract, the contract value of the incumbent SP will represent only the Fees and Expenses, including programme management costs. CAB will disburse funds directly to implementing partners, rather than transfer these funds to the SP.

## **F: Constraints and Dependencies**

7. The PILU will be required to have an operating office in Nairobi within the NDMA, with qualified staff and equipment to provide administrative oversight of the all components of HSNP 2.
8. Relevant payments specific to the deliverables above will be linked to successful achievement of the deliverables.
9. DFID has recently launched the new 'Duty of Care to Suppliers' policy. This policy aims to clarify DFID's position in relation to Duty of Care (DoC) and how it will be addressed as part of our risk management and procurement processes. The policy has a particular focus on Suppliers who will be operating in dangerous environments. Further information on this policy and how it will be applied to DFID's procurement processes can be found at <http://www.dfid.gov.uk/Work-with-us/Procurement/Duty-of-Care-to-Suppliers-Policy/>.
10. If at any stage there are concerns that the Supplier cannot manage DoC, then they may be precluded from operating. The ability of the Supplier to manage DoC will be a pre-condition of the contract. Further details for this assignment provided under Duty of Care para.

## **G: Timeframe**

11. The contract is expected to commence in March 2014 and end in June 2017. There will be an inception phase of about six (6) months followed by an implementation phase of 31 months with a possible extension of up to 12 months subject to project need, review recommendations and budget availability. Any such extension shall be considered using the Negotiated Procedure.
12. The contract will be issued for the full period, but subject to acceptance of deliverables and satisfactory performance of the PILU. This will be assessed at the end of the inception phase. If DFID decides not to proceed, the contract will be terminated at no cost to DFID. If circumstances require further extension beyond the original contract duration/agreed extensions, DFID will consider doing so by means of the negotiated procedure.

## **13. Duty of Care and Security**

1. A key criterion for selection of evaluation team will be its ability to manage large scale evaluations in insecure environments. The evaluation team will be responsible for their safety and well-being and of evaluation responders affected by their activities. The evaluation team is responsible for ensuring appropriate safety and security protocols for all personnel working on the evaluation. They will also be responsible for the provision of suitable security arrangements for their domestic and business property.
2. Rigorous hostile environment training is required for all staff prior to deployment in conflict areas. This training should be the equivalent of the UK government's Security Awareness in Fragile Environments (SAFE) training course.

3. Evaluation teams must develop their pre-qualification questionnaire (PQQ) response and Tender (if invited to Tender) on the basis of being fully responsible for Duty of Care in line with the details provided above and the initial risk assessment matrix's developed by DFID (see Annex B) They must confirm in their tender that:
  - They fully accept responsibility for Security and Duty of Care.
  - They understand the potential risks and have the knowledge and experience to develop an effective risk plan.
  - They have the capability to manage their Duty of Care responsibilities throughout the life of the contract.
4. If the evaluation team is unwilling or unable to accept responsibility for Security and Duty of Care as detailed above, the tender will be viewed as non-compliant and excluded from further evaluation.
5. Acceptance of responsibility must be supported with evidence of Duty of Care capability and DFID reserves the right to clarify any aspect of this evidence. In providing evidence, interested contractors should respond in line with the Duty of Care Summary Assessment of Risk Matrix of the Pre-Qualification Questionnaire (PQQ).
6. DFID country offices will provide knowledge, guidance and assistance to the evaluation team regarding the likely risk, However, DFID will not provide direction on how to manage these risks. On commencing field work, DFID country offices will offer the evaluation team a security briefing based on the best available information. The Team Leader of the country studies should also act as the lead for the team on security issues. DFID will provide security updates to that person.

