



**REPUBLIC OF KENYA**

**State Department for Housing and Urban Development**

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

**Second Kenya Urban Support Program (KUSP II)**

**Project: Second Kenya Urban Support Program (KUSP 2)**

**Project No.: P177048**

**Credit No.: 7349-KE; 7350-KE; IDA Grant Number E208-KE**

**Terms of Reference**

**For**

**Consulting Services for the development of Model Municipal By-Laws**

**(FIRMS SELECTION)**

**Contract No.: KE-MOTI-542138-CS-QCBS**

**April 2026**

## 1. Background

The Government of Kenya, through the Ministry of Lands, Public Works, Housing & Urban Development in partnership with the Council of Governors is implementing the **Second Kenya Urban Support Program (KUSP II)**. The program's objective is to strengthen urban institutions to:

1. Improve delivery and resilience of urban infrastructure and services,
2. Enhance private sector engagement in urban planning, and
3. Support inclusive, sustainable, and well-governed municipalities.

Kenya's municipalities were established under the Urban Areas and Cities Act (2011, revised 2019), to serve as the primary institutions for urban governance and service delivery at the urban level. Effective municipal governance depends on **clear, standardized, and enforceable by-laws** that regulate services, guide urban management, and promote orderly development.

Currently, many municipalities operate under disparate, outdated, or fragmented by-laws inherited from defunct local authorities or developed without harmonization. This creates inconsistencies in service standards, enforcement, and governance, undermining predictability, compliance, and inclusivity in urban areas. KUSP2 therefore seeks to support the development of model municipal by-laws to guide municipalities in formulating standardized regulations of their own.

Developing harmonized Model By-Laws is a prudent and necessary reform to provide clarity, coherence, and legal certainty within Kenya's devolved governance framework. The model by-laws will promote uniform minimum service standards, strengthen enforcement and revenue administration, reduce duplication and conflict between county and municipal mandates, and enhance accountability. They will also support inclusive, sustainable, and climate-resilient urban development by ensuring that municipalities operate within a clear, constitutionally aligned regulatory framework. Ultimately, the assignment will strengthen institutional capacity and improve the effectiveness, credibility, and resilience of urban governance across all municipalities.

## 2. Objective (s) of the assignment

The primary objective of this assignment is to support the **Council of Governors (CoG)** to **develop, validate, and adopt a standardized set of Model Municipal By-Laws** that enhance governance, promote efficient service delivery, and align with Kenya's devolved governance framework. The assignment will have the following specific objectives:

- i. **Review existing frameworks:** Assess current municipal and county-level by-laws (including the by-laws of the defunct local authorities) to identify gaps, overlaps, and inconsistencies.
- ii. **Develop model by-laws:** Draft model by-laws covering priority areas of municipal governance and service delivery.
- iii. **Harmonize with laws:** Ensure alignment with the Constitution, national laws, and county legislation.
- iv. **Support stakeholder input:** Facilitate broad consultations with municipalities, counties, private sector, civil society, and citizens.
- v. **Capacity building:** Equip municipalities with knowledge and tools for adapting and implementing model by-laws.
- vi. **Promote sustainability:** Establish a dissemination and implementation framework to guide counties and municipalities.

### **3. Scope of the Consulting Services and Specific Tasks**

#### **3.1 Scope**

The overall scope of this assignment includes the development of a comprehensive set of **Model Municipal By-laws** to guide municipalities in executing their devolved functions effectively, in line with the **Urban Areas and Cities Act (2011, Revised 2019)**, the **County Governments Act (2012)**, and County Legislations. Other laws relevant to the assignment include the following, among others:

- Planning and Land Use Laws (e.g., Physical and Land Use Planning Act, 2019, Land Act, 2012);
- Environmental and Climate Laws (e.g., Environmental Management and Co-ordination Act, Sustainable Waste Management Act, and Water Act);
- Public Health and Food Safety Laws (e.g., Public Health Act, Cap 242; Food, Drugs and Chemical Substances Act, Cap 254);
- Transport and Traffic Laws (e.g., Traffic Act Cap 403; National Transport and Safety Authority Act, 2012);
- Trade, Licensing, and Business Regulation Laws (e.g., Alcoholic Drinks Control Act, 2010, Standards Act, Cap 496);
- Safety, Building, and Fire Regulation (e.g., Occupational Safety and Health Act OSHA), among others.

