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State-movement partnership in Uganda: Co-producing an enabling environment for urban poverty reduction?

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Abstract

An increasing body of knowledge is emerging about the ways in which the co-production of basic services can open up space for inclusive development and enhance state effectiveness in the global South. Limited evidence exists, however, about the particular forms of political relationship and programmes that are most likely to generate pro-poor outcomes and more enabling conditions for inclusive urban development. Through the lens of 12 months' qualitative research into the Transforming Settlements of the Urban Poor in Uganda (TSUPU) programme, this paper examines what has shaped state vision, commitment and capacity for the co-production of urban poverty reduction in a low-income and neo-patrimonial regime. The discussion concludes that TSUPU (and successor programme partnerships) represents a pocket of effectiveness which has opened up spaces of political opportunity for moving towards more inclusive urban development planning and service delivery approaches. The constraints on this political opportunity being exploited to its full potential are significant and will require substantial regulatory and institutional change, in addition to sustained investment in movement building, to contribute to reducing urban poverty at scale.

Keywords: Uganda, urban poverty, urban development, inclusive development, coproduction, urban social movements

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Introduction

An increasing body of evidence is emerging about the extent to which the co-production of basic services can open up space for inclusive urban development and enhance state effectiveness in the global South. Key areas of debate focus on the extent to which state-movement partnerships for settlement upgrading constitute co-optation or progressive incrementalism, and the scale and significance of the solutions that urban social movement partnerships can deliver amidst capitalist accumulation and neo-liberal policy landscapes. This working paper applies the core concerns of the Effective States and Inclusive Development research centre¹ to this urban arena. It explores the ways in which the *Transforming Settlements of the Urban Poor in Uganda* (TSUPU) programme has both shaped and been shaped by state vision, commitment and capacity for urban poverty reduction, and the outcomes that have been achieved in the shorter term as well as in terms of creating a more enabling environment for urban poverty reduction in Uganda in future.

The paper begins by reviewing current debates and concerns relating to state-urban social movement partnerships and urban poverty reduction, which is followed by a brief overview of the current context for urban poverty reduction in Uganda. The conceptual framework and methodology then follow, before presenting findings from the study organised by the key research questions. The final analysis focuses on the question as to how far it is possible to generate pro-poor outcomes from co-production in Uganda currently and what the enabling conditions might be for maximising the potential of future partnerships. We conclude that TSUPU (and successor programme partnerships) represent pockets of effectiveness which have opened up spaces of political opportunity for moving towards more inclusive urban development planning and service delivery approaches. The constraints on this political opportunity being exploited to its full potential are significant and will require substantial regulatory and institutional change, in addition to sustained investment in movement building, to contribute to reducing urban poverty at scale.

1. Co-production and urban poverty reduction

In many cities of the global South, rapid urbanisation has resulted in the concentration of low-income citizens within informal settlements, which are characterised by insecure tenure and limited access to basic services, infrastructure and sanitation. Approaches grounded in the co-production of designs, programmes and basic services for urban poverty reduction have been advocated for on the grounds that they recognise and seek to engage with 'relational' drivers of poverty and inequality:² the complex networks of social and political-economic power relations that determine status and opportunity, and which shape the 'social contract' between citizens and the state.

¹ In summary, these are: to better understand the forms of politics that can help to secure inclusive development, with a particular focus on state capacity, elite commitment, and the role of power relations and ideas (<http://www.effective-states.org/what-is-esid/>).

² See Mosse (2010) for an analysis of the social relations and processes underpinning inequality.

Watson (2014) distinguishes between what she terms 'state-initiated co-production' and 'social movement-initiated co-production'. Much current theory has built on the work of Elinor Ostrom, which focused on direct instances of co-produced public goods between citizen and state. Ostrom (1996) identified four critical conditions which 'heighten the probability that coproduction is an improvement over regular government production or citizen production' (Ostrom, 2010: 1082). Firstly, local governments and communities each have something the other needs and these resources should be pooled to create something new and synergistic. Secondly, the legal and regulatory framework must enable local actors to make decisions about how resources are to be used. Thirdly, professionals and communities must be able to 'build a credible commitment to one another', ensuring that each keeps their side of an agreement. And finally, inputs on each side should be incentivised – formally or informally (teachers may be motivated by public recognition of their efforts, for example). Watson critiques the underlying assumption in much of this work 'that all community members and households would gain equal access to these services, that exclusion on the grounds of income, gender, ethnicity, for example, would not play a role, and that the relationship between state and citizens would be fair, consensual, and not corrupt or politicized' (Watson, 2014: 65).

In contrast, she argues that social movement-initiated approaches recognise these structural constraints, including the unequal relations that underpin differential patterns of public investments; and that they value the knowledge held by low-income groups about how their own needs and interests can be addressed. Through coproduction, they seek to work within both formal and informal systems of power and allocation to reshape social norms and political-economic power relations by creating opportunities for state actors and organised citizens to institutionalise collaboration. The literature on movement-initiated co-production focuses predominantly on the practices of Shack/Slum Dwellers International (SDI) and the Asian Coalition for Housing Rights (ACHR) (Watson, 2014). The common characteristics of these movement strategies are: the mobilisation of (predominantly low-income) women into savings groups, which then federate at the settlement and city scale; collaborative mapping, profiling and enumerating of informal settlements to provide the local state with much needed data about the extent and geography of basic needs; piloting/demonstrating cost-effective alternatives for the provision of basic services (water, sanitation, access roads, housing) in informal settlements, leading to state commitment to working with the organised urban poor to co-produce these innovations; and, through these processes of federating and demonstrating capability and legitimacy, the opening up of space for active and non-partisan participation within urban governance and decision-making processes (Satterthwaite and Mitlin, 2014; Watson, 2014). Such movements also work closely but through an autonomous relationship with civil society professionals, who are important process documenters and brokers of relationships with the governance, and technical professionals, who can assist activists to achieve their goals.

A recent thesis review (Shand, 2014) finds that, while Ostrom's four critical conditions for co-production to generate preferable outcomes to purely state-led provision

remain highly relevant, the evidence remains sparse on the *sufficient* conditions for co-production to generate significant benefits for the urban poor, and in particular contexts. Given the commonality in methodologies applied across the contexts in which SDI has a presence, national and city-based federation experiences provide a valuable addition to knowledge about how these processes play out in particular environments and the implications of this for urban poverty reduction policy, programming and practice.

Existing literature provides pointers as to what may shape the likelihood of poverty-reducing outcomes being achieved through state-urban social movement partnerships in the global South. Watson (2014) finds the ‘strength, reliability and form of civil society’, state devolution, and the transnational demonstration of alternatives to be critical. Similarly, in India, Burra et al. (2018) find that levels of devolution, levels of local income and wealth, and civil society capacity have been key to increasing the extent to which co-produced housing developments have generated satisfactory solutions for the urban poor.

Banana et al. (2015) find that ensuring quality, accessibility and affordability requires resources to be identified that can subsidise services and secure the replication of effective models of delivery at scale. Savings mobilisation and federating are viewed as critical strategies in terms of being able to attract initial capital investments in projects that can be repaid over time where government finance does not materialise, but such initiatives are not enough to secure city-wide provision (Banana et al., 2015).

Ideas held by powerful elites about the role of cities and the image a city projects internationally can be critical, with the pursuit of ‘world-class city’ status often prioritised above the needs of the urban poor (Esser, 2012). Patrimonialism and political clientelism³ may pose significant challenges for securing political will to engage in co-produced initiatives with the urban poor, although there is also evidence historically (Adams, 2005) and in recent analyses of certain African states that patrimonial systems can be wielded in developmental directions in some cases (Kelsall and Booth, 2010).⁴

³ Patrimonialism is understood here as a system whereby personal ties, rather than meritocratic criteria, decide upon who enters public service, and appointed individuals draw on their public posts for private gains (Gray and Whitfield, 2014). Clientelist state-society relations are understood in terms of citizens seeking to meet their short-term needs through favours from local patrons in positions of higher socio-economic status and sometimes political office in exchange for loyalty or servitude of different kinds. Clientelist relations can undermine drives for demand-side accountability or collective action by enabling groups to meet individualised household needs in the shorter term. Specifically, political clientelism involves potentially powerful elite groups or political constituencies giving their political support to a particular party or leader (through public advocacy, campaign mobilisation or voting, for example) in exchange for favours of different kinds, including lucrative rent-seeking opportunities such as infrastructure contracts (Gray and Whitfield, 2014: 1).

⁴ See Vom Hau (2012: 7-8) for a discussion of the evidence base behind ideas about development patrimonialism.

Even where central government commitment has been secured for recognising and working with the urban poor, significant resistance may be encountered at municipal or city level. In such environments, land, property and development projects are lucrative spheres for collusive relationships between local political and business elites which create little incentive for resource distribution to those without capital or influence, or for their inclusion within planning and decision-making processes (Watson, 2014: 72-73).

The politics of land is also fundamental to what co-production can achieve. Alternative forms of basic service provisioning require land for development which is complicated by conflicting systems of formal and informal land rights, land speculation and the rising value of land in urban areas, particularly in Africa's capital cities (Lombard and Rakodi, 2016). A long-standing anti-capitalist critique argues that while self-help and co-productive solutions to the provision of housing and basic services in informal settlements may provide short- to medium-term solutions, ultimately they perpetuate the commercialisation of land and property and hence the underlying structure of urban and global inequality (see, for example, Hodgkinson, 2012: 428-429).

Casting the evidential net beyond studies of specifically urban co-production, political commitment to the implementation of a pro-poor vision and citizen organising capacity are clearly necessary, if not sufficient, conditions for achieving pro-poor change through state-civil society collaboration (Hickey and King, 2016). The task remains to unpick the processes through which political will and shared visions arise and the kinds of local state and civil society capacities required to make co-production effective in particular contexts.

2. Urban poverty reduction in Uganda

Uganda has a relatively low level of urbanisation at 18.4 percent, but one of the highest urban growth rates in the world, at an estimated 5.2 percent (Government of Uganda, 2015). Despite the NRM government's sustained achievements for aggregate income-based poverty reduction and economic growth,⁵ an estimated 60 percent of Uganda's urban population lives in informal settlements, with inadequate tenure security and an acute lack of access to decent housing and basic services.⁶ Kampala is Uganda's only large city and has 62 informal settlements, with an estimated combined population of 2.5 million.⁷ However, population growth rates in secondary towns are now higher than the national average, at 4 percent per annum (Kiggundu, 2014), and 50 percent of the country's urban population were residing in Uganda's 13 designated municipalities⁸ by 2010 (there are now 22).

⁵ Poverty levels fell from 31.1 percent in 2006 to 19.7 percent in 2013 (World Bank, 2016); growth has slowed to 3.2 percent in 2011-12, down from over 8 percent between 2000 and 2007/8 (Golooba-Mutebi and Hickey, 2013).

⁶ Based on a 2014 slum profiling report by ACTogether Uganda; and Dobson, Lutwama and Mugisa, 2014.

⁷ *Ibid.*

⁸ World Bank (2010).

Uganda's current political-economic landscape has been characterised extensively in a range of recent ESID working papers (see for example Golooba-Mutebi and Hickey, 2013). It is perhaps enough to state here that in a semi-authoritarian and patrimonial context, where 70 percent of the workforce is employed in the agricultural sector, the needs of the urban poor have not been high on the policy agenda. Yet, since 2010, two national urban development programmes have been rolled out, focused on the inclusion of low-income citizens in municipal development planning processes and on capacity-building for municipal local governments. So what has catalysed and sustained this apparent commitment to inclusive urban development in the country and to what effect?

3. Conceptual framework and methodology

3.1 Conceptual framework

Our conceptual framing has been guided by research into settlement transformation in India, which examined the dynamics of state vision, commitment and capacity within the Basic Services for the Urban Poor sub-mission of the Jawaharlal Nehru National Urban Renewal Mission (Burra et al., 2018). Conceptually, we were concerned to understand under what conditions more progressive ideas about inclusive urban development and poverty reduction emerge, what shapes state commitment to delivering inclusive development and urban poverty reduction, and what capacities enable states to contribute to such outcomes, including a particular interest in the role of civil society within these dynamics. We selected TSUPU as a case study, partly because we hope in the longer run to develop comparative lessons across the India and Uganda research, but we also explored the history of movement formation in Uganda. Both these case study programmes were developed in partnership with national affiliates of the international social movement, Slum/Shack Dwellers International (SDI).