**Performance Indicators:**

Desired outcomes			
Required service	Reference to logframe outputs / indicators	Performance standard / indicator	Monitoring method
(Project Implementation) Project Management &	Monitoring and evaluation of HSNP in the ASALs	As per performance requirements set out in part ('E)	Quarterly Review check and meeting

Administrative oversight of HNSP 2	HSNP beneficiaries receive timely, predictable electronic cash transfers Management of the Rights, complaints and grievance system	above of the ToR Detailed performance indicators will be agreed with the Service Provider during the Inception period of this assignment.	Annual independent audit  Annual reviews;
<b>(Learning Unit)</b> Capacity Building of NDMA, Government of Kenya	Procedures for scaling-up HSNP in response to drought are developed with DFID support ( within NDMA and HSNP) M&E Plan developed. Clear presentation of baseline information drawn from HSNP registration, with a quality assessment. Sustainability : Government of Kenya (GoK) % of in year financial contribution to HSNP as part of Ending Drought Emergencies Medium Plan and capability to implement		Regular monitoring;  Annual reviews;  Independent review at the end of the first year

The above is only a Template. Detailed performance indicators will be agreed with the Service Provider during the Inception period of this assignment.

#### **14. Break points**

Due to the long duration and the nature of this work, the contract will have adequate provision for variation to adapt to changes that occur. DFID shall, as a condition of proceeding from one phase to the next, have the right to request changes to the contract, including the Services, the Terms of Reference and the contract price to reflect lessons learned, or changes in circumstances, policies or objectives relating to or affecting the evaluation.

The key review points for this contract are at the inception phase, mid-year and end-year reviews. Continuation following a review point will be subject to the satisfactory performance of the Supplier during the preceding period, and the continuing needs of the evaluation.

DFID may terminate this contract pursuant to DFID Terms and Conditions Clause 31 and/or Clause 32 of Section 2, if agreed performance is not reached.

The Supplier shall use reasonable endeavours to keep financial commitments limited to the duration of each phase to avoid unnecessary expense in the event of early variation or termination of this Contract.

#### **15. Competency and Expertise**

For each of the objectives, the following skills are required:

- a) Project Management and Administrative oversight of HSNP 2  
Bidders should have strong track record and specialised skills in:
  - Working within government systems in ways that build government and staff ownership and capacity
  - Administration and programme management
  - Working with the private sector and the civil society
  - Financial Management
  - Monitoring and Evaluation
  - Stakeholder engagement and communication
- b) Build capacity of NDMA, Government of Kenya  
Competence and experience in:
  - Working with Government, preferably GoK, and its agencies
  - National planning processes
  - National policy development and implementation

#### **Principal counterpart NDMA HSNP Coordinator & TA team leader**

- Proven skills in successfully delivering large, complex and innovative humanitarian and/or development projects for national governments and/or international development agencies.



- Demonstrable skills and experience in co-ordination and communication; budgeting, financial planning, financial management and reporting, fiduciary risk assessment, management and mitigation; the development and implementation of progress and impact monitoring systems; and policy dialogue and influencing through the development of a practical evidence base.
- Knowledge of social protection would be helpful but a willingness to learn about the development and delivery of social protection policy and programmes is essential.
- Additional skills and experience in the development and implementation of cash transfer administration, management information systems, private sector cash payment systems, monitoring and evaluation, and rights based grievance procedures will be advantageous.
- Experience of working with DFID and other international development agencies is preferable as is knowledge of working in Kenya's Arid and Semi-Arid Lands.

#### **MIS specialist with GIS back stopping and capacity building skills**

- A degree in Computer Science, Information Technology or Information Science
- Preferably 5 years of professional work experience in management information system and software related ICT assignments;
- A sound knowledge of relational database management systems – specifically SQL Server 2012 - , project implementation life cycle and using mature software development technologies.
- Good C# and .Net 2.0-4.0 skills, including ASP.Net skills
- Strong Visual Studio.Net 2008 and/or 2010 development skills
- Experience with transact SQL Server programmability including stored procedures, functions and triggers
- Strong analytical skills with a view to ensuring data quality and integrity in a large database.

