

Section 3

TERMS OF REFERENCE

PROGRAMME MANAGEMENT FOR DEEPENING DEMOCRACY PROGRAMME

1. Introduction

1.1 DFID Kenya is seeking a Service Provider (SP) to provide programme management to the Deepening Democracy Programme (henceforth referred to as DDP or the programme). The programme aims to support more inclusive and accountable governance in Kenya. Expected results include: credible, well managed, non-violent elections in Kenya in 2017; enhanced accountability of public institutions; and enhanced women's participation in political leadership and democratic governance processes in Kenya.

1.2 Value for Money (VfM) is important for all DFID programmes

1.3 DFID has transformed its approach to transparency, reshaping our own working practices and pressuring others across the world to do the same. DFID requires Suppliers receiving and managing funds, to release open data on how this money is spent, in a common, standard, re-usable format and to require this level of information from immediate sub-contractors, sub-agencies and partners.

It is a contractual requirement for all Suppliers to comply with this, and to ensure they have the appropriate tools to enable routine financial reporting, publishing of accurate data and providing evidence of this DFID – further IATI information is available from;

2. Objective

2.1 The objective of this assignment is to provide programme management, administration and monitoring support to the Deepening Democracy Programme. Management of the overall programme will entail, but not be limited to: managing all grantees, partnerships with multi-lateral and bi-lateral partners, e.g. UNDP (elections), GIZ (accountability institutions) as well as NSA partners to ensure delivery of the results. This includes contract management; financial management (including robust risk management, VfM) in line with DFID guidelines. Performance and results monitoring of overall programme, including contributing to annual reviews and project completion reports. This would also include collating best practices, lessons learned and human interest stories.

3. Recipient

3.1 The recipient of services under this assignment is DFID Kenya and other organisations involved in the implementation of the DDP.

4. Scope

DDP needs to be an adaptive programme, therefore, the SP will be required of understand the context and adapt the programme accordingly. The SP shall take full responsibility for the delivery of results on the programme. The SP will manage the implementation of the two (2) components of the DDP: electoral and non-electoral accountability:

A. Component 1: Electoral

The support will include: strengthening the administration of the elections; improving civic education; providing independent electoral observation to ensure higher voter confidence; enhancing women's participation and representation in politics through training, mentorship, media profiling, and enhancing the capacity of political parties to address challenges that women candidates face.

B. Component 2: Support to accountability institutions and civil society

Support will be provided to a number of accountability and oversight institutions on a demand driven basis. Potential activities include: parliamentary strengthening to improve the quality of legislation and Parliament's oversight and representation functions; strengthening capacity and linkages between accountability offices including: the Office of the Auditor General; the Internal Audit Department of the

National Treasury (IAD); the County Internal Audit Teams; and the Public Procurement Oversight Authority (PPOA); support anti-corruption by providing technical case assistance to Kenyan law enforcement agencies involved in the investigation, prosecution and adjudication of corruption, money laundering and related financial crimes; and support to civil society (to enable their participation and advocacy on key issues such as planning, budgeting, climate change, and service delivery). The activities for this component will be finalised during the inception phase when a full results framework will be produced.

In order to implement the programme, the SP will do the following, but not limited to:

- i. Develop guidelines and assessment criteria for funding applications/proposals based on DDP programme's theory of change and taking into account the wider DFID Governance and Security portfolio to maximise linkages (e.g. with DFID's devolution and security programming)
- ii. Launch a competitive call for proposals process, evaluate the proposals and identify suitable recipients of funds.
- iii. Carry out comprehensive due diligence assessments (fiduciary and management assessments) for each potential recipient. These assessments will be shared with DFID upon request.
- iv. Agree disbursement schedules and reporting requirements with grant recipients.
- v. Prepare and issue funding agreements for individual grantees.
- vi. Review and approve budgets, work plans and accounting systems of grantees.
- vii. Open and maintain a Fund account, and prepare quarterly reports of disbursements and accounts for reporting to DFID Kenya.
- viii. Maintain financial oversight of programme funds and ensure compliance with financial management regulations.
- ix. Submit to DFID accurate monthly forecasts of the fund by the 10th of each month.
- x. Coordinate activities of the different grantees as well as identify opportunities for synergetic working with other initiatives by other development partners.
- xi. Ensure that gender and conflict sensitivity are taken into account in the design, implementation and monitoring of the programme.
- xii. Ensure that VfM is taken into account in the design, implementation and monitoring of the programme learning from best practices of VfM in governance programming
- xiii. Ensure cross-sector/programme linkages are taken into account (ICS for example).