Our specific research questions in relation to the initiatives with which we engaged were:

- a. In what ways has the TSUPU programme contributed to urban poverty reduction?
- b. What is the character of national and municipal state vision, commitment and capacity for urban poverty reduction and how has this shaped the outcomes achieved?
- c. What has shaped the emergence and character of state vision, commitment and capacity for urban poverty reduction at central and local levels?
- d. What lessons can we draw from this about the conditions which enable the co-production of ideas, programmes and services to generate outcomes of significant benefit to the urban poor?

Inclusive urban development and inclusive governance are referred to throughout this paper as processes which contribute to the overarching goal of achieving a

reduction in urban poverty.⁹ In terms of understanding the relationship between our three key concepts of vision, commitment and capacity, we agreed, in line with the India study, that ‘vision establishes the direction of the state intervention or action; the commitment, the intensity with which it is pursued; and the capacity, the ability to realise such a direction given the level of commitment.’¹⁰ There is of course no singular ‘state vision’. There are ‘official’ visions as laid out in development plans and strategies, as opposed to shared informal visions which are bound up with social and cultural norms about governance and the institutional rules of the game. There are collective and individual visions with the latter bound up with the tensions between personal values and self-interest, and hence with questions of commitment. There are different visions for the provision of public goods across different departments of central government and also different imaginings of development programmes and what implementation should aim to achieve. Our operationalisation of these concepts is presented in Appendices 1 and 2. Our interpretation is that each aspect of capacity and commitment moves forwards and backwards along a spectrum from weak to moderate to strong over time.

Our operationalisation of state capacity was shaped both by Vom Hau’s (2012) tripartite conceptualisation of ‘organisational competence’, ‘embeddedness’, and ‘territorial reach’; by the partner study to this research focused on urban poverty reduction in India; and by drawing out themes from the primary data that we generated during the research. For Vom Hau, capacity ‘refers to the ability of states to apply and implement policy choices within the territorial boundaries they claim to govern’. Organisational competence has to do with the bureaucratic or organisational abilities of a state or a state agency to implement a policy choice. Embeddedness has to do with the relational capabilities and constraints shaping the behaviour of state actors with regards to civil society and the private sector. Territorial reach is about the extent to which a state is able to actually enter and act within the geographical boundaries of its formal jurisdiction. States or ‘particular state agencies’ may choose to ‘employ their societal links, coordination facilities and geographical coverage to deliver inclusive development (e.g., through economic transformation or redistribution), but they may equally use their capacities for repression, exploitation or even genocide’ (Vom Hau, 2012: 5).

3.2 Methodology

This was a collaborative qualitative study between researchers associated with the Effective States and Inclusive Development Research Centre, ACTogether Uganda (the support NGO for the National Slum Dwellers Federation of Uganda – ‘the National Federation’ hereafter), and leaders of the National Federation and regional branches, which took place between January and December 2016. Mbale and Kabale were selected as examples of good and limited outcomes being achieved in

⁹ Satterthwaite and Mitlin (2014) discuss the relationship between political inequality and urban poverty.

¹⁰ In the words of Diana Mitlin at an internal workshop at the Effective States and Inclusive Development Research Centre in October 2015.

response to the TSUPU programme at municipal level, respectively. Arua and Jinja had also experienced positive outcomes from the programme; however, experiences in Mbale and Kabale have not historically been well documented, so detailed research in these areas was more useful to our research partners. It was agreed that the research would focus on water and sanitation projects, as these were common across the TSUPU municipalities. Table 1 presents population figures for both case study municipalities against estimated informal settlement population and estimated income levels within those settlements.

Table 1: Proportion of urban population living in informal settlements¹¹

	Population (2014 census)	Informal settlement population (profiles)	Average incomes in settlements (profiles)
Mbale	96,189	62,148 (2010)	3,000 – 5,000 UGX/day ¹²
Kabale	49,667	28,920 (2014)	2,000 – 5,000 UGX/day ¹³

In each site, data was co-produced in partnership with three staff members from ACTogether and a small team of Regional Federation leaders. We took a bottom-up approach, beginning with a focus group discussion with the local Federation focused on the origins, design, implementation and outcomes achieved by the relevant initiative and associated basic services projects. We then moved upwards through the technical and political structures and reached out to other civil society respondents. Appendix 3 presents the people we engaged with at different levels during the research through semi-structured group and individual interviews and through ‘settlement walks’ (walks around the settlement where a particular initiative involved conducting short and precise interviews with residents and potential project users). We also reviewed project documentation and reports held by relevant management committees and officials. We carried out all national- and transnational-level interviews after completing data generation at the municipal/city level, but secured background information and guidance from ACTogether where necessary to assist with research design and the selection of interviewees.

In each of the TSUPU municipalities, three projects were selected for study, which aimed for depth in understanding dynamics of change rather than quantitative breadth, including through asking leaders to identify one perceived as having achieved ‘good’, one as ‘moderate’ and one as ‘not so good’ outcomes for the urban poor. The Mbale and Kabale Federations had built sanitation units using SDI rather than TSUPU finance as a mechanism for Federation mobilisation and legitimacy-

¹¹ Based on 2014 census data (Uganda Bureau of Statistics), and settlement and city profiling data gathered by Federation members and ACTogether. The two different sources mean one is not a direct proportion of the other. Nonetheless, this provides an indication of the proportion of the municipal population residing in informal settlements and the extent of urban poverty.

¹² 5,000 UGX is approximately £1 GBP.

¹³ Kabale is a peri-urban area. Some residents live a subsistence lifestyle, with no regular cash income.

building, and these were included as one of the three case study projects in each municipality to offer another common point of comparison about how these projects shaped state vision, capacity and commitment for achieving urban poverty reduction, as well as what works at the project level.

We assessed project-level outcomes for poverty reduction in terms of (following Banana et al., 2015) how significant a difference the project had made to peoples' lives, the extent to which the project was accessible and affordable for those surviving on incomes around the international poverty line, the adequacy/quality of the service being provided, and the extent to which the project had resulted in a service that was being sustained over time. We also considered how levels of inclusion within the project process, from identifying need through to implementation and post-implementation transparency with the user community, had made the project more or less pro-poor.

Data analysis was iterative and co-produced through regular reflection and verification meetings with the collaborative research teams, with ACTogether staff and Federation leadership at national level, and finally through an interim findings reflection with key stakeholders within the Ministry of Lands, Housing and Urban Development (Ministry of Lands hereafter) – with whom most partnership work has taken place since 2008.

4. Transnational partnerships for inclusive urban development: An overview

4.1 A short history of state-urban social movement partnership in Uganda

In 2001, representatives from the Ministry of Works, Housing and Communications (Ministry of Works hereafter), including the Minister of State for Housing and MP for Kampala Central Division, Francis Babu, were invited to attend a presentation by SDI at the World Urban Forum, which was focused on Cities without Slums. Impressed by what had been achieved in India in terms of low-cost housing, the minister invited SDI to work with the Government of Uganda, Kampala City Council (KCC) and Jinja Municipal Council¹⁴ (JMC) on slum upgrading. A Memorandum of Understanding was signed in January 2003 to formalise the partnership. KCC and JMC committed to work in partnership with leaders from informal settlements to carry out profiling exercises, ensure appropriate planning and buildings standards were available, and participate in learning exchange visits to other SDI initiatives. SDI's role was to provide technical assistance and training support, including settlement enumeration and profiling and savings mobilisation through engaging leaders from the SDI network in Kenya and India.

In Kisenyi III settlement in Kampala Central Division, sanitation was considered to be a priority. Here, 4,000 residents had no access to adequate sanitation facilities,

¹⁴ Jinja is Uganda's largest secondary town and was formally an important hub for a range of industries.

resulting in regular disease outbreaks. It was also perceived to be a no-go area by city officials because of high levels of crime. This became the focus of the first pilot initiative. The partners agreed to construct a water and sanitation unit, which would also include a community hall and offices, providing the new Federation with a headquarters. Local residents were involved in construction and stepped in to co-finance later stages of construction. The sanitation unit has proved to be highly sustainable and is still serving the community today, while also making a monthly contribution of 150,000UGX to the urban poor fund.¹⁵ Disease outbreaks are rare today, even when cholera hits neighbouring parishes. City officials describe the area as 'a transformed slum'.

State and non-governmental accounts suggest that these original mobilisations for slum-upgrading in Kisenyi generated a common vision for the area and commitment to seeing that vision realised among divisional technical and political officials, local community leaders, and technical officials within the Ministry of Works. It also built the legitimacy of the Federation and created the momentum for savings mobilisation across Kampala. However, a combination of factors interacted to constrain the ability of the original partners to either replicate the sanitation unit model or progress onwards from sanitation to low-cost housing solutions. These included the voting out of political champions of the partnership in the 2006 elections and the transfer of key civil servants to other areas of the city, the rising value of land in the Central Business District and resistance from private interests to government interference in housing and property development. At the same time, the energies of slum-dwellers in Kampala and Jinja were diverted into addressing the challenge of establishing robust financial systems and a support NGO that would enable them to handle the large sums of money they were going to need in order to mobilise for housing and the process of establishing the National Slum Dwellers Federation. ACTogether Uganda was established in 2006.

ACTogether has now been working with the Federation in Kampala for many years to pursue the original plans for a low-cost housing development which has necessitated long and complex negotiations with residents, landowners and structure owners as well as further exchanges for Ministry and Kampala City officials. An agreement had been reached for a land-sharing arrangement with an elderly landowner in Kisenyi III. The initiative would involve construction of 'a storied building with a small footprint that can accommodate the number of households presently on the said land on a much smaller parcel, enabling them to generate public and commercial space' (Dobson, Lutwama and Mugisa, 2014: 24-25). However, at present, the land owner and his family have become reluctant to progress the plans.

By 2010, when the TSUPU programme was introduced, the National Slum Dwellers Federation of Uganda was well established, with two strong city-based federations

¹⁵ The NSDFU Urban Poor Fund is a revolving fund to which savings groups can apply for loans to develop income generation or other kinds of projects in their area.

(Kampala and Jinja) and with ACTogether Uganda in place as its support agency ready to broker transnational partnerships for inclusive urban development.

4.2 Transforming Settlements of the Urban Poor in Uganda (TSUPU)

Our research focused on the Secondary Cities Support Programme component of Cities Alliance's 2010-2016 country programme partnership with the Ministry of Lands, named TSUPU by the Ministry.¹⁶ The country programme objective was: 'to create inclusive cities without slums in order to maximise the potential of urbanisation by proactively managing urban growth' (Cities Alliance: 2016b: 3). Design and implementation of the secondary cities component involved SDI, the World Bank (capacity-building and later, programme coordination) and Makerere University (research consultancy).

In consultation with other national stakeholders, such as the Ministry of Local Government and the Urban Authorities Association of Uganda (UAAU), the Ministry of Lands identified five Ugandan municipalities for participation in a range of activities aimed at integrating urban development knowledge and priorities across community, municipal council and national levels.¹⁷ A key mechanism was to establish 'Development Forums' at each of these levels, culminating in a National Urban Development Forum.

SDI were contracted to work with ACTogether and the National Federation to mobilise informal settlement communities into savings federations in each municipality and work with new members to profile their settlements, thereby directly engaging the urban poor in identifying needs and priorities. The intention was for problems to be resolved within settlement forums where possible or escalated to divisional or municipal-level Forums when necessary. Municipal officers received training from the Ministry, the World Bank and SDI; focal people were identified to coordinate activities – usually the community development officer; and each municipal development forum was tasked with contributing priorities for consideration within a Municipal Development Strategy (MDS). The MDS was to be developed with input from technical departments within the respective municipal councils, political representatives, and in conversation with relevant ministries and other key stakeholders. The Municipal Development Forums (MDFs) were envisaged as spaces for the integration of development efforts, sharing of knowledge and information about urban development programming, and, over time, better coordination of resources. As a representative of Cities Alliance explained:

...the understanding was, there would be this institutional structure in the country where anyone who wanted to work in urban could hang their coat, so

¹⁶ Cities Alliance is a network of bilateral and multilateral donors, NGOs and knowledge institutions, including the World Bank and UN-Habitat. SDI is represented on the Executive Committee.