#### **Monitoring & Evaluation Specialist**

- A degree relevant to M&E, Information Technology or Information Science
- Preferably 5 years of professional work experience in management and M&E related assignments;
- A sound knowledge of managing data bases and both qualitative and quantitative field monitoring requirements
- Strong analytical skills with a view to ensuring data quality and integrity in a large database
- Experience in sample and field questionnaire design, conducting and analysis.
- Strong management skills and evaluation knowledge in order to oversee the evaluation component from the PILU and provide QA and challenge function.

#### **Communications Specialist**

- A degree relevant to communications, marketing or PR.
- At least 5 years of professional work experience in a communications or marketing related assignments.
- Experience of working with Government of Kenya institutions.
- Previous knowledge and experience of working in the ASALs regions of Kenya or other remote environments.
- Knowledge and/or experience of social protection and cash transfers programme would be advantageous.

#### **Finance and Admin Officer**

- Strong administration and financial background, with a related degree.
- Previous experience of working in an administrative support role, including setting up and managing administrative systems.
- Excellent understanding of using financial systems such as ERPs
- Proven experience of procurement and contracting.
- Experience of working with international donors would be advantageous.

The indicative scope of work for the above positions is annexed to the ToR.

### **16. Co-ordination Arrangements**

The PILU will report directly to the DFID PHV team on all contractual issues including:

- Quarterly progress financial and narrative reports to DFID against agreed workplans and key contractual deliverables.

The PILU will report to the TWG on technical issues including:

- Quarterly progress reports against workplans
- Development of a report format including the establishment of necessary systems required to generate reliable information;
- An inception report, within three months from the start of the contract providing the TWG with work plans and budget estimates;
- Annual reports of progress against the programme Logframe; and
- Provide timely response and feedback to grant recipients on key implementation issues that require further attention.

### **17. Procurement Method and Evaluation of bids**

**Eligibility:** Only pre-qualified providers identified under the Wealth Creation Framework Agreement – **Lot B Rural Economic, Development, Livelihoods and Natural Resource Management** are only eligible to bid.

This mini competition via the above stated framework will be evaluated on the basis of a Technical 60% and Commercial 40% split. Sub Criteria questions and weightings are detailed below for your reference. Please ensure that responses are consistent with the criteria numbering below in your submissions.

Bids from the pre-qualified providers will be evaluated against the following weighted criteria:

Main Criteria	Sub Criteria	Weighting
Quality of Personnel. - <b>20</b>	Qualification and specialist expertise of proposed personnel.	<b>10</b>
	Experience in implementing and delivery of high quality complex projects. working with multiple stakeholders in complex situations e.g. Government	<b>5</b>
	Knowledge of the country context	<b>5</b>
Methodology - <b>40</b>	Methodology and Approach to Deliver the Terms of Reference, including systems to measure results and impact	<b>15</b>
	Methodology for Performance Management and Accountability	<b>10</b>
	Innovation in Service Performance	<b>5</b>
	Value for Money	<b>10</b>
Commercial - <b>40</b>	Competitiveness of fees and expenses in relation to market.	<b>30</b>
	Methodology and benchmarking of rates.	<b>2</b>
	Approach and methodology to deliver output based deliverables and value-for-money over the life of the contract.	<b>2</b>
	Clear & effective Financial Plan.	<b>2</b>
	Methodology for ensuring the Requirement will be delivered on time and in line with agreed costs; financial risk/ contingency incorporated into costs.	<b>2</b>
	Payments linked to clear outputs.	<b>2</b>
<b>Overall Total</b>		<b>100</b>

## 18. Background

1. See the Strategic case in the Business case.
2. **The Hunger Safety Net Programme (Phase 1) (HSNP 1)**: HSNP 1 was piloted as one component of DFID Kenya's larger Social Protection Programme (SPP) Phase 1 (2007-13). It tested cash transfers (CTs) as an alternative to food aid in four of the poorest ASAL counties: Marsabit, Mandera, Wajir and Turkana. Currently, HSNP 1 reaches 69,000 households (i.e. 496,800 of the poorest people) with predictable electronic cash transfers worth approximately £13 per household per month. Independent evaluations show that HSNP works effectively as a safety net, particularly for the very poorest. It helps families to be more food secure, hold onto their assets during shocks, and spend more on health. It is also enabling children to perform better in school.