C. Monitoring and Evaluation (M&E) of DDP

- i. Review and fully develop the DDP results framework / logframe/implementation matrix
- ii. Develop a common results based monitoring and evaluation framework based on the DDP log frame
- iii. Appoint dedicated monitoring and evaluation staff to support and monitor programme performance and results.
- iv. Prepare and submit to DFID, quarterly summary progress reports (narrative and financial) and detailed bi-annual progress reports (narrative and financial), against the programme log frame.
- v. Provide overall quality assurance of the programme, develop a formal knowledge management system where good practices and lessons learnt are maintained and shared by partners.
- vi. Prepare and maintain up-to-date sector and programme risk matrices which shall be submitted to DFID together with the bi annual progress reports.
- vii. Prepare and maintain an up-to-date asset register that shall be shared with DFID annually.
- viii. Coordination of regular field visits and involving partners (including DFID) as much as possible during such visits.
- ix. Facilitate DFID's Annual Reviews, supporting the completion of annual review reports and project completion report in DFID format.
- x. Provide timely response to other requests as may come from DFID from time to time.

5. Performance Requirements

5.1 Inception Phase (18 July to 17 January 2017)

During this period the SP will be expected to deliver, but not exclusive to the following:

- i. A synergised and aligned approach towards the objectives of DDP (and wider G&S programming) by all the already engaged partners under each of the programme components within the first three (3) months;
- ii. Launch a competitive call for proposal from additional potential grantees within the first three (3) months;
- iii. Roll out funding to additional grantees by the end of the inception phase;
- iv. Programme Management structure, including partners, roles and responsibilities by the end of the inception phase;
- v. Programme Management Manual before the end of the inception phase. This should be compliant with the procurement and management practices of DFID and the key stakeholders. It should also set out roles, responsibilities and reporting lines. Particular attention should be given to:
 - a. Procedures for engaging with organisations with regard to the identification and commissioning;
 - b. Mechanisms for providing funding for implementing partners
 - c. The approach should emphasise the importance of lessons learning and adaptation and should explain in detail the management systems that the SP intends to put in place to perform these functions.
- vi. A detailed M&E framework and strategy by the end of the inception phase, meeting the relevant DFID standards, which will comprise of:
 - a. A clear theory of change from activities through to impacts (economic, social and environmental), identifying the critical assumptions and causal factors;
 - b. 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.
 - c. Baselines appropriate to the subject methodology and reflecting the need to monitor environment / climate change, gender and conflict sensitivity will be undertaken once specific interventions are identified;
 - d. During the implementation phase, the SP will be required to deliver the outputs in line with the performance targets indicated in the results Framework.
- vii. As part of their proposal the SP should propose their payment management plan. Due to the nature of this programme we envisage a hybrid model with a mix of milestone payments and KPI's. However, the supplier should propose the most robust option to fit their plan of delivery. This should clearly demonstrate the balance between risk and reward as well as the processes for submission of invoices and options to show how delays to targeted payments would be managed.
- viii. A budgeted evaluation plan for the intervention designed in tandem with the intervention. As part of designing the evaluation approach, the SP should assess the evidence base of interventions' theory of change, and use this to inform the evaluation design.
- ix. Detailed work plan & budget for the next twelve (12) months setting out the main tasks and the cost of activities. SP should provide full costed activities for inception with clear Payment By Results (PBR) plan and then indicative costed workplan for year one with activities costed.
- x. Mechanism to review and approve the work plan & budget,
- xi. Consultation record and coordination plan with relevant programmes, policies and stakeholders;
- xii. Value for Money strategy: the SP will need to put in place budget and M&E systems internally and with grantees to track VfM indicators e.g. consultancy fees (for Economy); the cost per voter provided with civic education to the required standard; and savings in public expenditure (where feasible to measure) generated from anti-corruption measures and improved accountability (Cost Effectiveness).
- xiii. Stakeholder and Sustainability strategy;
- xiv. Communication strategy