¹⁷ The participating municipalities were: Arua, Jinja, Kabale, Mbale and Mbarara. Selected partly on the basis of 'regional spread' (Cities Alliance, 2016) these are located in the North, East-Central, South-West, East, and West of the country, respectively.

you didn't have new organisations being established, new structures... so there was a coherent, systematic structure in the country... if you go to a town, you go to the Municipal Development Forum, discuss your project, everyone knows about it, they say well these people are doing that...¹⁸

The MDFs across all five TSUPU municipalities were constituted through 'MDF Charters'¹⁹ to encompass – in full assembly – all the key local stakeholders in urban development, including the political, technical and administrative leadership of the municipal councils (see Figure 1). Each stakeholder-type has a seat on a council which has the power to elect the Executive Committee of the MDF which reports directly to the Executive Committee of the Municipal Council – the 'supreme authority' with the power to overturn decisions made by the MDF (MDF Charters). MDF mission statements across the five original municipalities have been two-fold: firstly 'to provide a platform for dialogue and participation'; and secondly, 'to influence policy and legal reforms for sustainable urbanisation' (Kabale Charter). The full forum meets either once or twice per year and the MDF Executive Committees (25-30 representatives) meet on a quarterly basis.

TSUPU also aimed to reduce urban poverty in more tangible ways, through providing resources and institutional mechanisms for the co-production of basic services within informal settlements. Each MDF was awarded Community Upgrading Funds (CUF) governed by a CUF board (Figure 1) that included members of organisations of the urban poor, a municipal councillor, and the municipal TSUPU coordinator. During Phase I of TSUPU (2011/12), standard national procurement guidelines were used, so that although communities were supposed to play a role in identifying needs and approving projects through the CUF board, it was municipal technical officers who managed the contracting and implementation. In response to advocacy from Federation leaders, ACTogether, and Cities Alliance, a community-contracting arrangement was adopted for Phases II and III, whereby the settlement-based project management committees (PMCs) could handle their own contracting processes, with input and advice from the CUF board.

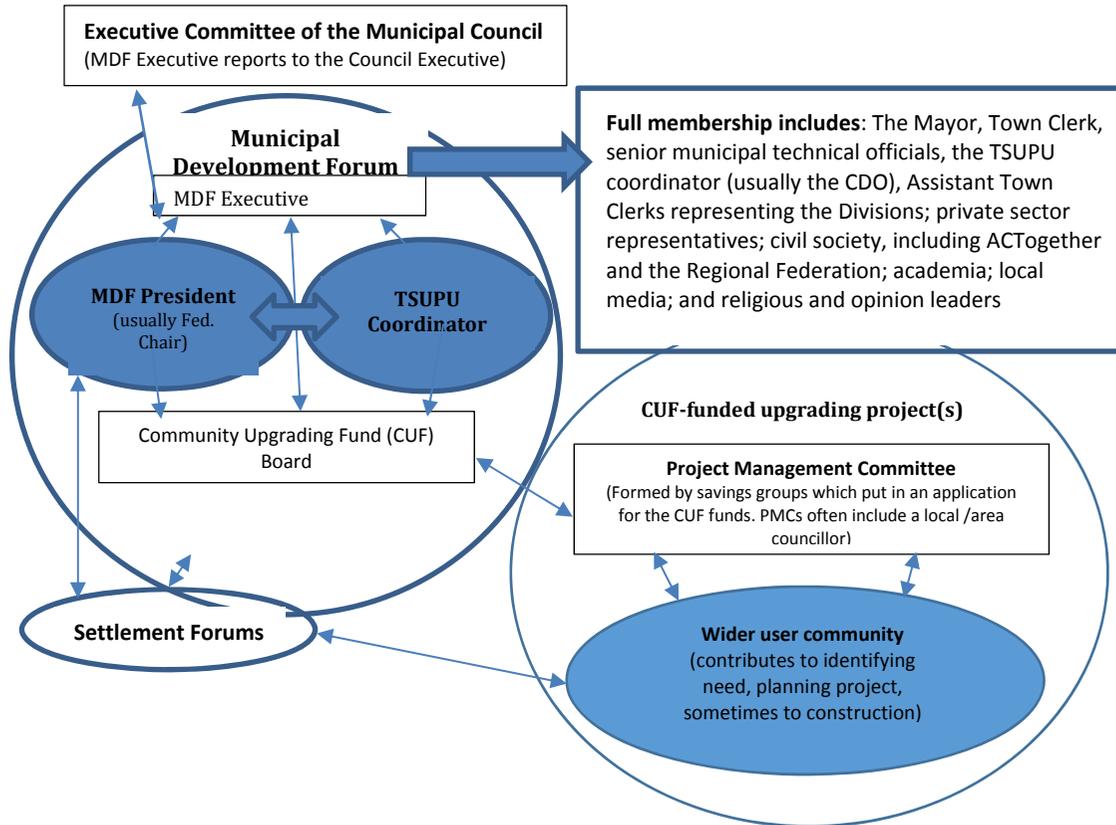
The three overarching objectives for the Secondary Cities Support Programme were:

'1: At least 50,000 slum dwellers living within the 5 selected municipalities actively engage in both securing their rights and honouring their responsibilities through improved urban governance and formalisation...

18 Cities Alliance representative, Brussels, 5 October 2016.

19 Part of the original TSUPU programme design.

Figure 1. Municipal relations under the TSUPU programme



'2: At least 50,000 slum dwellers living within the 5 selected municipalities improve their qualitative and quantitative access to municipal services...

'3: The Government of Uganda (national and sub-national) in partnership with interested stakeholders develops effective and efficient inclusive urban development policies and strategies enabling the better management of future urban growth positively affecting the lives of 200,000 slum dweller households nationwide' (Ministry of Lands, 2014: 4)

The intention of the programme's architects was that TSUPU would be a testing ground for these new institutional arrangements, in order that any learning could potentially be applied in the municipalities to be supported under USMID.

4.3 Uganda Support to Municipal Infrastructure Development

The USMID programme emerged in response to interactions between the Ministry of Lands and the World Bank with regards to national priorities for urban development, and out of a recognition that support provided to municipalities under the Local Government Management of Service Delivery (LGMSD) programme was inadequate to the contemporary challenges of rapid urbanisation (World Bank, 2012: 3). National capacity for the coordination of urban development in support of economic growth was also of concern, with the limited financial base and staffing within the Ministry of Lands seen as particularly constraining. The then Commissioner for Urban Development worked with Cities Alliance and the Bank simultaneously to develop proposals for the TSUPU programme and for USMID, respectively, and the same representative from Cities Alliance had input to both sets of proposals. Although TSUPU and USMID were originally conceived as separate initiatives, there were obvious complementarities, which were brought into play as proposals for each of the programmes developed and the process of implementation unfolded.

In the case of USMID, the then Commissioner for Urban Development gained parliamentary approval for a USD 150 million loan as well as for a commitment of UGX 10 billion of co-financing. USMID would replace the LGMSD in the 14 secondary cities which had already gained municipality status by 2011²⁰ through two specifically urban-focused funding streams: a municipal capacity building grant and a municipal development grant for infrastructure investment. The infrastructure grants involved a significant increase on the Local Development Grant within the LGMSD and municipalities would select from a range of priority areas as outlined below:

"grant amounts...through the MDG will increase steeply from the existing (approximate) US\$1.57/capita/annum LDG average level to US\$16.88 per/capita/annum in the first year of the Program and to around US\$ 29.39/capita/annum by Program year five (FY2016/17)... Municipalities will have significant discretion in selecting priority projects, from a menu of typical

²⁰ Except Hoima, which gained municipal status later but was a key location for recent oil discoveries.

investments which are currently not supported through any earmarked transfers and which are key to developing and managing the built environment, mainly (i) roads and associated infrastructure; (ii) liquid and solid waste management; (iii) water and sewerage; (iv) local economic infrastructure (e.g. markets); (v) urban transport” (World Bank, 2013: 6)

The municipal development forum structure introduced under TSUPU became important to the final signing off of the USMID loan internally at the Bank. High profile corruption in Uganda had triggered the suspension of aid by several bi-lateral donors²¹ and there was resistance within the Bank to such a high-risk and high-value investment. The Ministry of Lands and Cities Alliance were able to use MDF experiences in the five TSUPU municipalities to demonstrate to the Bank that, in conjunction with a ‘payment for results’ framework, this new structure would be effective as a mechanism for inclusive prioritisation of investments, and for monitoring and accountability over the appropriate use of USMID resources.

In addition to building the capacity of the ministry and the technical workforce of Uganda’s 14 municipalities to coordinate more inclusive and pro-poor urban development, some of the capacity-building resources have also therefore been invested in ensuring the longer-term sustainability of the MDF structures; and an additional grant was made to ACTogether in 2014 to support Federation-mobilisation, settlement profiling, and MDF participation in the nine remaining urban centres. USMID is expected to enhance the urban service delivery capabilities of the 14 participating municipal local governments by i) building capacity ‘in generating own source revenues, in urban planning, and in managing their financial, procurement, environmental and social systems’; and ii) expanding their financial capacity for ‘urban infrastructure investments’ (World Bank, 2013: 7). The initial five year programme funded by the USD150 million loan runs until 2017/18, but USMID ‘is expected to continue indefinitely after the first phase’ (*ibid*).

5. TSUPU Programme: Creating enabling conditions for poverty-reduction?

We consider first the ways in which three groups of poverty-reducing outcomes have been achieved within each of the case study municipalities: i) Federation mobilisation; ii) the promotion of more inclusive governance processes; and iii) improved access to basic services for the residents of informal settlements. We then consider outcomes achieved by TSUPU beyond the confines of these two municipalities.

5.1 Federation mobilisation

By 2011, slum-dweller federations had been established in both municipalities following mobilisation by National Federation leaders and ACTogether in partnership with local leaders. By 2014, there were 48 savings groups with a total membership of

²¹ ‘Donors cut Shs70b aid over OPM fraud’, *Daily Monitor*, 27 October 2012 (<http://bit.ly/2jybRDg>).

1,890 in Kabale; and by 2016, 55 savings groups with a total membership of 2,103 slum-dwellers in Mbale.²² Apart from the economic value of savings to members, and the political value of federating in terms of voice and representation, the presence of a federation savings group became a pre-condition for TSUPU funds being invested in a project within a given settlement in both municipalities because these were seen as the only groups sufficiently sustainable to be able to manage a project over time.

The character of the Federations that emerged in each place is qualitatively different and we find this has been shaped by the character of relations between the Federation executives and the municipal political and technical leadership, and the extent to which the Federations have been able to demonstrate their value to political and technical leaders and, importantly, to their own memberships. The Chair of Mbale Slum-Dwellers' Federation was formerly a local councillor as well as the Secretary of Finance for Northern Division and therefore benefited from pre-existing relationships at municipal and divisional level. This contributed to the Mbale Federation becoming embedded within the Municipal Council with key Federation leaders identified by community members as 'the TSUPU coordinators', rather than as representatives of a bottom-up movement of the urban poor.

On the advice of SDI, in 2012, the Mbale Federation identified land and secured finance from the National Federation's Urban Poor Fund for a sanitation project to be based on the Kisenyi model. Sanitation had been an outcry in the area for 15 years and local residents had prioritised the need during profiling exercises. The project had the effect of both creating trust among local communities about the Federation and between the newly formed Federation and the Municipal Council. The Council welcomed an external partner bringing in resources and expertise and this created a platform for technical officials to work closely with ACTogether and members of the local savings group and wider Federation leadership.

The Mbale Federation leadership was also strategic about aligning itself closely with the new mayor that came into office in 2011, mobilising members to participate in his revival of the 'Keep Mbale Clean' campaign and becoming active participants in the new weekly 'transformation' meetings that he initiated in order to foster a culture of partnership between the political and technical wings at the municipal council offices. These involved getting different parties in a room together at the start of each week to focus on the week ahead and raise concerns as well as encouraging workers, and discussing collective initiatives like the clean-up campaign. By 2011, the Federation had been given an office at the Northern Division headquarters, and by 2013, a headquarters at the front of the municipal council offices placing them physically amongst the daily business of municipal staff. While these moves have secured influence and relationships for a handful of leaders within the regional executive, there are weak relationships and information flow between savings groups within informal settlements and those leaders with most influence and relationships at municipal level. The focus of this small group of (male) leaders tends towards the

²² We were unable to access the savings group figures for 2014.

municipal council and attracting external resources, rather than on the savings groups and internal capacity. During research reflections, the regional leadership felt this had created a gulf between savers on the ground, with a lack of substantive representation or information flow and an over-concentration of information and power in the hands of the Chair.

