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FOR A BETTER URBAN FUTURE



# Governance and Collaboration

Shahrukh Wani – Economist, Cities that Work, International Growth Centre



Cities that Work

## Two take-aways from this presentation:

- There are a lot of common urban governance challenges that need to be fixed for better policy outcomes.
- Cities have been able to elevate some of these governance challenges through targeted reforms.



## We often hear these challenges..

- We **don't know** who is responsible for that decision.
- The city authority **doesn't control** the entire jurisdiction of the city.
- Many plans exist in paper, but **don't get implemented** on the ground.
- There is **little coordination** between various government agencies.

**Which one's do you think are the most important in your city?**



**Three** lens to categorise these challenges:



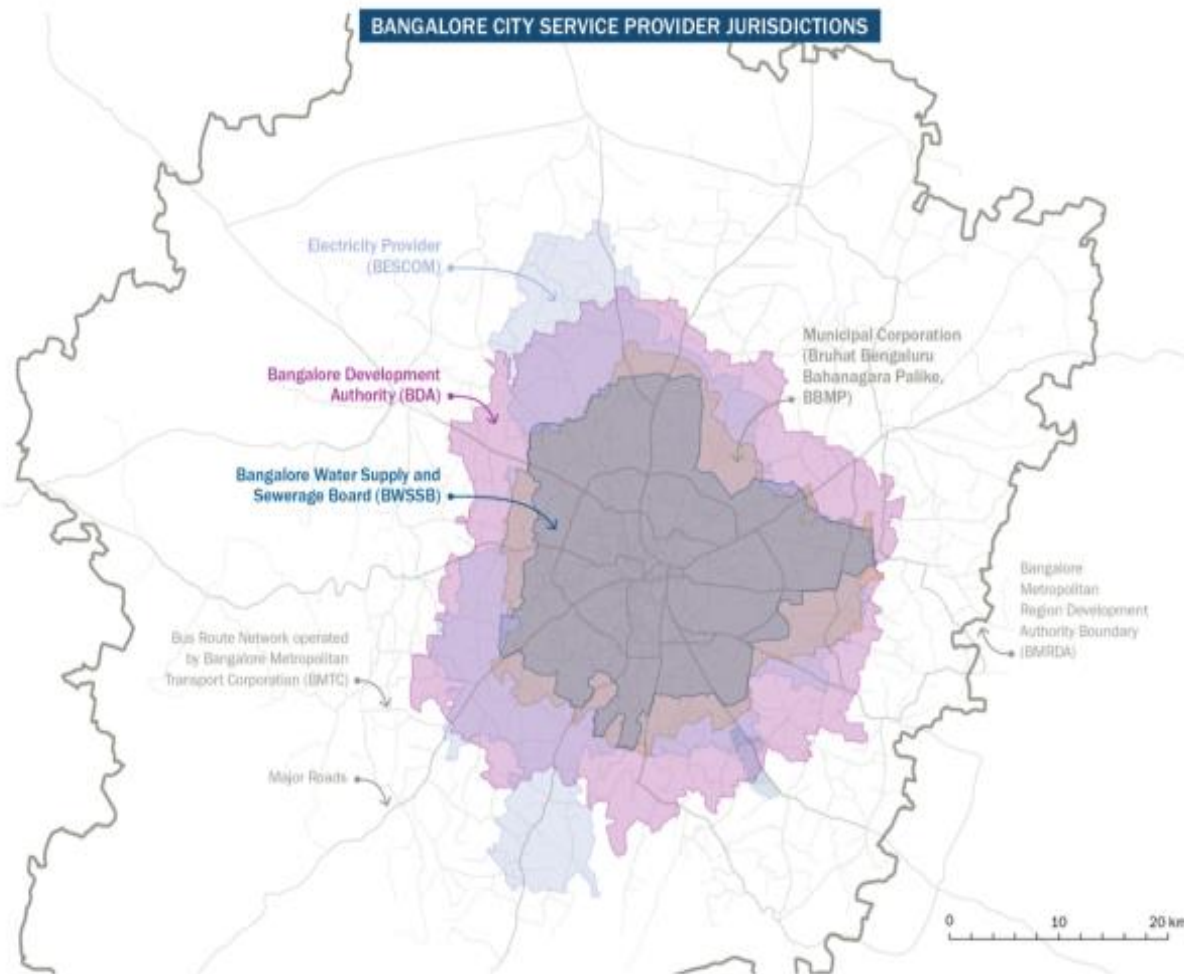
# 1. Spatial

- Many fast-growing cities have expanded beyond the administrative boundaries of a single local government jurisdiction, at times exacerbated by reluctant decentralization policies.
- The cost of fragmented spatial span can be significant: evidence from OECD countries shows that **for a given metropolitan area, halving the number of local government units raises productivity by 6%.**



## BANGALORE CITY SERVICE PROVIDER JURISDICTIONS

MP Restructuring Committee, 2017.





## 2. Functional

- In many cities, responsibilities tend to be fragmented: the same function can belong to several different agencies or completely forgotten altogether. In other cases, authority is concentrated within the central governments away from the city.
- In many cities, as actors have become increasingly specialised to undertake specific actions, the ensuing challenge has been the emergence of organisational silos which prevent agencies from sharing information and collaborating to make policy decisions.