5.2 Implementation phase (18 January 2018 to 17 January 2020)

At the end of the inception phase there will be a break point to review inception outputs. Progress to the implementation phase will be subject to the performance of the SP; delivery of the inception phase outputs; the continuing needs of the programme and agreement on costs and proposal for implementation. The implementation phase will start immediately after the inception phase. In this phase, the SP will be expected to deliver, but not exclusive to the following:

- i. Work with implementing partners to review annual work plans and budgets (disaggregated monthly), including annual procurement plans detailing equipment and other requirements for goods and services; and consolidate the work plans and budget for approval;

- ii. Identification and commissioning of the grant recipients;
- iii. Disburse funds to grantees to implement approved activities. DFID expects the SP to fund these in advance and claim back in arrears from DFID.
- iv. Consolidate programme funds and report to DFID on the grantees expenditure on quarterly basis and update annual financial forecasts monthly;
- v. Submit annual financial reports, supported by annual external audits for all grantees commissioned by DAI but paid for by grantees from within overall Grant value. The SP should ensure that their due diligence reviews deliver VFM in relation to Grantees audit costs. DAI will undergo two programme audits to be commissioned and paid for by DFID - at mid-term and end of programme.
- vi. Monitor programme implementation, making sure that implementing partners report on operational and financial progress at regular intervals to be determined in the funding agreements;
- vii. Ensure that funds are properly spent on agreed activities, quality requirements are met, and expenditure statements from those in receipt of funds are accurate;
- viii. Implement strategies set up in the inception period and programme management manual;
- ix. Produce quarterly performance management reports, in a format agreed outlining programme progress and issues including updated risk analysis;
- x. Prepare an annual report outlining progress against agreed targets;
- xi. Ensure quality of the work and value-for-money are achieved;
- xii. Document and disseminate useful results and lessons learned, acting as a conduit of information and best practice between partners and to key stakeholders;
- xiii. Liaise closely with the DFID Kenya Governance team to ensure a coherent approach on specific terminal evaluation in the final year of the programme and preparation of a Project Completion Review (PCR) in DFID format.

6. Performance management

6.1 As outlined in paragraph 5.1, VII the proposed payment management plan with the SP will set out key performance indicators (KPI) which will be linked to payments. Please find attached a copy of an example Commercial KPI and Supplier Performance Scorecard for your reference (annex 1). This should be considered when planning your approach. Programme performance will be assessed against the KPIs and annual work plans agreed with DFID Kenya. DFID will:

- i. Agree with the SP a work schedule with milestones and KPI.
- ii. Assess performance as part of annual reviews and include break clauses to manage performance.
- iii. Track performance and budget execution through narrative and financial reports submitted according to an agreed schedule, and as part of annual reviews.
- iv. Ensure that the providers have quality assurance procedures in place to ensure services are fit for purpose.
- v. Ensure the agreements on incorporate steps to be taken in the event of poor (under) performance and failure to deliver expected results and VFM
- vi. Six-monthly Performance Contract Reviews will assess how the service provider is delivering on its contract and whether performance is good enough to ensure the achievement of impact.
- vii. Annual reviews of the programme which will be conducted by independent evaluators to specifically review whether the overall package is: delivering against the log frame milestones and targets, relevant to the context, managing its risk and finances, and providing VfM.
- viii. Key Performance Indicators are used throughout inception and implementation to judge contractor performance and to provide the criteria for the payment of invoices. If KPIs are not met, contractors will not be paid and performance management measures may be put in place.
- ix. Mid-term Review and Project Completion Review will be led by independent providers to assess if the programme is responding correctly to the context, or if a different approach, is required as well as if the programme delivered on its log frame, and what lessons can be learnt for future programming
- x. The contract will be issued for the full period, but will be subject to the acceptance of deliverables (to be assessed at the end of the inception phase) and satisfactory performance of the SP (to be assessed at the end of the inception phase and on an annual basis thereafter). If the MA's performance is not satisfactory, discussions will be held between the SP and DFID to determine ways of improving performance, including executing performance improvement plans, in the first instance. However, if the SP still underperforms after the

implementation of agreed upon performance improvement measures, DFID will be at liberty to terminate the contract at no cost to DFID.

- xi. DFID will directly manage grants to UNDP, GIZ and ICAR. However, narrative reporting responsibility will stay with the SP
- xii. Due to the urgent need to begin implementing certain aspects of the elections component ahead of 2017 general elections in Kenya, DFID has already contracted a few organisations to begin working on e.g. civic education, women political empowerment and electoral law reforms. Once on board, such on-going contracts and Accountable Grants will be transferred for management to the SP within two months of contract start date. The SP and any members of the consortium will be excluded from bidding for future contract and grants which they will be managing.