The Kabale Federation has had a more challenging experience, both in mobilising slum-dwellers around a demonstration project and embedding themselves in progressive relationships with municipal officers, although they now have a strong relationship with the new mayor, who came into office partly through their support in 2016. Successive town clerks and the former mayor were highly resistant to working in partnership with low-income communities in the early stages of the programme. In Kabale, the community development officer (CDO) was also acting up as town clerk in 2011, meaning that the physical planner became the TSUPU coordinator (it was the CDOs elsewhere). She herself explained that she had no prior experience of working with communities and found it challenging. Federation leaders also had to contend with the negative legacy of cooperative savings in the district after over 3,000 members of a cooperative called COWE lost approximately 450 million Uganda shillings to embezzlers in 2007.²³ When the claims made by early Federation mobilisers about the benefits of savings mobilisation, such as grants for livelihoods projects from the National Federation's Urban Poor Fund and low-cost housing developments, did not immediately materialise, people became suspicious and savings groups began to lose members.

During Phase I, most TSUPU municipalities, including Kabale and Mbale, were resistant to partnership working with the organised urban poor²⁴ and although the MDF structures and CUF boards had been introduced to different extents, progress was limited. In Kabale, the situation was particularly bad, with suspected embezzlement of funds. Yet, by 2012, the Kabale Federation had become organised enough to call on ACTogether and the ministry to intervene and Cities Alliance threatened to withdraw funding for the programme in Kabale if the municipality did not begin to work in partnership. After poor quality work was carried out on one TSUPU-funded project in 2012 (a new bridge over a river where children had drowned), the Kabale Federation mobilised its membership to occupy Kabale municipal council offices, securing the required work on the bridge but also influencing a shift in the council's stance on inclusion of the Federation within the programme. The resident district commissioner intervened in response to this large-scale mobilisation and further investigations and enforcement action led to the town clerk retiring. A new town clerk is now in post, who is receptive to working with the Kabale Federation.

²³ 'COWE bosses jailed, to refund cash', *Daily Monitor*, 17 March 2011 (<http://bit.ly/2kVZLIZ>).

²⁴ Exceptions were: Jinja, where Federation mobilisation began in 2003 and a long term partnership already existed; and Arua, where strong existing relationships between the municipality and civil society networks facilitated a more open dispensation.

Although there is perhaps a more cohesive relationship between the Federation leadership in Kabale compared to Mbale, including stronger participation in representation and mobilisation activities across the gender divide, the Federation continues to struggle to secure substantive influence within the municipality or to secure external resources for their activities. In contrast to Mbale, the Kabale Federation have been unable to demonstrate their capabilities through an effective demonstration project. A stalled market redevelopment meant that their own sanitation project (developed on the basis of the Kisenyi and Mbale models) has had low usage and they have had difficulty repaying their loan from the Urban Poor Fund.

Two observations about the composition of both federations inform the discussion to follow. Firstly, mobilisation through public meetings and church congregations has meant the federations' memberships have mixed incomes and most are not situated at the lower end of the 'low-income' bracket. Secondly, there are a significant number of local councillors within their memberships. Federation leaders suggest that this is linked to the fact that local councillors are more likely to have some modest resources to cover costs like registration and consultancy fees. A leader from Mbale explained that this is also linked to the strong culture of patrimonialism and patron/client relations in Uganda. Group members believe their leaders should be well connected in order to act as bridges between community needs and higher levels of decision-making or professionalised processes and secure resources. This is not to say that the regional federations are not 'federations of the urban poor', given the statistics in Table 1 about income levels in informal settlements and the proportion of the urban population living in these settlements.

5.2 New spaces, skills and relationships for inclusive governance

In both municipalities, settlement forums are only happening in a small number of wards, with a few of the most active local leaders in attendance and usually small-scale landlords and landowners rather than tenants and casual labourers. In both municipalities, local representatives often raise challenges with the MDF president/federation chairperson informally, rather than through the development forum structure, placing much representative work on the shoulders of one or two leaders. In both places, it is the MDFs or the co-produced projects commissioned by the CUF board that have been the main spaces for state-urban poor interaction.

The MDFs have been on different trajectories in the two municipalities, because of the different starting points and histories of relationships between settlement representatives and the municipal council. In Mbale, the MDF structure was put in place by 2011; however, as in most other municipalities at that time, the municipal council went ahead and implemented the TSUPU programme and allocated money for local projects without the involvement of the CUF board or local communities. In Kabale, the MDF was not really functional until after the Ministry of Lands and Cities Alliance intervened at the end of Phase I. Meetings were also suspended for almost a full year in the run up to and aftermath of the presidential and local government elections in both places.

In Kabale, federation leaders have experienced an ongoing lack of commitment, such as work plans being made but not resourced, and meetings being continually postponed. Nonetheless, there were three meetings of the executive committee in 2016 and one full assembly meeting. Though outputs, rather than outcomes, it is important to benchmark these against the situation before TSUPU was introduced, where there was no organised voice among the urban poor – over half of the population of each municipality (Table 1) – and no direct interface between representatives of the urban poor and the technical and political wings of the municipal council.

Community representatives and municipal officials both report significantly positive changes resulting from MDF activities in both municipalities. Each partner brings something the other needs: community representatives report what is happening on the ground; municipal officials bring information about programmes, projects and development resources. Community and municipal representatives both emphasise the increased transparency and improved information flow that has resulted. As a senior technical official in Mbale explained: “it is like the voice and the ears of council ... we use them to get information and we use them to share information”.²⁵ Political and technical leaders across both municipalities remarked upon the significant change that has occurred in terms of the intensity and capability of communities to raise their issues and push for changes because of the training and experience they have gained.

As memberships change over time, there is a need for continued training and careful handovers providing information about the history and current status of debates and urban development resources. It is currently unclear whether such processes will be put in place. Their effectiveness is also dependent on the capacity of organisations of the urban poor to gather information about challenges on the ground, report these, and follow up to check action has been taken (without financial recompense). Nonetheless, MDFs in both municipalities have contributed to the drawing up of municipal development strategies and a representative of Cities Alliance suggested that these would inform how development resources were invested during the second phase of USMID, beginning in 2017/18.²⁶

The combination of the MDF and the composition of the new Regional Federation memberships has created the potential to increase bottom-up influence over formal systems for resource allocation and planning. At annual budget conferences, area councillors lobby in their own capacity as politicians, MDF representatives lobby in their capacity as Forum representatives, and the regional federation executive prepares issues on behalf of their membership. The president of the MDF is also invited as an observer within the final council executive meeting, where the annual budget is decided. Together this has created a potential ‘constituency for change’, as

²⁵ Community development officer (TSUPU Coordinator), Mbale Municipal Council, 9 May 2016.

²⁶ Suggested by a representative of Cities Alliance, 5 October 2016.

one transnational actor put it.²⁷ This is emergent and is not yet being fully exploited, but both an MDF leader and a senior municipal official claimed that it is combined pressure from the community and from area councillors that influences which issues are prioritised for investment amidst highly constrained resources.

5.3 Improved access to basic services

Triangulation of qualitative interview accounts suggests that, in both municipalities, Phase I projects were marred by collusive relationships between municipal officials and private contractors, resulting in inflated bills of quantities and poor quality or incomplete work. Municipal and Federation respondents both attest to the community contracting arrangements introduced for Phases II and III having increased accountability and transparency of the contracting process, leading to better value for money. The Mbale Federation gave the example of an access road of 520 metres, where the external contractor's bills of quantities quoted 57.6 million UGX, but the community was able to implement the project for 30.6 million.²⁸ The Federation leadership in Mbale estimated that on average the community contracting process led to savings of 20 percent or more.

Tables 1 and 2 in combination demonstrate the limited financial capacity of the TSUPU programme to significantly increase access to basic services for the urban poor in terms of the scale of the resources invested against the proportion of the population living in poverty in informal settlements.

Table 3 and interview data suggest that specific projects have clearly benefited limited numbers of users, but that the question of affordability for the poorest has not been a prime concern. Finding a balance between financial sustainability and affordability in relation to user fees has been a challenge, but is critical to securing

Table 2. Assessing significance: TSUPU and municipal resources

	Released municipal budget 2014-15 ²⁹	Local revenue 2014-15	TSUPU funds 2011-14	TSUPU project funds (CUF) 2011-2014	TSUPU project funds per capita (in settlements) ³⁰
Mbale					
UGX	18,639,452,000	2,078,047,000	753,939,005	697,952,517	11,230
GBP	3,748,492	417,906	151,621	140,361	2.3
Kabale					
UGX	13,873,556,000	1,643,532,000	769,436,470	713,449,982	14,364
GBP	2,790,045	330,522	154,738	143,478	2.9

²⁷ Representative of Cities Alliance, 5 October 2016.

²⁸ GBP 30.6 thousand and GBP 6.8 thousand, respectively.

²⁹ The amount actually received/collected by the municipality, as opposed to indicative planning figures.

³⁰ Total TSUPU community upgrading funds disbursed to the municipality from the Ministry of Lands over the three years of the programme, divided by estimated number of people living within informal settlements.

Table 3. Case study projects: Contribution to urban poverty reduction (based on local perceptions and direct observation)

Project, phase (P1,2,3), location, local perception of outcomes	Significance and wider outcomes	Quality, affordability, use	Inclusion and sustainability
<p>Mission cell sanitation unit (Federation project), Mbale</p> <p>Perceived as significantly poverty-reducing.</p>	<p>Improved access to water and sanitation (previously no toilets across 4,000 residents). Attracted other developments (drainage, roads, small businesses). Project legitimised urban poor as capable partners. Model project in making case for a community contracting approach.</p>	<p>Good quality sanitation services; significant usage; poor take-up of affordability mechanisms like monthly subscription.</p>	<p>Highly inclusive planning, design and implementation; well organised and capacitated PMC.</p>
<p>Nkoma water points (P1) Mbale</p> <p>Perceived as moderately poverty-reducing.</p>	<p>Improved access to water at project inception.</p>	<p>Water services were initially affordable and used. Quality poor in two taps over time and taps often locked. Fees inflating over time.</p>	<p>Breakdown in relations between PMC, Federation, council officers. Lack of transparency around project finances. Poor sensitisation and ownership by surrounding community and conflict with landowners.</p>
<p>Busamaga sanitation unit, Mbale</p> <p>Not perceived to be poverty-reducing.</p>	<p>Removed a health hazard (former toilet had become a sewage pit). New sanitation unit has low impact.</p>	<p>Poor quality sanitation services; Affordable for local traders, but low usage and vandalism.</p>	<p>Conflict during needs prioritisation and party-political divisions. Implications of misuse of resources before project funds were received. Poor governance arrangements.</p>
<p>Gravity water rehabilitation (P2), Kabale</p> <p>Perceived as significantly poverty-reducing.</p>	<p>Improved access to free clean water for local community.</p>	<p>Free access to clean water; widely used.</p>	<p>Inclusive planning and management processes; targeted vandalism, but creative attempts at sustainability by PMC; municipal authority officials recognise need to support maintenance.</p>
<p>Bugongi protected springs (P1), Kabale</p> <p>Perceived as</p>	<p>Increased access to free water from four springs.</p>	<p>Free access to water; widely used, though still inadequate in relation to need.</p>	<p>Inclusive needs identification but community excluded from implementation and monitoring;</p>

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significantly poverty-reducing.			Springs with strong savings groups have good sustainability; design flaws and weak savings groups have meant poor sustainability at one spring.
Central water tap (P1), Kabale Perceived as moderately poverty-reducing.	Increased access to water for businesses and households in centre of town; project poorly targeted: originally intended for Kigongi settlement, but project funds were not enough to extend pipe that far.	Free, clean water, but problems of accessibility, especially for children in nearest settlement, due to need to cross a major highway.	Relatively inclusive process; sustainability challenges linked to municipality disassociating from the PMC at end of TSUPU programme, PMC inexperienced and in need of support with maintenance costs.
Mwanjari sanitation unit (Federation project), Kabale Not perceived to be poverty-reducing.	Very low usage and hence minimal significance.	Good quality; underused mainly because there's a free toilet nearby, more expensive than other nearby toilets and water points.	Not very inclusive process. Federation wanted a fee-charging project to generate funds in support of their activities. Questionable sustainability if no market redevelopment (existing plans mean free toilet would be knocked down).

local ownership and sustainability. We find that the nature of outcomes achieved through these projects, and these questions of sustainability, have been dependent on the following factors:

- i) the strength and cohesiveness of the savings group that applied for the project and formed the project management committee;
- ii) who has formal rights to the land on which the project is developed and the relationship between the landowner and the project management committee;
- iii) the character of relations between the project management committee, the regional federation executive, and key municipal technical officials from needs identification through to the post-implementation period;
- iv) the institutional and regulatory environment surrounding a particular public good;
- v) whether party-political allegiance within the project management committee is the same as the surrounding user community;
- vi) the extent to which there is a cross-class need for the service or political interests in sustaining the project over time;
- vii) the vision, commitment and capacity of the municipal council to support groups to maintain projects developed under TSUPU moving forwards.