## The Built-up Area of Atlanta and Barcelona Represented at the Same Scale

10 km of metro line

### Atlanta:

2.5 million people (1990)

4,280 km<sup>2</sup> (built-up area)

### Transit in Atlanta VS Barcelona

	Barcelona	Atlanta
Length of metro lines (km)	99	74
% of population within 600 m from a metro station	60%	4%
% of trips using metro	30%	4.50%
Length of metro line that would be required to serve 60% of atlanta ppopulation (km) :		3400
Number of station required		2800

### Barcelona:

2.8 million people (1990)

162 km<sup>2</sup> (built-up area)

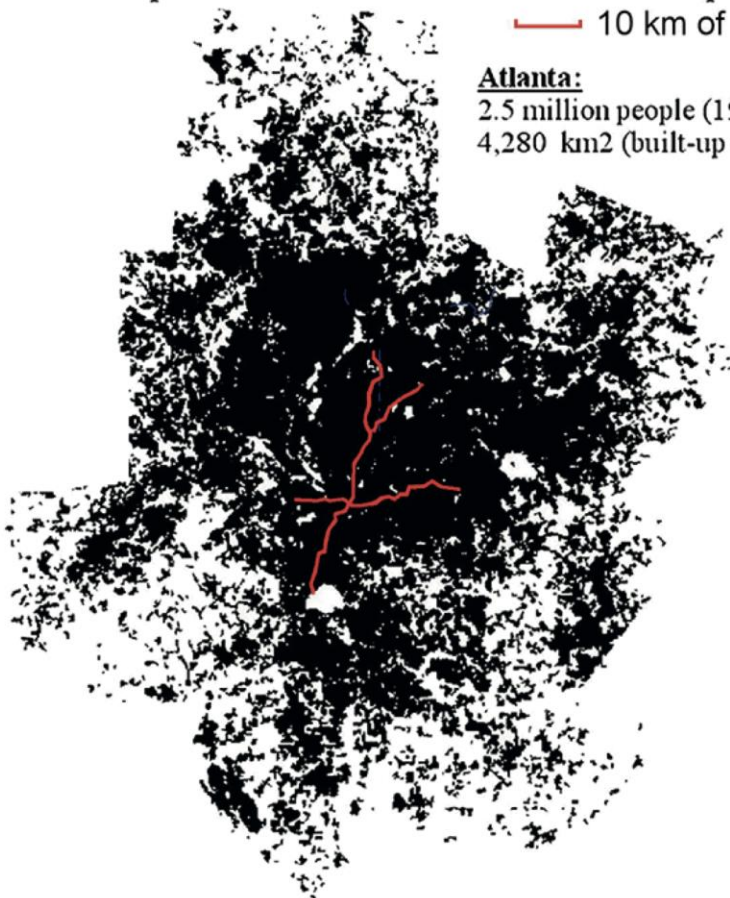


Image by Alain  
Bertaud.





CBD

Kibera slum

**Slum**

**Formal**

21

49

18

39

15

32

13

25

11

20

9

16

7

12

5

9

3

6

Average height (m)

In some cases, national and city leaders have been able to improve governance across these three - spatial, functional, and temporal - dimensions through targeted reforms.



# Expanding spatial span of governance

**Merging local units to align administrative and economic boundaries of a city:** before 1994, Cape Town comprised of 61 local government entities. Today, the city is governed under a single-tier government.

**Establishing voluntary cooperation bodies to provide integrated service delivery:** in São Paulo metropolitan area, seven municipalities collaborate voluntarily through the Greater ABC Inter-municipal Consortium on key policy areas.



## Key findings from the 2015 survey

	Pre-reform	Post-reform
Transport cost	Average 140 Naira	Decreased 30% - 50%
Congestion	Very high	Reduction in travel times of 40%
Greenhouse gas emissions	High	Decreased 13% - 20%
Safety	139 accidents per 100,000	Decreased 30%
Comfort levels	Low	Wide felt improvements
Other benefits	Direct & indirect employment, security of travel.	





# Improving term

- Using fiscal transf long-term investm



## DEVELOPMENT FUND FOR LOCAL AUTHORITIES

### VISION

"Local Authorities Lender of First Resort"

### MISSION

Competitively provide efficient, effective and sustainable financial services to local authorities for capital investments in order to promote socio-economic development'

### OBJECTIVES

- To provide loans to local authorities to meet capital expenditure
- To enhance the financial and administrative capacity of the councils
- To provide funds for any other purposes decided upon by the trustees as being appropriate to the advancement of local Authorities to manage urban growth and development
- Facilitate the acquisition, administration, control, maintenance and operation of property to be used for administration and management of financial assistance to local authorities

### Types of Loans Accessed by Councils

#### Infrastructure Loans: Construction and Renovation of

- Rest houses,
- Lodges,
- Motels,
- Markets,
- Butcheries,
- Houses,
- Access roads and parking facilities,
- Water kiosks and
- Office complex.

#### Non-Infrastructure (Commercial Loans): Procurement of:

- Waste collection vehicles,
- Water bowser,
- Septic tank emptier,
- Multipurpose trucks,
- Excavator,
- Backhoe loader,
- Graders,
- Tractors
- Ambulances,
- Hearse and
- Preparation of Quinquennial Valuation Rolls (QVRs).

### Lending Policy

- Interest rates : Reserve Bank prime plus/minus 1
- Monthly loan repayment : Mandatory Bank Standing Order
- Repayment period: Maximum of 5 years for non-infrastructure loans (Commercial loans): Maximum 10 years for infrastructure loans
- Grace period : 6 months and 2 years grace period respectively

### Loan Processing Procedures Requirements from Councils

- Project proposal
- Financial analysis
- Full Council Minutes
- Copies of the title deed for the pledged collateral

finance

catalyst for



**Dedicated organisations to  
provide long-time planning**

**Parastatal bodies with common  
purpose to undertake service delivery  
in key policy areas**



**រដ្ឋាករទឹកស្វយ័តក្រុងភ្នំពេញ**  
**PHNOM PENH WATER SUPPLY AUTHORITY**

- Google “**IGC Cities that Work**” to find our work.
- Questions? Email me at [s.rukh@lse.ac.uk](mailto:s.rukh@lse.ac.uk)