3. As a pilot, HSNP1 experimented with implementation and management processes. In order to bring together a diversity of skills and experiences, to ensure that fiduciary risk was low and that there were checks and balances across the programme, a number of different players were involved, each responsible for a different stage in the process of program implementation . This placed a considerable management proposeburden on DFID, relieved by the creation of an HSNP Secretariat composed of local consultants. Whilst this management and implementation process had its benefits for the pilot phase, a modified, structured approach is needed for HSNP2.
4. **HSNP Phase 2 (HSNP 2):** HSNP 2 has been developed as part of the DFID Kenya Operational Plan (OP). It builds on strong operational research and evaluation findings from HSNP 1. Under HSNP 2, DFIDs to provide £85.59 million over four years (July 2013 to March 2017) and continue to focus in the four ASAL counties of HSNP 1. Under HSNP2, for the first time, the GoK will contribute funding to these transfers as part of the National Safety Net Programme (NSNP). Over the next four years, we expect GoK funding to HSNP to increase in line with the policy and financing commitments set out in their Ending Drought Emergencies Medium Term Plan (EDE – MTP) and NSNP. Hence, by 2017 GoK plans to cover 49% of total programme costs and 54% of the chronic beneficiary caseload.
5. Under HSNP 2, up to 470,000 households will have bank accounts, of whom 66% are women headed. These bank accounts will help scale up response in times of crisis (ie a drought). GoK and UK will together support up to 100,000 of the 470,000 households with active accounts to receive predictable, electronic CTs under HSNP 2 worth approximately £17-19 a month. The CTs will be delivered to households through an internationally procured private sector payment provider (a leading Kenyan bank), directly into their bank accounts.

**Key documents for reference:**

- HSNP2 Business Case and log frame

**PILU scope of work for experts****Team Leader**

- Delivery of the Phase 2 of HSNP against agreed objectives specified in the Business Case and revised project logical framework.
- Develop a co-ordinated and costed work plan for the delivery of each component and establish a transparent mechanism for co-ordination and communication co-ordinated across components.
- Regular review of progress and knowledge management of the overall project and for each component.
- Develop a system for knowledge management.
- Manage fiduciary risk within the project, taking all necessary actions to minimise fiduciary risk and reporting regularly on this process.
- Report against agreed expenditure plans and provide timely and accurate information and monitor costs to allow for cost-effectiveness and value for money reporting to ensure GoK and UK NAO compliance.
- Effective co-ordination and communication with complementary development initiatives.
- Effective co-ordination and communication with other components of the National Safety Nets Programme to ensure delivery against Disbursement Led Indicators.
- Analytical work and co-ordinated policy dialogue, in partnership with key GoK and development agencies.
- Effective co-ordination and communication with existing systems and structures for the development and implementation of policy, and the co-ordination of emergency and development interventions, particularly food and nutrition security and development of the ASALs, feeding in lessons from HSNP design and implementation to strengthen the evidence base for decision making and the effectiveness of policies and practical interventions.
- Establish a functional PILU Secretariat to improve co-ordination and delivery of relevant ASAL interventions including HSNP2.
- Deliver an appropriate emergency response model that can be gradually rolled out across the Arid Lands, in co-ordination with other relevant ASAL interventions, including the GoK/World Food Programme Protracted Relief and Recovery Programme and the operations of the National Drought and Disaster Contingency Fund.
- Provide oversight of the independently contracted Evaluation component and will lead on the strategy and implementation of the re- registration process needed to re-evaluate the targeting of beneficiaries.
- Provide line management responsibility for the HSNP Officers.

## **MIS**

- Design and implement the development of the HSNP 2 payments module.
- Implement and integrate the complaints and grievance module into the HSNP 2 MIS.
- Create a web-based access to the HSNP 2 MIS, with possibility of allowing user-defined queries to enable users to define and create summaries over and above those in standard reporting formats.
- Work with the NSNP MIS Expert Working Group to ensure HSNP MIs is linked to the Single Registry and broader National Safety Net Programme (NSNP) monitoring framework.
- Report against NSNP's programme indicators.
- Focal point on HSNP MIS.