The proposed by-laws will provide a harmonized and adaptable framework to enhance service delivery, accountability, and urban governance across Kenya's municipalities and cities. The assignment will cover the following scope:

#### **Review and Assessment**

- i) Review existing national legislation, county laws, regulations, and policies relevant to municipal governance and service delivery.
- ii) Assess current municipal by-laws in selected counties to identify legal gaps, overlaps, and inconsistencies.
- iii) Benchmark regional and international best practices on municipal regulation and service delivery frameworks.
- iv) Identify and map key stakeholders (County Governments, Municipal Boards, line ministries, and sector associations).

#### **Development of Model Municipal By-laws**

The consultant shall develop detailed and practical model by-laws for each of the following municipal functions, ensuring legal conformity, clarity, and ease of implementation:

- (a) Waste Management
  - i) Regulate waste generation, segregation, collection, transportation, recycling, treatment, and disposal.
  - ii) Provide for licensing of waste service providers, user fees, and enforcement mechanisms.

- iii) Promote circular economy principles and community participation.
- (b) Street Lighting, Traffic Control, and Signage
  - i) Establish standards for installation, maintenance, and energy-efficient street lighting systems.
  - ii) Regulate placement, design, and maintenance of traffic signage and signals.
  - iii) Provide mechanisms for coordination with road authorities and enforcement agencies.
- (c) Parking Management (Bus Parks, Taxi Ranks, and Enclosed Parking)
  - i) Provide a regulatory framework for management and operation of public parking facilities.
  - ii) Define procedures for licensing, fee collection, enforcement, and use of digital parking systems.
  - iii) Encourage innovative and sustainable parking solutions, including smart parking technologies.
- (d) Regulation of Public Transport
  - i) Develop by-laws governing operation and management of public transport systems within municipal jurisdictions (e.g., matatus, boda-bodas, taxis, and buses).
  - ii) Establish frameworks for licensing, route management, fare regulation, and safety standards.
  - iii) Provide mechanisms for coordination with the National Transport and Safety Authority (NTSA) and other relevant agencies.
  - iv) Promote integration of non-motorized transport (NMT) and public transport infrastructure planning.
- (e) Urban Markets and Abattoirs
  - i) Establish standards for market and abattoir infrastructure, operations, and hygiene management.
  - ii) Regulate trader registration, stall allocation, user fees, and revenue management.
  - iii) Ensure compliance with public health and food safety regulations.
- (f) Development Control, Land Use Planning, and Building Plan Approvals
  - i) Provide a framework for processing, approval, and monitoring of development applications.
  - ii) Include mechanisms for enforcement against illegal developments and violations.
  - iii) Align with County Spatial Plans, Integrated Development Plans, and physical planning standards.
- (g) Liquor Licensing
  - i) Regulate production, sale, and consumption of alcoholic beverages within municipal jurisdictions.
  - ii) Provide licensing procedures, renewal, suspension, and cancellation mechanisms.
  - iii) Include provisions for responsible consumption and enforcement of age restrictions.
- (h) Recreational Parks, Playgrounds, and Cultural Facilities
  - i) Provide for establishment, use, and management of recreational and cultural facilities.
  - ii) Regulate events, maintenance, safety standards, and user responsibilities.
  - iii) Encourage community engagement and cultural preservation initiatives.
- (i) Firefighting and Rescue Services

- i) Provide for the establishment, equipping, and operation of municipal fire and rescue services.
  - ii) Set fire safety standards, inspection procedures, and penalties for non-compliance.
  - iii) Include provisions for emergency preparedness and inter-agency coordination.
- (j) Social Halls and Community Facilities
- i) Regulate development, management, and use of social halls and community centres.
  - ii) Provide booking procedures, user fees, and maintenance responsibilities.
  - iii) Promote inclusivity, accessibility, and community programming.
- (k) Street Trading and Hawking Regulation
- i) Define designated trading zones and regulate licensing of street vendors.
  - ii) Provide standards for health, safety, waste management, and environmental protection.
  - iii) Include enforcement mechanisms, relocation policies, and grievance redress systems.
- (l) Animal Control
- i) Regulate animal ownership, control of stray animals, and livestock movement within urban areas.
  - ii) Provide licensing, impounding, and welfare standards for domestic and farm animals.
  - iii) Include penalties and public education measures to promote humane treatment.
- (m) Environmental Management
- i) Provide for environmental protection, pollution control, and conservation of natural assets.
  - ii) Establish mechanisms for waste reduction, green infrastructure, and climate resilience.
  - iii) Integrate municipal environmental plans with county and national climate strategies.