7. Constraints and Dependencies

- 7.1 The SP will be required to have an operating office in Nairobi with qualified staff and equipment to co-ordinate all components of DDP and directly manage grantees. The SP will provide a clear plan for how the management systems will allow for scaling up or scaling down the delivery team as appropriate and covering the breadth of skills required for the successful delivery of the programme.
- 7.2 Relevant payments specific to the deliverables above will be linked to successful achievement of the deliverables. The SP will be paid upon submission of invoice.
- 7.3 If at a subsequent stage it becomes apparent that the programme will operate in a region that had not previously been considered, then the programme team will conduct a risk assessment at that stage, share it with suppliers and satisfy themselves that the Supplier can manage the DoC.
- 7.4 If at any stage there are concerns that the Supplier cannot manage DoC for a region not previously considered then they may be precluded from operating in that region. The ability of the Supplier to manage DoC will be a pre-condition of the contract.

8. Competency and Expertise

- 8.1 DDP is a complex programme that will require an experienced multidisciplinary team comprising of experts in elections, accountability, climate change, gender and conflict sensitivity with both programme management and M&E capacity.
- 8.2 Evidence of capacity in leadership and management, financial and grant management, VFM, collaboration with the public sector, monitoring, and the extent to which the bids are judged likely to deliver the log frame targets
- 8.3 The SP will be required to have a fully functioning office in Nairobi with qualified staff, equipment and materials fully dedicated to the delivery of the programme.

9. Coordination and Reporting Arrangements

The SP will coordinate with the DFID Kenya Governance team and will be required to:

- i. Develop and agree with DFID during inception on the reporting format including the establishment of necessary systems required to generate reliable information.
- ii. Submit an inception report within three (3) months of the contract start date providing DFID with work plans and budgets.
- iii. Submit quarterly progress narrative and financial reports to DFID including progress on KPIs and milestones. The narrative report will also include reports from agencies directly funded and managed by DFID including UNDP, GIZ and ICAR.
- iv. Hold quarterly meetings with DFID governance team to review progress - monitor the programme's relevance to the context and theory of change; review the risk management matrix, VfM and consider recommendations for any changes to the programme that can be accommodated within standing approval limits
- v. Submit annual reports of progress against the logframe.
- vi. Organise bi-annual DDP partner meetings for lesson and information sharing.
- vii. Provide timely response and feedback to sub-grantees on issues that relate to implementation of the programme.
- viii. Provide timely response and feedback to DFID on programme implementation issues that will enable DFID to meet its corporate requirements.
- ix. Ensure linkage with other relevant DFID programmes including Kenya Devolution Support Programme (KDSP) and Improving Community Programme (ICS).

- x. Participate in the relevant governance donor coordination forums such as elections donor group, anti-corruption donor group; parliamentary sector working group; devolution sector working group, and the civil society donor coordination group.
- xi. DDP needs to be an adaptive programme, therefore the SP will be required to understand the context and adapt the programme accordingly.
- xii. The SP shall take full responsibility for the delivery of results on the programme, consulting with DFID on an ongoing basis.

9. Timeframe

The contract is expected to commence in 18 July 2016 and end in 17 January 2020. There will be an inception phase of six (6) months, followed by an implementation phase of 36 months with a possible extension of scope of up to 2 years. This programme is expected to adapt to changes in the political context and the extension will be based on the need, for more interventions, review of Annual Review recommendations and availability of budgets. Any such extension(s) shall be considered under the Negotiated Procedure.

10. Background

The Deepening Democracy Programme (DDP) is a four year programme (2015 -2019) that will support more inclusive and accountable governance in Kenya. It has a total budget of £ 28.5 million (including £6.5m from UK International Climate Fund - ICF).

The UK will provide technical support towards the implementation of the 2017 elections. Elections which are free, fair and peaceful are essential to maintain public confidence in the democratic process and encourage debate and discussion that is based on policy issues rather than ethnicity. This is critical to enable Kenya to maintain stability and deliver the Kenyan Government's ambitious 2030 Vision¹. DFID support through other agencies e.g. UNDP will include: technical assistance to the Independent Electoral and Boundaries Commission (IEBC) in areas such as planning; procurement; elections management; civic education and independent election monitoring. To address gender inequality, the UK will strengthen women's participation in the 2017 electoral process through support to institutional reforms and training for women candidates.