## **Communications**

- In collaboration with the communication officer at NDMA, ensure the communication needs of HSNP are captured in the NDMA communication strategy.
- Ensure that Technical Working Group and Programme Steering Committee are appraised on matters of communication.
- Develop a joint communication work plan and implementation plan with communication officer at NDMA.
- Prepare and agree a standard communication reporting format to the Programme Coordinator and NDMA
- Develop and manage the HSNP website.
- Ensure all external requests received via HSNP web sites are dealt with promptly.
- Establish a Newsletter for HSNP to highlight achievements and milestones of the programme.
- Develop a social media strategy.
- In collaboration with NDMA communication officer, develop a pivotal position in the advocacy for wider coverage of social assistance programmes in the ASALS.
- In collaboration with NDMA develop strategies and promote messages that encourage HSNP programme beneficiaries to invest the social transfer values in livelihood opportunities.
- Institute measures to protect and enhance HSNP brand.
- Ensure the secure and efficient management of the HSNP contact information.
- With the Project Coordinator, develop a lessons learnt and knowledge management system and strategy for dissemination.

## Finance and Admin Officer

- Develop and manage the administrative and financial systems for the PILU.
- In conjunction with the Programme Coordinator develop agreed workplans and budgets for the PILU.
- Submit Quarterly Progress Reports and Financial reports against agreed work plans of the PILU.
- Ensure that the PILU MIS systems are established and can capture information at an appropriate level.
- Monitor the overall HSNP2 support budget and report against agreed expenditure plans.
- Ensure effective co-ordination and communication with the National Safety Nets Programme; participating in key technical working groups.
- Develop and implement the programme's communication strategy/plan and implement the communication plan, with the Communications Officer and the NDMA Communications Officer.

## M&E

- In conjunction with M&E officer at NDMA, monitor and report on implementation progress of HSNP Phase 2 and the Arid Lands Support Programme.
- In conjunction with the M&E officer at NDMA, monitor and provide oversight of the evaluation contract.
- Identify any potential slippage/changes in the implementation plans that will result in implications on the budgets and bring to the attention of the TWG as soon possible.
- Prepare and agree a standard monitoring format that NDMA field staff and PILU and NDMA headquarter M&E officers can use for reporting.
- Develop a standard monitoring report format for the MIS at PILU.
- Coordinate all field visits.
- Conduct regular routine field visits every 2 months following the payment cycle.
- Liaise with the County Drought Coordinators on HSNP specific county coordination meetings and attend when necessary.
- Establish effective management procedures and authorities to resolve all issues at field level within 30 days of the first reference in conjunction with the Rights and Grievances component.
- With the Coordinator, provide oversight of the re-registration exercise.

**DFID Overall Country Risk Assessment matrix - Location: Kenya**Date of assessment & assessing official: **30 September 2013,**

Theme	Risk Score	Risk Score
	<b>Kenya (excluding areas listed separately)</b>	<b>Mandera, Wajir, Tana River, Daadab and Garissa plus anywhere else within 60km of the Somali border (including areas North of Pate Island on the coast)<sup>1</sup></b>
OVERALL RATING	3	4
FCO travel advice	3	4
Host nation travel advice	Not available	Not available
Transportation	3	4
Security	3	4
Civil unrest	3	4
Violence/crime	5	4
Terrorism	4	5
Espionage	4	2
War	1	3
Hurricane	1	1
Earthquake	1	1
Flood	1	1
Medical Services	1	3

<b>1</b> Very Low risk	<b>2</b> Low risk	<b>3</b> Med risk	<b>4</b> High risk	<b>5</b> Very High risk
			<b>SIGNIFICANTLY GREATER THAN NORMAL RISK</b>	

<sup>1</sup> For these areas specific travel advice should be sought. Wajir is currently less problematic than other areas listed here