In terms of points i) to iii) above, an example is provided by the Nkoma water project that was perceived as having generated moderately good outcomes for the urban poor in Mbale municipality, as described in Box 1.

Box 1. The politics of sustainable water provision in Nkoma

This project was applied for under phase II of TSUPU and the savings group comprised one local (LCI) and one area (LCIV) councillor. For many, the new taps have led to significant change, as a user explained:

“...people no longer have to walk long distances for water, businesses have sprung up and many, many, are seeking accommodation in areas where these taps are located. Even the tenants now only take houses after asking if there is a nearby water tap in the area. The water is safe for people to drink and the diseases are now low”.³¹

Questions remain, however, as to the extent to which the project can be deemed pro-poor and whether the investment will be maintained. Unable to identify land within an informal settlement, the PMC situated the taps in neighbouring areas. The PMC was allegedly pressured to use the preferred contractor of certain Federation leaders and municipal officials. The group chose to use their own contractor. Group leaders claim they were then left to manage the project alone, without support. Divisions arose in the group, with some wishing to remain allied to “the TSUPU coordinators”. It has also been claimed that the group were charged consultancy and processing fees, leaving them with less money than had been agreed for project implementation. One of the taps is working well, the second moderately, the third frequently has no water or only a small trickle. Taps are being vandalised or stolen. The landowner where one tap is based is targeting a particular member of the PMC, who no longer has any oversight over project finances, to increase his monthly payments. There is a lack of understanding about how much money the water generates. The taps are seen as privately run enterprises for the political gain or financial profit of a small number of group members and this has led to the area councillor being ‘de-campaigned’ in the 2016 elections.

The Nkoma case illustrates how easily co-produced projects can re-enforce established power relations and undermine poverty-reducing effects. In this case, problems were linked to the absence of land ownership, weak internal solidarity within the group and between the group and Regional Federation leadership, and weak accountability mechanisms at the local level and within the (relatively young) Regional Federation.

The targeting of TSUPU projects as tools for de-campaigning councillors involved in the savings group or project management committee was a common feature of the 2016 electoral period in Mbale. In Kabale, project resources were distributed almost

³¹ User at Water Point A, Nkoma Ward, Mbale, 3 May 2016.

Box 2. Inclusion promotes sustainability in Karubanda

The surrounding community prioritised the project and was closely supported by technical officials at the municipality to develop a project proposal and set up a project management committee (PMC). The PMC was made up of one member of each of the six savings groups in the area to ensure inclusivity and minimise conflict and they monitored expenditure and implementation. The project has brought clean drinking water to an estimated 4,349 beneficiaries across eight villages. The PMC was still in place by 2016 and one of the members was elected as an area councillor. The project was not without significant problems. The committee faced serious challenges with vandalism linked to resentments from a particular group of people whose tender for the work was rejected. Yet, because the savings group was cohesive and had strong leadership, as well as firm links to both the municipality and regional federation through an area councillor who was also on the Kabale Federation executive, a range of strategies were put in place to resolve the problems.

equally across council wards to avoid these kinds of conflicts. Projects have been used by participating politicians as electoral capital, however, and this is a side-effect of the significant numbers of councillors within the Federation memberships.

The distribution of project resources across council wards in Kabale has meant that funds have not always been invested within informal settlements. The location of projects outside settlements in Mbale seemed to be mainly linked to difficulties identifying land for a project, while in Kabale, interviews suggest that this was more strongly linked to the council's subverting the programme to serve their existing vision for urban development (such as road building and developing the town centre), rather than focusing on the particular needs of the urban poor. A senior administrative official himself explained that the 'benefits' of TSUPU 'were generally more spread out than actually being limited to the urban poor'.³²

Kabale municipality had no sustainability plan for the TSUPU projects beyond handing them over to the community. Many of the street lights are not working, because there was no plan in place regarding who would pay the electricity bills. The only investment the municipality has committed to maintaining has been the roads, because they can use central government transfers for road maintenance – and the intimation is that road projects create more opportunity for lucrative and collusive contracting procedures. Some senior officials, like the physical planner, support the municipality, taking on responsibility for maintaining larger projects like the Gravity Water schemes and four out of six of the municipal officials we interviewed in Kabale felt the council should continue to work with communities to maintain even the smaller projects, including through financial assistance. One senior technical official stressed that the problem was not the availability of financial resources but, rather, political commitment, and that the community needed to make the issue politically expedient through mobilisation and advocacy.

³² Senior administrative official, Kabale Municipal Council, 31 May 2016

An example of the Phase II rehabilitation of Karubanda gravity water system in Kabale demonstrates, however, that when the TSUPU processes were managed well, and once positive relations had developed between the Federation and the municipal council, the programme did generate significantly pro-poor and potentially sustainable outcomes.

There is a striking accordance across the data for both municipalities about the types of positive outcome resulting from the co-production of services under TSUPU. Firstly, accounts paint a picture of shifting social norms among the municipality's educated elite to a more positive view towards those living in poverty and transformed relationships between savings group leaders and technical and administrative officials within the municipal councils. Two senior administrative officials in Mbale suggested that before 2010, the council did not recognise the importance of working in partnership with the urban poor. One of these respondents explained that since the TSUPU and USMID programmes have been rolled out:

“if there is anything we are doing right now, we are putting more focus on those settlements, because if we can transform those places, the biggest percentage of our population is in those settlements, so if we can work with them, then it will be easy to transform the municipality”.³³

Technical officials described how their perception of the capabilities of people living in informal settlements has changed – one explained how before “we didn't know that a community can come together and come up with such a project”.³⁴ In Kabale, the council has shifted from a position of active exclusion and a physical planner with no experience of community partnership, to the same person suggesting that “if it were up to us as the municipality, we will involve the community and Federation in such future projects more, we would never have known the extent of some problems like water if we had not learnt from this programme”.³⁵ There is an intimation here, however, that this is ‘not up to them’. There was a sense among technical officers in both municipalities that while they recognised the benefits of working in partnership with the urban poor, this would require increased local revenue or ongoing investment of external resources, and, others noted, a change in procurement rules to allow communities to play a bigger role.

Secondly, project management committee members, Federation leaders, politicians and technical and administrative officials all referred to the new skills, knowledge and experience that have been gained on both sides of the state/citizen equation. Through the community contracting arrangement, savings group leaders received training and experience in proposal development, contracting and procurement procedures, project management, monitoring and record-keeping and developed new relationships and exposure to new ideas through exchange visits and meetings.

³³ Senior administrative official, Mbale municipal council, 3 May 2016.

³⁴ Representative of the engineering department, Mbale municipal council, 3 May 2016.

³⁵ Physical planner (TSUPU coordinator), Kabale municipal council, 30 May 2016.

Technical officials most frequently talked about developing skills in participatory approaches and how to work in partnership with local residents – in some cases expressing admiration for the determination and the mix of skill sets that they encountered during trainings and project implementation processes.

This evidence of reshaped relationships, iteration, and capacity for collaboration was also present in Kabale, where the municipality had recently offered the Federation land for a new sanitation project, and Federation leadership had experienced a dramatic improvement in terms of inclusion in development project implementation:

‘There is a difference now... We have just finished working on a drainage project in Kigonji, it was a success... The engineer secured the contractor for the project, provided guidance and advice on the technical works; the planner helped to design the alignment of the drainage; the finance officer played a role in monitoring accountability on the project. These technical officials used their technical skills to assist us ... creating a good working relationship.’³⁶

Third, a new cohort of internal champions has emerged within political and technical wings in both municipalities who are advocating for a reform of procurement legislation to raise the threshold under which a community contracting approach can be adopted for procurement of goods and services via the Urban Authorities Association of Uganda (UAAU).

Fourth, as well as the Federations having incorporated political leaders, Federation members became more emboldened to stand for election, either for the first time, or because they had gained confidence to put themselves forward for leadership at higher levels. This is significant at the level of area councilor, which multiple stakeholders consider to be important within the networks of relationships and push factors influencing municipal decision-making. In Mbale, nine Federation members have represented their areas on the municipal council and four in Kabale, with many other members having had seats at divisional level in both municipalities.

5.4 Beyond localism: Wider outcomes from the TSUPU programme

The contribution of the TSUPU programme to urban poverty reduction should also be seen from a national perspective. This is summed up well by a representative from SDI who is also a former Director of ACTogether Uganda:

“it set in motion a process in Uganda ... this combination of the resources and the explicit commitment to partnership working ... you had a Ugandan Federation with recognition at municipal and ministerial level, which was quite unique. There was a level of power that came out of that dual recognition. The power was that you can’t ignore these people, you can’t exclude them ... now – you will have seen – they are even on first name terms with municipal officials. They can call the mayor on the phone, they’ve broken down those

³⁶ Focus group discussion with executive committee, Kabale Federation, 21 May 2016.

barriers. For the municipal councils – it makes it easier to communicate with their people and it's not politicised.”³⁷

This power was expressed in our own findings through the feedback loops that emerged during the programme, so that when tensions arose at local levels, national and transnational actors were alerted and able to intervene to bring the programme back on track. It has also facilitated policy advocacy leading to a recent announcement that the MDFs will become formally recognised within an amendment to the Local Government Act (1997) Cap 243. The dual legitimacy gained by effective mobilisation by national and regional leaders has also contributed to the decision to roll out Federation mobilisation and the MDF approach in an additional nine municipalities under USMID.³⁸

Horizontal relations are now being strengthened across municipalities under USMID, which is funding national workshops for MDF presidents and municipal leaders, enabling people to share ideas and strategies and develop stronger interpersonal ties. In a context of decentralisation by divide and rule and entrenched vertical patron/client ties, this holds the potential to create common agendas for national reform. This is important in a context where the National Urban Forum which was set up to draw together municipal priorities and debate national policy proposals for urban development remains weak, despite having a consultative role in the drafting of the new National Urban Policy. National Federation leaders are currently focusing on building up the capacity of the municipal forums, in order to make more effective demands within this national platform.

A particularly interesting development has been the take up of the development forum approach by the Kampala Capital City Authority. In this way, the National Federation network has almost come full circle – from building up their skills and experience in the highly challenging context of Kampala – moving outwards to spread these capabilities in secondary cities, where there is perhaps more fertile ground for experimentation, with less concentrated contestations over rights to the city – and then having used these less contentious spaces to demonstrate the value of alternative structures and processes, bringing them back into the capital as proven concepts.

6. State vision, commitment and capacity

Having explored the outcomes achieved for urban poverty reduction through state-movement partnership under the TSUPU programme, we now consider two further research questions. Firstly, how were these outcomes shaped by the nature of central and local government's vision for urban poverty reduction and inclusive urban development, and by levels of commitment and capacity to implement those visions at central and local levels? Secondly, and in turn, what has shaped state vision,

³⁷ Former director of ACTogether Uganda, 27 May 2016.

³⁸ Suggested during interview with representative of Cities Alliance, Brussels, 5 October 2016.

commitment and capacity for urban poverty reduction over the time periods of these interventions?

6.1 How has the character of state vision shaped outcomes?

The overarching national development vision in Uganda is focused on economic growth and poverty reduction through market access and wealth creation, as opposed to how to foster better distribution of opportunity and outcome (Hickey, 2013a). Our findings suggest that particular individuals within the Ministry of Works and then the Ministry of Lands have had more progressive visions for urban development and particularly how to engage with the problem of informal settlements than other areas of central government and this has created fertile ground for experimentation.

Initial partnership development through savings mobilisation and slum-upgrading in Kisenyi, Kampala, was enabled by the fact that the minister of state for housing, Francis Babu, and then key political and technical leaders at city and divisional level, bought into the SDI vision. Ultimately however, central government vision has had a negative impact on outcomes on the ground in Kampala in terms of obstructing the ability of the Federation to progress from sanitation to the original vision of low-cost housing. As an official at the Ministry of Lands explains: “We as the ministry have tried to attract investors through private-public partnerships, but they also want guarantees for their money ... the finance ministry is not willing to give it, they believe that housing should be private-sector led”.³⁹ In line with relevant literature (Lwasa, 2009; Lambright, 2014) and unsurprisingly within the wider context of global capitalism, we find that the reluctance to use prime land within the central business district for low-cost shelter alternatives is linked both to the private land and investment interests of political elites, and to an executive/private sector vision of Kampala as an international city attractive to global business. When plans for TSUPU were being developed, it was made clear to international partners that Kampala was ‘off the table’ in terms of attempts to foster a more enabling environment for collaborative planning or bring the voices of slum-dwellers into urban governance.⁴⁰ The importing of the development forum approach into Kampala post-TSUPU is therefore something of a conundrum and suggests KCCA are seeking political capital, perhaps through improved urban development planning and outcomes for Kampalans, perhaps as a counterbalance to the recent forced evictions of street vendors and slum-dwellers by KCCA.⁴¹

The TSUPU programme would not have been possible without the receptive and progressive mindsets of key architects and implementers at the Ministry of Lands – as attested by donors, national and transnational civil society activists, and municipal officials. Interviews with multiple participants and analysis of municipal development

³⁹ Ministry official, Department for Housing and Human Settlements, Ministry of Lands, 15 July 2016.