### 3.2 Specific tasks

To achieve the objectives of this assignment, the Consultant will undertake the following key tasks:

#### **Task 1: Inception and Work Planning**

- a) Hold an inception meeting with the State Department for Housing and Urban Development and the Council of Governors (CoG) to confirm the assignment objectives, methodology, deliverables, and timelines.
- b) Prepare an **Inception Report** detailing the understanding of the assignment, proposed methodology, stakeholder engagement approach, and a detailed work plan with milestones.
- c) Establish a coordination framework with the CoG Secretariat, the State Department for Housing and Urban Development (SDHUD), and other key stakeholders.

#### **Task 2: Legal and Institutional Review**

- a) Conduct a comprehensive review of the Constitution of Kenya (2010), the Urban Areas and Cities Act (2011, Revised 2019), the County Governments Act (2012), the Public Finance Management Act (2012) and other relevant national and county legislation affecting municipal governance and service delivery, including those listed in 3.1, above.
- b) Review existing municipal and county laws/by-laws, including those inherited from defunct local authorities, to identify gaps, overlaps, inconsistencies, and areas requiring harmonization.

- c) Benchmark best practices in municipal legal frameworks from regional and international contexts.
- d) Map and analyze the mandates, roles, and institutional linkages among relevant stakeholders (County Governments, Municipal Boards, County Assemblies, sector departments, and regulatory bodies).

### **Task 3: Stakeholder Consultations and Needs Assessment**

- a) Conduct consultations with national and county-level stakeholders to assess existing challenges, opportunities, and capacity needs related to municipal regulation. The consultations will include county workshops organized in five clusters, and one national forum.
- b) Facilitate focus group discussions and validation forums with representatives from municipal boards, professional associations, civil society, private sector actors, and community groups.
- c) Document stakeholder feedback to inform the structure and content of the model by-laws.
- d) Identify priority thematic areas for legal reform and capacity building.

### **Task 4: Drafting of Model Municipal By-laws**

Develop detailed and user-friendly **Model By-laws** covering the following municipal functions:

1. Waste Management
2. Street Lighting, Traffic Control, and Signage
3. Parking Management (Bus Parks, Taxi Ranks, and Enclosed Parking)
4. Regulation of Public Transport
5. Urban Markets and Abattoirs
6. Development Control, Land Use Planning, and Building Plan Approvals
7. Liquor Licensing
8. Recreational Parks, Playgrounds, and Cultural Facilities
9. Firefighting and Rescue Services
10. Social Halls and Community Facilities
11. Street Trading and Hawking Regulation
12. Animal Control
13. Environmental Management

For each function, the consultant shall:

1. Define the purpose, scope, and applicability of the by-law.
2. Specify institutional roles, licensing and compliance procedures, enforcement mechanisms, and penalties.
3. Ensure gender responsiveness, inclusivity, environmental sustainability, and alignment with human rights principles.
4. Provide model templates adaptable to county contexts.
5. Cross-reference the by-laws with relevant national and County laws and ensure conformity with the devolved system of government.

### **Task 5: Harmonization and Integration**

- a) Align the draft by-laws with county and national policy frameworks, including existing regulations and sectoral standards.
- b) Identify potential areas of overlap or conflict and propose harmonization measures.
- c) Ensure the draft by-laws complement existing county legislative instruments and institutional structures.

#### **Task 6: Validation and Finalization**

- a) Organize and facilitate **validation workshops** to present and discuss the draft model by-laws with key stakeholders (CoG Lands, Housing and Urban Development Committee, County Governments, Municipal Boards, County Assemblies, and SDHUD).
- b) Incorporate stakeholder feedback and finalize the model by-laws, ensuring legal soundness and practical applicability.
- c) Prepare a **Comprehensive Validation Report** summarizing inputs received and adjustments made.

#### **Task 7: Capacity Building and Implementation Framework**

- a) Develop a Capacity Building Plan to support municipalities and counties in adapting and adopting the model by-laws.
- b) Conduct training workshops for municipal legal officers, planners, enforcement units, and county assembly committees.

### **4. Duration and location of the assignment**

The assignment will take **five (5) man months** and be completed within a **duration of six (6) calendar months** from the contract commencement date to allow for adequate consultations and validation. The location of the assignment is national, with the consultant based in Nairobi and travelling to sampled counties and municipalities across Kenya.

### **5. Reporting requirements and timelines for submission of deliverables**

The successful completion of the consulting services is expected to result in the following deliverables.