Whilst free, fair and peaceful elections are necessary for democracy, they are not sufficient. There is little evidence that well managed elections, in and of themselves, can make those in power more accountable in delivering public goods and services for the people, which is critical to support moves towards poverty reduction². The redistribution and new powers given to oversight bodies in the 2010 Constitution provides a window of opportunity to lock-in greater accountability of officials than ever before. DFID plans to provide support to a range of accountability institutions: the Parliament (both national and county assemblies), the Auditor General, the Ethics and Anti-Corruption Commission (EACC); and civil society to improve public participation and advocacy, including in areas such as climate change (which can act as a driver of conflict). We will also strengthen linkages between these institutions (and other DFID programmes) so they can be more effective.

Expected results

The change we want to see from the programme is more inclusive and accountable governance in Kenya. The expected results are: credible, well managed, non-violent elections in Kenya in 2017; public institutions and officials which are more accountable to Kenyan citizens; and increased women's political participation & representation.

12. Duty of Care

All Supplier Personnel (including their employees, sub-contractors or agents) engaged under a DFID contract will come under the Duty of Care of the lead Supplier. The Supplier is responsible for the safety and well-being of their Personnel and any Third Parties affected by their activities, including appropriate security arrangements. The Supplier will also be responsible for the provision of suitable security arrangements for their domestic and business property.

¹ The Kenya Vision 2030 is the national long-term development blue-print that aims to transform Kenya into a newly industrialising, middle-income country providing a high quality of life to all its citizens by 2030 in a clean and secure environment

²<http://www.democracyweb.org/elections/principles.php>

Suppliers must comply with the general responsibilities and duties under relevant health and safety law including appropriate risk assessments, adequate information, instruction, training and supervision, and appropriate emergency procedures. These responsibilities must be applied in the context of the specific requirements the Supplier has been contracted to deliver (if successful in being awarded the contract).

The Supplier is responsible for ensuring appropriate safety and security briefings for all of their Personnel working under this contract and ensuring that their Personnel register and receive briefing. Travel advice is also available on the FCO website <https://www.gov.uk/foreign-travel-advice/> and the Supplier must ensure they (and their Personnel) are up to date with the latest position.

Tenderers must develop their Tender on the basis of being fully responsible for Duty of Care in line with the details provided and the initial risk assessment matrix prepared by DFID. They must confirm in their Tender Response 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.

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.

If you are unwilling or unable to accept responsibility for Security and Duty of Care as detailed above, your Tender will be viewed as non-compliant and excluded from further evaluation.

DFID will not award a contract to a Supplier who cannot demonstrate that they are willing to accept and have the capability to manage their DoC responsibilities in relation to the specific procurement. Please refer to the Supplier Information Note on the DFID website for further information on our Duty of Care to Suppliers Policy [Procurement at DFID - Department for International Development - GOV.UK](#)

DFID Overall Country Risk Assessment matrix - Location: Kenya

Date of assessment & assessing official: **2 November 2015,**

Theme	Risk Score	Risk Score	Risk Score
	Kenya (excluding areas listed separately)	Advise against all but essential travel to within 15km of the coast from the Tana River down to but not including Watamu. It covers Lamu County and those areas of Tana River County north of the Tana river itself.	Advise against all but essential travel to Mandera, Daadab and Garissa plus anywhere else within 60km of the Somali border (including areas North of Pate Island on the coast) ³ and Eastleigh in Nairobi
OVERALL RATING	4	5	5
FCO travel advice	4	5	5
Host nation travel advice	Not available	Not available	Not available
Transportation	4	4	4
Security	4	5	5
Civil unrest	4	4	5

³ For these areas specific travel advice should be sought.
See latest FCO [travel advice](#) for Kenya

Violence/crime	4	4	5
Terrorism	4	5	5
Espionage	4	2	2
War	1	1	3
Hurricane	1	1	1
Earthquake	1	1	1
Flood	2	1	1
Medical Services	3	3	3

1 Very Low risk	2 Low risk	3 Med risk	4 High risk	5 Very High risk
			SIGNIFICANTLY GREATER THAN NORMAL RISK	

Enc:

Annex 1 – Commercial KPI and Supplier Performance Scorecard