⁴⁰ Interviewee preferred to remain anonymous.

⁴¹ ‘Why vendors can’t leave Kampala’s streets’, *New Vision*, 17 November 2016 (https://www.newvision.co.ug/new_vision/news/1440311/vendors-leave-kampala-streets).

plans (with plans largely reflecting the messages of National Development and Poverty Reduction strategy) suggest that there was no explicit 'pro-poor vision' guiding development planning and implementation in either Kabale or Mbale municipalities at the outset of the TSUPU programme. Combined with questions of commitment and capacity, this meant that both municipalities adopted a 'business as usual' approach to implementation during Phase I, with poor outcomes for urban poverty reduction. A common finding across both municipalities is that the 'vision' of the TSUPU programme held by most technical officials, even after a community contracting arrangement was introduced, was of a time-limited experiment which required them to co-produce basic services within unplanned settlements in partnership with particular groups using a finite set of resources. There was no longer-term vision about the programme acting as a catalyst for the mainstreaming of this kind of partnership working. This meant that, once the TSUPU funding dried up, there was no sense of responsibility for continuing to work in partnership with those groups and this undermines sustainability of the TSUPU projects.

The ideas and orientations of the town clerks, mayors and TSUPU coordinators appear to have been most critical to the positive outcomes achieved. Although pro-poor outcomes were limited in both municipalities during Phase I, the MDF and its related structures, such as the CUF board and (to some extent) the settlement forums, were established more quickly in Mbale. This meant that, by early 2016, and despite the hiatus of the electoral period, both state and Federation participants were learning how to operationalise the MDF to their respective purposes. For non-governmental stakeholders: increased access to information about new programmes, projects and development resources, and about the roles different actors could play within these, as well as greater consultation about these developments. On the municipality's side: a channel for disseminating information down to the settlement level; for meeting the transparency and accountability demands of the USMID programme; and for finding out what is happening on the ground. In Kabale, an entrenched vision of the municipal council as the owner and distributor of development resources and high levels of resistance to top-down imposition of alternative visions from the ministry has continued to limit the extent to which the MDF can act as an effective two-way channel for information sharing. A Federation leader explains for example how:

"For USMID and TSUPU ... when the assessors come they can ask them ... where was the involvement of the MDF? But to work with the communities on the ground that you want to serve the communities better they don't know it. They need to be directed by the ministry."⁴²

In both municipalities, there is a gap between recognising that the urban poor will need to be part of the solution and having a clearly articulated vision about how this might become possible.

⁴² Federation leader, Kabale, 25 May 2016.

6.2 How has the character and extent of state commitment shaped outcomes?

Starting out with only two members of staff and virtually no budget in 2008, the Department of Urban Development within the Ministry of Lands has benefited from highly committed and experienced civil service leadership, with key actors courting progressive partnerships with transnational actors and civil society. This has helped to highlight the imperative of proactive management of urbanisation in Uganda and enabled the department to carve out its own role as coordinator of these activities in secondary cities across the country. Although Phase I was problematic, the ministry played an important role in intervening to set the programme back on track in 2012.

In Mbale, the two successive town clerks, the mayor and the CDO have demonstrated strong commitment to implementing the TSUPU and USMID programmes as planned and are clearly attempting to work in partnership with the MDF. The mayor and the town clerk have both contributed to advocacy through the UAAU and the Ministry of Lands for the MDF to become institutionalised. This commitment at senior and coordination levels has enabled the MDF to make greater progress in becoming operational as a discursive and information-sharing platform than in Kabale. There are limits to this commitment, however, with several intimations within our data that municipal officials have received payments for their involvement in TSUPU projects and by some officials' lack of willingness to work with PMCs to sustain projects now that there are no resources available for municipal workers' 'facilitation' costs (such as travel from the municipal offices to relevant settlements).

In Kabale, active resistance on the part of successive town clerks and the former mayor resulted in Cities Alliance and the ministry having to intervene and funding for the programme almost being withdrawn. This suggests that a lack of commitment from technical and political leadership to implementing the programme as planned has resulted in TSUPU resources being invested in ways which fit within the existing development vision of the municipality and avoid conflict over resources, rather than resources being targeted to where there is most need. Technical officials argue that they have tried to prioritise pro-poor investments, such as water and sanitation projects, but are continually blocked by the council executive. The physical planner, the mayor, and the new town clerk all profess to be highly committed to working in partnership with the MDF, but meetings are continually postponed. A former senior official at the Ministry of Lands shared his comparative analysis on these dynamics:

“The issue of MDFs depends on the leadership, they are instrumental where strong leadership is ... unfocused leadership: low results ... political leaders and technical leaders felt threatened. [The] MDF for Mbale was very supported by political leadership, Kabale it was mixed”.⁴³

In terms of commitment to working in partnership with the organised urban poor moving forwards, technical officials in both locations expressed a desire to do so, but

⁴³ Former senior ministry Official, Ministry of Lands, 12 July 2017.

indicated that this would require resources to be provided to support this arrangement, as they were under TSUPU.

6.3 How has the character and extent of state capacity shaped outcomes?

The creation of a Department of Urban Development in 2008, led initially by a senior civil servant with years of experience in both the Ministry of Finance and the Ministry of Works, has clearly been important in creating the capacity for experimentation and progressive partnership development. Our findings suggest that parliament's decision to take out the \$150 million USMID loan was swayed by strong economic arguments by the then commissioner for urban development about high proportions of GDP being generated in urban areas, that urbanisation holds the key to national economic growth, and that this will only happen with the right investments in municipal capacity building and proactive management of rapid growth. The ability to foster the necessary trust for large investments from transnational donor agencies and coalitions was key to the initiation of both the TSUPU and USMID programmes. Relationships between the department and municipal local governments are perhaps where capacity for fostering inclusive urban development has been weaker in terms of the programmes being received as top-down ministerial directives and implemented in fairly technocratic ways – as a key TSUPU coordinator at the department reflected, “we taught them about the programme, but we didn't teach them how to relate”.⁴⁴ However, there are limits to how far relationships can be taught. The strength of the TSUPU programme has been the creation of platforms for collaboration through which relationships and trust emerge and develop, and in other municipalities such as Jinja these relationships have flourished (Nyamweru and Dobson, 2014).

The TSUPU programme only brought in limited financial capacity to participating municipalities. In terms of embeddedness, before Federation mobilisation in 2010 there was no direct interface for technical municipal officials with low-income urban residents and the LC system had become ineffective as a representative channel. This contributed to the poor outcomes achieved during Phase I. Our findings have suggested that highly collusive relations between technical officials, politicians and local businesses significantly shaped the quality of outcomes achieved by the programme in terms of access to basic services.

Organisational competence is highly constrained in both municipalities. As an example, a representative of the engineering department in Mbale Municipality explained that “...the department is under-staffed now we are only two civil engineers for the whole municipality – we are operating at 14 percent capacity...there should be five civil engineers alone, but also mechanical, electrical...”.⁴⁵ The technical staff that were in post generally felt that they had the basic necessary skills and knowledge they needed to do their jobs, but that they needed ongoing professional

⁴⁴ Comment by a ministry official during a feedback and verification workshop, Kampala, 1 September 2016.

⁴⁵ Mbale, 3 May, 2016.

development. Some were appreciative of the USMID capacity-building grant because they had been able to go on post-graduate training courses, sometimes internationally. Accounts from municipal officials suggest that while they may have the capacity to strategise around likely challenges for implementation of programmes like TSUPU, they did not perceive this to be their role because the programme was designed externally. The capacity to learn from TSUPU and apply that learning in other ways was more present in interviews with technical officials in Mbale than in Kabale, but it is too early to assess how this capacity will play out over time.

6.4 What has shaped state vision, commitment and capacity nationally, and in Kabale and Mbale?

6.4.1 Multi-scalar social movement-initiated coalitional action

Coalitional action between the Ministry of Works, SDI, Kampala City Council, Jinja Municipal Council and Homeless International was key to the emergence of the National Federation and ACTogether Uganda and to the success of sanitation upgrading in Kisenyi parish. Ministry, city/municipal and divisional politicians and technical officials developed greater receptivity to pro-poor approaches, as well as commitment to seeing these advanced after gaining exposure to successful examples of pro-poor change through state-urban social movement collaboration, first at the World Urban Forum, then through exchange visits to Nairobi and Mumbai.

The vision for TSUPU was shaped through a collaborative design process between representatives of Cities Alliance, SDI and the Ministry of Lands – in the latter case, the former commissioner of urban development. Interviews with the former commissioner himself and other transnational and national-level stakeholders suggest that his own vision had evolved out of years of civil service experience, including in the Ministry of Finance and the Ministry of Works, including learning lessons from failed experiments in slum upgrading in Kampala and Mbale in the 1990s. The close relationship between SDI and Cities Alliance was also highlighted as key to the inclusion of SDI methodologies, such as settlement profiling and the co-production of basic service projects within the TSUPU programme design.

The application of combined bottom-up, horizontal and top-down pressures and incentives within a particular timeframe has been a critical driving force of the changes in attitudes and relationships that are some of the most significant outcomes from the TSUPU programme, which continue to shape the performance of the MDF under USMID. Federation mobilisation enabled residents of informal settlements in Mbale and Kabale to demonstrate their capabilities through profiling and demonstration projects, and enabled them to be better informed than some municipal officials and politicians about the MDF as it was being established. This catalysed greater receptivity within the municipality to working in partnership. Technical officials were motivated by the investment of development resources and particularly the USMID capacity-building grant, which provided an added incentive for continued engagement with the MDF after TSUPU came to an end. Performance for results arrangements also created incentives for municipalities to implement the programme

as intended. The strong working relationships between all the different partners within this coalition fostered strong feedback loops, so that when the programme began to go off course during Phase I, the ministry and Cities Alliance became aware of it quickly (via ACTogether) and were able to intervene. Technical officials also spoke positively about the skills, tools and knowledge gained from exchanges with other municipalities, suggesting that this has been effective as a horizontal mechanism for fostering both commitment and organisational competence.

SDI, the National Federation and ACTogether have obviously been critical actors within this coalition and, as a transnational donor representative observed, although the ministry and transnational actors were key in getting the structures in place, it was the local federations – with support from ACTogether and National Federation leaders – that really made it work: “It really started off at the top, it didn’t start off as a grass roots... and then the success of it was the opposite... the success of it was from the grass roots”.⁴⁶ A key example is the way that the Federation and ACTogether developed an evidence-base about why the programme should be revised, in order to bring in a community contracting model such as that used under other World Bank-sponsored government programmes. With support from ACTogether, Federation members carried out monitoring and evaluation of the TSUPU Phase I projects and compared costs and levels of ownership to the Federation sanitation units in Jinja, Mbale and Kisenyi. The evidence was presented at a meeting in Mbale at the start of Phase II, with the support of Cities Alliance and, following the meeting, the Ministry of Lands agreed to adopt a community contracting model.

Community contracting brought technical municipal officers and informal settlement residents into a situation of working together to achieve a positive outcome for the community. This shaped the vision, commitment and capacity of the technical officers involved, by changing their attitudes and broadening their horizons, motivating them to work in partnership because of the positive experience gained, and developing their skills for inclusive governance. Learning how to work effectively with ‘the community’ was the most common capacity gain described by municipal officials in terms of what they had gained on an individual level. There are limits to how far these attitudinal shifts have moved on from recognition, to a clearly articulated vision for how to achieve poverty reduction, as might be reflected in new commitments to invest resources in different ways, or to make significant changes to governance practices. Highly constrained levels of locally generated revenue are clearly a critical factor here.