<b>S.No.</b>	<b>Report/Deliverable</b>	<b>Timelines of submission of Reports from contract commencement date</b>	<b>Format of presentation of Reports</b>
1	Inception report with detailed methodology and work plan.	2 Weeks	Soft and Hard Copies, PPT Presentation
2	Legal and regulatory review report (including best practices)	1 Month	Soft and Hard Copies, PPT Presentation

3	Stakeholder consultation and validation report	2 Months	Soft and Hard Copies, PPT Presentation
4	Draft model municipal by-laws based on the thematic areas identified in the ToR	4 Months	Soft and Hard Copies, PPT Presentation
5	Draft Final validated model municipal by-laws Adopted by the Lands, Housing and Urban Development Committee of the Council of Governors	5 Months	Soft and Hard Copies, PPT Presentation
6	Capacity-building Plan and report for Cities and Municipalities	6 Months	Soft and Hard Copies, PPT Presentation
7	Final report	6 Months	Soft and Hard Copies, PPT Presentation

All Reports shall be submitted in electronic format (both word and pdf) and three (3) hard copies. All Reports shall be submitted in the subscribed format to the address below:

**Principal Secretary**

Kenya Urban Support program 2  
State Department for Housing and Urban Development  
P.O. Box 30119-00100  
21<sup>st</sup> Floor, King Prism Tower  
3rd Ngong Avenue  
Nairobi, Kenya  
Tel: +254-02-2713833  
Attention: KUSP2 Coordinator.

**6. Payment schedule/Remuneration**

The table below highlights the payment breakdown for the consulting services.

S. No	Trigger for Payment	% of Contract Value
1. First Payment	Submission and Acceptance of the Inception Report and Workplan	30%
2. Second Payment	Submission and Acceptance of the Adopted Model By-Laws	40%
3. Final Payment	Submission and Acceptance of Final Report including validated model municipal laws and the capacity building report.	30%

**7. Minimum requirements for Consultant’s qualifications and experience**

The shortlisting criteria for the consulting firm shall be:

- 7.1 **Core business and years in business:** The firm shall be registered/incorporated as a consulting firm with core business in fields relevant to public policy, municipal law, urban governance or institutional development, and a minimum of 10 years in business.
- 7.2 **Relevant experience:** The firm shall demonstrate as having successfully executed and completed at least 3 (three) assignments of a similar nature and complexity, and in a similar operating environment in the last 5 years. Details of similar past assignments, including the name and address of the client, scope of work, value of the contracts, and period should be provided and submitted with the Expression of Interest.
- 7.3 **Technical and managerial capability of the firm:** The firm shall demonstrate as having the requisite technical capacity and managerial capacity to undertake the assignment in the submitted company profile(s).

## 8. Team composition and qualification and experience requirements for the key experts

The firm shall demonstrate expertise and experience as required and appropriate for the execution of the assignment. The consulting team shall, as a minimum, consist of the following experts.

No.	Key Expert	Qualifications and Experience
1	Team Leader	<ul style="list-style-type: none"> <li>i. A minimum of a Master's degree in Law, Public Policy, Urban Governance or related field from an institution/university recognized in Kenya</li> <li>ii. A minimum of 10 years of general experience in governance and public sector reforms.</li> <li>iii. A minimum of 5 years of specific experience in national or sub-national regulatory reforms.</li> <li>iv. Professional registration with valid membership and valid annual practicing license from a body recognized in Kenya.</li> </ul>
2.	Legal Regulatory Expert /	<ul style="list-style-type: none"> <li>i. A minimum of a Master's degree in Constitutional Law, Administrative Law, or relevant branch of law, from an institution/university recognized in Kenya</li> <li>ii. Minimum 7 years of general experience in legal and regulatory reforms.</li> <li>iii. A minimum of 5 years of specific experience in drafting of laws, policies and regulations at the national or sub-national level.</li> <li>iv. Professional registration with valid membership and valid annual practicing liscence as an advocate of the High Court of Kenya, or similar institution recognized in Kenya.</li> </ul>
3.	Public Finance/ Revenue Expert	<ul style="list-style-type: none"> <li>i. A minimum of Master's degree in Public Finance, Economics, Accounting, or a related field from a university recognized in Kenya.</li> <li>ii. A minimum of 7 years of general experience in public finance management,</li> </ul>