6.4.2 Social norms, social relations and the history of state-society relations

Progress in reshaping negative social attitudes towards low-income communities and relations between slum-dwellers and municipal officials in each location began to emerge towards the end of the programme after participants had been given platforms through which to work in partnership. A divisional technical official in

⁴⁶ Representative of Cities Alliance, Brussels, 5 October 2016.

Kabale felt that “eventually, as people started to warm up to the idea, the programme ended too soon, maybe it should have been designed to run for at least five years for the process to be effective...”.⁴⁷ It was clear also that, although attitudes and relationships had changed, these shifts were nascent and municipal officials in both places frequently made statements, which placed responsibility for the programme’s shortcomings on the shoulders of savings group members and the wider community.

Concerns about affordability for the poorest, and social differentiation within a given settlement, have not been central to discussions and planning during TSUPU. These considerations are relevant in terms of a holistic understanding: firstly, of the extent to which a pro-poor vision, and a commitment to realising that vision, has been cultivated among municipal officers,; but also with regards to capacities to govern and deliver projects inclusively. The history of state-society relations also shaped the speed with which relations of trust could be built up, with a paradoxical combination of a culture of deference to authority and social superiors among lower-income groups and sometimes violent resistance to state interference within unplanned or peripheral areas of the municipalities because of histories of land-grabbing.

6.4.3 Institutional and regulatory context

Multiple research respondents on the state and non-state side felt that it was electoral incentives that were driving much of the political commitment from the ministerial to the divisional level in the case of attempts at slum-upgrading in Kisenyi, even before the return of multi-party elections. The removal from office of key champions and their associated civil service partners during the 2006 elections undermined much of the potential for scaling-up from the progress that had already been made. Political engagement within the TSUPU programme has similarly been used to electoral advantage and such incentives are clear drivers of commitment to supporting interventions aimed at urban poverty reduction.

Centralised control over development strategy and resources delimits municipal vision about development. The low levels of resources available to just do your job are de-motivating for staff and constrain their capacity to implement – as an officer in the physical planning department in Mbale put it: “Thinking has changed on paper ... we have very nice work plans and we make nice budgets, but implementation is zero ... TSUPU brought resources and so hygiene has improved in those areas”.⁴⁸ Party-political divisions between technical officers and municipal councillors also undermine trust and generate competition over development rents – this shapes levels of commitment to maximise the pro-poor use of resources and capacity to implement quality projects, as a divisional chair in Mbale shared:

“Even within the TSUPU programme, this has been a challenge. The politicians worry the technical wing will benefit more than them. When they

⁴⁷ Divisional technical official, Kabale Municipal Council, 31 May 2016.

⁴⁸ A Physical Planning Officer, Mbale Municipal Council, 10 May 2016.

are not given some money, then they go back to the community and spread rumours that the community is being deceived.”⁴⁹

These party-political dynamics, linked to collusive relationships with local businesses, lead to poor enforcement of tax collection or of sanctions for breaking bye-laws and vandalising projects. A ward administrator in Mbale explained how local tax collectors and health inspectors are tied into local political relationships and competition “and that is a reason why enforcement doesn’t happen”.⁵⁰ Populist electioneering also undermines attempts to build trust between the state and urban citizens, as an officer within the health department in Kabale explained: “Politicians promise a lot of things during campaigns, but sometimes there are no resources to fulfil these promises, so the community think they are conniving with the technical officials to deny them services...”⁵¹

Finally, the widespread corruption people see at higher levels undermines motivation for mobilisation at community level:

“they say these people are eating money there ... and when it comes to investigations they hide the evidence, they intimidate people that want to tell the truth People get annoyed, they don’t trust the government and the whole system and those people become difficult to work with.”⁵²

Under TSUPU, resources were brought in for communities to manage in partnership with the state and this created a catalyst for communities to mobilise. Sustaining this mobilisation over time requires that resources – and commitment to partnership from the local state – continue to be offered in support of poverty-reducing interventions in the settlements where people live.

Beyond greater devolution of power and resources to municipal governments, the two areas of policy reform advocated by municipal officers and political leaders in both Kabale and Mbale were: the need for land reform which increases the land available for development projects within the municipalities; and the need to revise procurement policy to reduce corruption and in particular to enable the municipality to work with communities under a community contracting arrangement.

6.4.4 Design incentives

Payment-for-results appeared to be creating positive incentives for inclusive practice and greater transparency over development resources in the case of TSUPU and USMID. As noted above, two respondents felt that the programme timescales were too short and that TSUPU could have had a more significant impact if the programme model had been supported with external resource for a longer period. The top-down

⁴⁹ An LCIII chair, Mbale, 4 May 2016.

⁵⁰ A ward administrator, Mbale, 3 May 2016.

⁵¹ A health department representative, Kabale municipal council, 8 June 2016.

⁵² Federation leader, Kabale, 25 May 2016.

nature of the TSUPU programme design – between Cities Alliance, SDI and various ministries, left the municipalities with perceptions of their role as implementers, not as strategic actors tasked with learning the lessons of the programme in order to find ways to mainstream these in their governance practices moving forwards. However, the dynamic of central/local relations is closely circumscribed by the wider institutional context for decentralisation.

6.4.5 Personal and professional ethics

Much of the literature on political will for inclusive development focuses on questions of institutional incentives and the balance of power, between contending social groups⁵³ and the Ugandan context for inclusive development amidst a patrimonial system of governance and clientelist state-society relations, is challenging. Yet, it is important to note that the inclusive behaviour of certain municipal staff in our TSUPU case studies and of ministry and divisional officials in Kampala was attributed to strong personal values, professional ethics, and the desire to do a good job and contribute to positive social change. Some staff referred to this themselves as a critical issue guiding their behaviour, such as a procurement official in Kabale, who explained how her commitment comes from living near an informal settlement and being “touched by the conditions they live in”.⁵⁴ Others were marked out by the community members they had worked with as behaving professionally and with a strong commitment to urban poverty reduction, such as the CDO in Mbale, of whom a divisional health official said: “the only department that demonstrates the high level of commitment is Community Development Office”, and attributed this to their “love for the community”.⁵⁵ The mayor for Mbale was also marked out by more than one respondent as being driven by a strong commitment to public service:

“The mayor has always encouraged openness and transparency. He has tried to fight the focus on personal interests. He regularly visits the offices, staying abreast of all the issues that are arising, and speaks to people in person one-to-one so he is well informed”.⁵⁶

The determination of the divisional mayor in the case of Kisenyi was attributed by both Kampala Federation leaders and, in his own account, to his own experience of having grown up in an informal settlement in Kampala.

7. Co-producing urban poverty reduction in Uganda: Lessons on enabling conditions

We now consider how our findings advance understanding about the extent to which the co-production of slum upgrading through state-movement partnerships can generate outcomes of significant benefit to the urban poor in Uganda and the enabling conditions that may be required beyond Ostrom’s original four.

⁵³ See Hickey (2013b) for a review of this literature.

⁵⁴ A procurement official, Kabale municipal council, 6 June 2016.

⁵⁵ Divisional health official, Mbale, 6 May 2016.

⁵⁶ Community development official, Mbale municipal council, 9 May 2016.

The value of the TSUPU case study has been to open a window onto “the world as it is” in urban Uganda, the world as it might be given certain conditions, the ways in which state-movement partnership opens up routes between them, and a sense of how great the constraints are and what would need to change for such pathways to emerge. Clearly, the level of resources invested specifically in slum upgrading under the TSUPU programme (approximately £150,000 GBP per municipality) were meagre in comparison to the level of need, and the programme was never expected to significantly impact on urban poverty at scale. Rather, the idea was to pilot new spaces, structures and processes through which, firstly, informal settlement residents might become organised in such a way that they were able to engage with municipal local governments; and, secondly, municipal councils might gain capacity and be incentivised to engage in more inclusive approaches to urban development planning and pro-poor service delivery. In this, the programme architects demonstrate an awareness that co-production is not a short-term fix for achieving urban poverty reduction. The point of what Watson (2014) characterises as movement-initiated co-production, is to catalyse processes of normative and relational change combined with technical innovations that seek to iteratively create a more enabling environment for urban poverty reduction to be advanced over the longer term.

Our findings have highlighted a series of significant political-economic constraints in the Ugandan context. These include the highly centralised workings of an ostensibly decentralised system at city and municipal levels, high profile and endemic corruption throughout the system, and an entrenched culture of patrimonial governance combined with constrained human and financial resources at local government level, which undermines creativity and independence in urban development vision, and commitment to working in partnership with the urban poor and civil society to achieve urban poverty reduction. Closely intertwined with these dynamics is the politics of land. The availability of land for development is fundamental to what it is possible to achieve in Uganda’s municipalities: increasing land value, land grabbing by national political elites and transnational actors and correspondingly shrinking land holdings of municipal councils, and the intricate complexities of the land tenure system all play their part.

There are also significant agential constraints linked to this political-economic landscape. While the National Slum Dwellers Federation have a strong base and over a decade of organising experience in Kampala and Jinja, the spread to five municipalities under TSUPU and then another nine under USMID has stretched the capacity of the National Federation and ACTogether in terms of being able to provide regular and consistent movement-building support. The Kabale Federation leadership, in particular, located over 400km from Kampala, have a self-perception as having been left somewhat out on a limb without the financial and advisory support they have needed to build on the progress made during the TSUPU programme. Remaining focused on the twin pillars of inclusion of the poor and autonomy from political parties and the state, while also progressing the interests of settlement communities, which constitute over 50 percent of the population in each case study location, is demanding for new citizens’ organisations with no locally-

based support structure. Regional leaderships are operating within a wider national context of highly blurred boundaries between civil and political society and business interests, and in a low-income environment, where having the time and space to mobilise requires you also to find ways to support yourself and your family financially. The result is often that lower-income groups are not included in deliberations and savings mobilisation and that responsibilities and representative activities land on the shoulders of a small group of leaders who are then more easily coopted into implementing the existing agendas of key figures within the municipal councils.

None of this is new or surprising. What *is* particularly interesting about state-urban social movement partnership in Uganda since 2003, however, is just how much has been achieved, despite this multitude of constraints. Despite the increasingly authoritarian and patronage-fuelled central regime, state vision, commitment and capacity to deliver a more pro-poor urban future has been cultivated at multiple scales from the settlement to the municipal and ministerial level. Multi-scalar and coalitional 'constituencies for change', as a Cities Alliance representative put it, have begun to emerge, although with differential outcomes in different municipalities (and different divisions of Kampala), depending on the history of relationships between municipal councils and the organised urban poor, and the level of support local Federations are regularly able to draw upon. It is too soon to tell what the longer-term outcomes of the TSUPU programme may be, but in Jinja, for example, where iterations of movement-initiated co-production preceded the TSUPU programme, the Federation have been able to achieve significant gains for settlement dwellers, including demonstration housing, sanitation and building materials initiatives (see Nyamweru and Dobson, 2014, for example).

What the Ugandan experience teaches us is that urban poverty reduction through global-local urban social movement mobilisation is possible, even in this highly agrarian, patrimonial and semi-authoritarian context, especially if there is a viable economic case to be made, such as the former commissioner was able to wield in parliament in support of the World Bank loan and co-financing for USMID. This room for manoeuvre closes down when mobilisation interferes with the interests of the executive and the most powerful political-economic elites. As Golooba-Mutebi and Hickey (2013: 6) note in relation to redistribution at the national scale: "recent dynamics within Uganda's political settlement are largely inimical to the prospects of developing the kinds of relations and institutions associated with delivering either structural transformation or improved levels of service delivery". It may also be true, from a structuralist perspective, that substantive transformation can ultimately come only from a global shift away from a neo-liberal capitalist paradigm and towards far greater regulation of how land and property is distributed, accessed and used. But (and here we echo Stuart Corbridge (2007: 197) on the importance of incremental shifts in 'the sense of being a citizen' among low-income groups), such arguments do beg the question as to what should be done in the meantime? It is worth noting that SDI affiliates have achieved land tenure and housing policy reforms in other contexts (e.g. India, South Africa) after many years of iterative practice surviving the winds of political change and focusing forwards. Through building a transnational network

from the bottom up, SDI remains one of the few international movements able to connect localised struggle with international policy voice (Gaventa, 2001). And it is this global-local (or glocal) character that has been so critical to the pincer-like pressures that have been put into action in the case of Uganda, from the ministerial level downwards and the settlement level upwards.

7.1 Enabling conditions for pro-poor co-production

Like Shand (2014), our research confirms the continued relevance of Ostrom's four critical conditions, but suggests that urban and transnational social movement mobilisation is a critical factor in ensuring that these conditions either emerge or become recognised as necessary in country contexts like Uganda. Without exposure to demonstration projects and successes in other countries, ministry officials would have been unlikely to recognise the potential of low-income communities to organise and work in partnership to create 'something new and synergistic'. Without savings mobilisation and the formation of a National Federation able to mobilise new regional federations, communities could never have offered a credible commitment to the state to deliver the TSUPU programme in partnership. It is worth noting again the significance of Federation-building in Kabale in terms of their ability to mobilise a critical mass of members to occupy the municipal council offices and demand they uphold their side of the bargain. Without the multi-scalar nature of the programme and the movement, neither would the feedback loops and accountability mechanisms that brought municipalities back on track after Phase I have been present. The question of incentives is complex. In a sense, it has been the injection of transnational finance that has incentivised action on both sides of the citizen/state equation – the promise of basic services for settlement dwellers, the promise of capacity-building resources (and development rents) for municipal officers. To some extent, the incentive remains in the form of the USMID programme; however, already in both Kabale and Mbale, the municipal council is retreating from supporting communities with maintaining the services developed under TSUPU now that those specific resources have dried up. In contrast, in Jinja, where the Federation has built up its relational and financial capacity over nearly 15 years of savings mobilisation, multiple sustainable and pro-poor co-produced upgrading projects have been made possible (Nyamweru and Dobson, 2014)

Triangulation of our project-level findings with the wider literature on pro-poor service delivery suggests there are a number of key conditions that have increased the likelihood that the outcomes from the services co-produced under TSUPU would be pro-poor beyond sufficient financial investment. These are highlighted in Box 3.

Box 3. Enabling conditions for pro-poor outcomes from co-produced upgrading projects in Uganda

- Inclusive project processes from planning to governance.
- Public evidence-gathering to ensure projects are targeted on where there is most need.
- Formally documented rights to use the land where the project is being developed
- Taking a long-term view when planning for sustainability.
- Flexible arrangements for affordability.
- Mechanisms for avoiding politicisation during elections (e.g. cost/benefit analysis of involving politicians in project management committees).
- Enforceable/incentivised processes for monitoring, transparency and accountability.
- Incentivised partnership between political, technical and community stakeholders (in 'the world as it is', this may involve including money for 'allowances' for municipal officers).
- Enterprising and creative approaches to financing sustainability and maintenance (e.g. in Kabale, a tea plantation owner subsidised a gravity water system in exchange for access).
- Projects that meet community needs while also generating finance in support of maintenance and sustainability.

The research also highlights conditions that would enable state-movement partnerships for co-producing slum-upgrading to generate substantively pro-poor outcomes in future in a more over-arching sense. These are outlined in Box 4.

Box 4. Creating an enabling environment for transformative urban co-production in Uganda

Devolution and increased local revenue: increased fiscal and administrative decentralisation, with a stronger proportion of unconditional, compared to conditional, grants would provide municipal councils with greater scope for innovative practice. There are signs of moves in this direction, through, for example, consultancies investigating the options for fiscal reform.⁵⁷ Taxation and reforms which work towards the integration of the informal economy into formal systems for revenue generation combined with accountability and transparency mechanisms or performance incentive mechanisms that ensure taxation policies are enforced, and enforced in a non-partisan manner, would also contribute to increased local revenue. The payment-for-results arrangements under TSUPU and USMID appear to have encouraged improvements in auditing and transparency over municipal resources in Mbale and Kabale.⁵⁸

⁵⁷ See, for example, aspects of the Ministry of Finance's Third Financial Management and Accountability Programme (FINMAP III): http://mambosms.ug/Data/atha/finance/index.php?option=com_content&view=article&id=101&Itemid=150

⁵⁸ Based on USMID performance reports and our own interview data.

Box 4 (continued)

Land reform and innovation: this has not been a detailed analysis of the prospects and possibilities for increasing municipal council access to land and this is an important research agenda with few studies exploring how this might be achieved outside Kampala (e.g. Nkurunziza, 2007). Reforms are needed which make land more easily available for in-situ upgrading, and the increasing commercialisation of land and rising land values is taking things in the opposite direction. Land-sharing initiatives, such as that being promoted in Kisenyi, are one promising approach to working with the world 'as it is', but are highly dependent on the whims of the land owner and are long and complicated deals to broker (and therefore expensive), with no guarantee of a final agreement.

Community contracting: Raising the threshold under which a community contracting arrangement can be used for basic services and infrastructure developments would enable the municipal councils to put learning from TSUPU into practice. It would also enable the regional Federations to continue to develop their project design and management capabilities, and to continue to build their legitimacy as development partners with their respective local governments, while also ensuring better value for money from development resources for the urban poor.

Nurturing nascent constituencies of change: the horizontal relationships that have emerged across municipalities in the form of new spaces for national learning exchanges focused specifically on inclusive municipal development planning and co-producing services have been powerful new environments for encouraging coalescence around shared concerns, such as the focus on institutionalising the MDFs under an amendment to the Local Government Act. These have the potential to create space for further common points of advocacy for more enabling conditions at national level and within as yet unexploited spaces like the new National Urban Forum.

Long-term vision: recognition is needed from all sides that inclusive urban development requires sustained investment of time and money over the long haul. USMID is an example of this, but does not encompass the same level of partnership between municipal councils and slum-dweller federations around the co-production of slum-upgrading. New developments cannot just be 'handed over to the community', with no ongoing expectation of partnership on the side of the state. The organised communities required for continued mobilisation and maintenance of shared facilities can only sustain levels of organisation where there is an ongoing promise of 'credible commitment' and ongoing opportunities for partnership, and where they see that inclusion results in change.

Some of this requires significant changes in orientations towards land, property and the urban poor among powerful actors that may only be achieved through changes in the balance of power nationally and increased regulation of global capitalism. Much of it is already being worked on, as the earlier analysis has attested, such as new discussions about the need for urban local government administrations to be treated differently and about fiscal devolution; ongoing partnership work around inclusive

urban development planning between the Ministry of Lands, the World Bank, and Cities Alliance; and networking meetings between MDF presidents across USMID municipalities. None of these conditions are impossible to achieve, but, in the shorter term at least, transnational actors, trans-local alliances, and the ongoing flow of innovative ideas (and resources) appear critical to ensuring that any of this progresses beyond a few interesting phases of experimentation.

8. Conclusions

Through the lens of the *Transforming Settlements of the Urban Poor in Uganda* programme, this working paper has sought to increase our understanding of the ways in which state-urban social movement partnership might promote slum-upgrading in ways that are pro-poor. It has also sought to examine, in the specific context of Uganda, how this case study programme may have created a more enabling environment for the co-production of urban poverty reduction in future, and what may need to change for co-production to be able to generate more inclusive forms of urban development planning and service delivery.

Uganda's current political economy is not supportive of widespread pro-poor transformation. Pockets of bureaucratic vision, commitment and capacity, together with multi-scalar social movement action and transnational partnerships and investment have, however, demonstrated the potential of co-produced programmes to generate tangible benefits for the urban poor, while building the capacity of municipal local governments to work in more inclusive ways. This matters, because Uganda currently has a relatively low level of urbanisation, but one of the highest urban growth rates in the developing world. The Cities Alliance country programme and ongoing World Bank partnership through USMID present a real political opportunity for Uganda to demonstrate to the world what can happen when a low-income country takes a proactive approach to managing rapid urbanisation in partnership (at least to some degree) with its low-income urban citizens. There is no deepfelt commitment to this agenda at the heart of 'the ruling coalition', but – Kampala aside – in secondary cities there is the potential perhaps for space to be left for talented internal champions with 'a strong sense of public service'⁵⁹ to advance a progressive agenda through transformative multi-scalar partnerships. Land is a critical sticking point, suggesting that action on the part of central government and large-scale investors like the World Bank will be necessary if municipalities are to gain access to the land necessary for pro-poor in-situ development. Building on existing gains will also depend on the ability of the Ugandan slum-dweller movement and its partner NGO to build stronger internal capacity and demonstrate increasing capability for partnership, and the extent to which existing internal champions within the state at different levels can continue to act as skilled intermediaries, pulling all the pieces of the relational puzzle into synergy rather than competition.

⁵⁹ As one senior ministerial official was described as having during interviews.

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Appendices

Appendix 1. Concepts and indicators for vision, commitment and national capacity

Concept	Indicators
National vision	<ul style="list-style-type: none"> • Existence of and content of a national urban policy. • Ability of municipal- and national-level research participants to describe a distinct central government vision for urban development/poverty reduction, the character of that vision, the extent to which this is repeated by different stakeholders.
City/municipal vision	<ul style="list-style-type: none"> • Existence of a Municipal Development Strategy.⁶⁰ • Content of Municipal Development Plans. • Ability of municipal officials and politicians to describe a distinct municipal vision for urban development/poverty reduction, the character of that vision, the extent to which this is repeated by different stakeholders.
National commitment	<ul style="list-style-type: none"> • Budget allocations are supportive of urban poverty reduction. • Character of decentralisation, investments and appointments at municipal level suggests commitment to building capacity in municipal governments. • Legal framework that promotes urban poverty reduction (e.g. access to infrastructure, services, tenure security).
City/municipal commitment	<ul style="list-style-type: none"> • Extent to which the TSUPU and USMID programmes are implemented as designed in ways that are pro-poor. • Extent to which time and effort have been invested into working in partnership with the urban poor. • Extent to which the municipality has invested its own local assets and revenue in partnership projects with the urban poor. • Extent to which the municipality is working collaboratively with the urban poor to achieve pro-poor policy change.
National capacity	<ul style="list-style-type: none"> • Clear institutionalised responsibility for urban development and poverty reduction. • Human and financial resources within institutions with responsibility for urban development and poverty reduction, including levels of professional experience and expertise. • Character of central/local state relations; in particular within the field of urban governance/development.

⁶⁰ Producing a Municipal Development Strategy was a target for municipal leaderships participating in the TSUPU programme. Fieldwork was completed before the strategies were finalised. We therefore focused more on the content of existing five-year Municipal Development Plans.

Appendix 2. Concepts and indicators for state capacity at city and municipal levels

Type of capacity	Measurable indicator
EMBEDDEDNESS WITH NON-STATE ACTORS	
Relationships with urban poor	<ul style="list-style-type: none"> • Examples of effective collaboration with the urban poor
Relationships with civil society	<ul style="list-style-type: none"> • Examples of effective collaboration with wider civil society
Independence from business interests and economic elites	<ul style="list-style-type: none"> • Evidence of independence from or collusion with private sector / economic elites
ORGANISATIONAL COMPETENCE	
Financial capacity for inclusive development	<ul style="list-style-type: none"> • Level of local revenue generation • Percentage of municipal budget that is unconditional
Human resource capacity for inclusive development	<ul style="list-style-type: none"> • Level of municipal staff capacity (%) • Qualitative accounts on access to continuous professional development
Capacity to govern inclusively	<ul style="list-style-type: none"> • Governance (planning, monitoring, accountability) processes include substantive mechanisms for the inclusion of a breadth of stakeholders • Approach to the Municipal Development Forums developed under the TSUPU programme
Capacity to govern strategically	<ul style="list-style-type: none"> • Local plans and strategies have been developed in response to the social and political context • <i>(predicting problems and strategising in response)</i>
Technical capacity to deliver projects	<ul style="list-style-type: none"> • Technical staff have appropriate skills and knowledge for implementation
Capacity to deliver projects inclusively	<ul style="list-style-type: none"> • Relevant project delivery processes include substantive mechanisms for the inclusion of a breadth of stakeholders • Cost of services for the residents of informal settlements
Capacity for iterative practice	<ul style="list-style-type: none"> • Municipal officials are learning from progressive projects/programmes and applying the learning in other scenarios/contexts
TERRITORIAL REACH	
	<ul style="list-style-type: none"> • Municipalities' ability to move around in, and implement initiatives within, the territory that falls within their administrative jurisdiction; and changes in the state's ability to do this over time

Appendix 3. Research participants

Project/ward/division	Municipal / city	National and transnational
Caretakers PMCs Users /residents LCI chairpersons Area councillors Ward administrators LCIII chairpersons Divisional town clerks Assistant health inspectors Assistant CDOs	Community development officers Physical planners Health inspectors Economic planners Town clerks Mayors Members of regional Slum Dweller Federations Members of Municipal Development Forums Representatives from KCCA: Department of Gender; Physical Planning; Strategy & Planning	Ministry officials National civil society organisations Transnational donor agencies and civil society coalitions Representatives of the Kenyan Slum-Dwellers Federation An academic at Makerere University, Kampala

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