		<ul style="list-style-type: none"> <li>iii. A minimum of 5 years of specific experience in fiscal decentralization, or revenue mobilization, and hands-on experience with sub-national own-source revenue systems and taxation frameworks.</li> <li>iv. Professional registration and valid membership and valid annual practicing license from body recognized in Kenya.</li> </ul>
4.	<b>Institutional / Policy Specialist</b>	<ul style="list-style-type: none"> <li>i. A minimum of a Master's degree in Public Policy, Governance, Institutional Development, or Strategic Management from an institution/university recognized in Kenya.</li> <li>ii. A minimum of 10 years of general experience in policy analysis, institutional reform, or governance strengthening.</li> <li>iii. A minimum of 5 years of specific experience in sub-national institutional reforms.</li> <li>iv. Professional registration and valid membership and annual practicing license from a body recognized in Kenya.</li> </ul>
5.	<b>Environmental Expert</b>	<ul style="list-style-type: none"> <li>i. A minimum of a Bachelor's degree in environmental studies/planning from a university recognized in Kenya</li> <li>ii. A minimum of 10 years of general experience in the environmental, climate change, resilience or related sectors.</li> <li>iii. A minimum of 5 years of specific experience as a social and environmental Lead Expert.</li> <li>iv. Professional registration and valid membership and valid annual practicing license from NEMA or a similar body recognized in Kenya.</li> </ul>
6.	<b>Planner</b>	<ul style="list-style-type: none"> <li>i. A minimum of a Bachelor's degree in Urban and Regional Planning from an institution/university recognized in Kenya</li> <li>ii. A minimum of 7 years of general experience in the urb</li> <li>iii. A minimum of 5 years of progressive professional experience in urban planning.</li> <li>iv. Professional registration and valid membership and annual practicing license from a planning body recognized in Kenya.</li> </ul>
7.	<b>Engineer</b>	<ul style="list-style-type: none"> <li>i. A minimum of a bachelor's degree in Engineering from an institution/university recognized in Kenya</li> <li>ii. A minimum of 5 years of general professional experience in Engineering.</li> <li>iii. A minimum of 3 years of specific and relevant experience in municipal infrastructure or related areas.</li> <li>iv. Professional registration and valid membership and annual practicing license from a body recognized in Kenya.</li> </ul>
8.	<b>Sociologist/ Stakeholder Engagement / Governance Specialist</b>	<ul style="list-style-type: none"> <li>i. A minimum of a Master's degree in Social Sciences, Community Development, Communication, or Public Administration from an institution/university recognized in Kenya</li> </ul>

		<ul style="list-style-type: none"> <li>ii. A minimum 10 years of general experience in community development in Africa.</li> <li>iii. A minimum of 5 years of experience in facilitating stakeholder consultations, workshops, and policy dialogues.</li> </ul>
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## 9. Estimated time-inputs for key experts

Key Expert	No.	Time input in person-months
Team Leader	1	5
Legal / Regulatory Expert	1	5
Public Finance / Revenue Expert	1	5
Planners	1	5
Engineers	1	5
Institutional / Policy Specialist	1	5
Environmentalist	1	5
Sociologist	1	5

## 10. Management and accountability of the assignment

The consulting services will be administered by the State Department for Housing and Urban Development (SDHUD) through the KUSP II Program Coordinator. The day-to-day supervision will be provided by the Result Areas 3 Lead, supported by the Council of Governors' Urban Planning and Governance Specialist and NPCT's Urban Infrastructure and Climate Resilience Technical Assistants.

## 11. Obligations of the Client

- i) The client, State Department for Housing and Urban Development, through the National Program Coordination Team (NPCT) and the Council of Governors (CoG), will provide all the documents, i.e. Urban Governance Instruments, KUSP PAD and POM and any other developed and available policies that can assist in this assignment.
- ii) The client will provide introductory letters to key stakeholders to facilitate communication.
- iii) The Client will facilitate liaison with other program implementing partners.
- iv) NPCT and CoG will assist in organizing meetings with relevant stakeholders as may be required by the consulting firm.

## 12. Obligations of the Consultant

- i) The consulting firm will be answerable to the NPCT Coordinator on day-to-day operations, through the Result Area 3 Lead and will work closely with the COG, 45 Counties and 79 municipalities and the program staff in the execution and delivery of this consultancy.
- ii) The consultant will be responsible for the provision of their own office space, equipment and software as necessary for carrying out this assignment. The consultant will be required to make their own travel, accommodation, insurance, communication and other associated costs arrangements for carrying out this assignment and during consultations with different

stakeholders to ensure the assignment is carried on smoothly and seamlessly within the timeframe provided;

- iii) The consulting firm will consult and include input from the stakeholders and is responsible for organizing, achieving the evaluation and delivering the final report.

### **13. Propriety rights of Client in reports and records**

- i) All the reports, data, and information developed, collected, or obtained from the implementing agencies, etc., client, and other institutions during this exercise shall belong to the client. No use shall be made of them without prior written authorization from the client.
- ii) At the end of the Services, the Consultant shall relinquish all data, manuals, reports and information (including the database, codes, and related documentation) to the client and shall make no use of them in any other assignment without prior written authority from the client.