The Impact of Urban Governance on the Quality of Public Services in Saudi Cities

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Abstract. This paper explores the attitudes of multi stakeholders who plan and manage construction projects for public services in Jeddah city regarding urban governance in improving high quality public amenities. Our findings show that the Saudi Vision 2030 provides opportunity for the creation of inclusive urban governance to raise the quality of public services. Our findings indicate that to confront the challenges of urban governance, we must identify the factors best encouraging their promotion. Attention should be paid to the principles of Saudi Vision 2030, to strengthen urban governance and promote the quality of public service delivery.

Keywords: Urban governance, Urban management, Public services, Jeddah, Saudi Vision 2030, Saudi Arabia.

1. Introduction

Cities where people live, work and socialise are engines of growth and crucial to economic and social development. To provide good quality lives, cities must deliver numerous public services: transportation, housing, water supply, sanitation, and garbage collection. These can be considered drives for productivity nationwide. Today, city management is a major challenge everywhere[1]. In many urban centres populations increase faster than states can provide public services and infrastructures[2]. Although resources are necessary to provide amenities, effective urban governance is required to establish a vision for contemporary and future growth, developing better capacity to address potential pitfalls and cement mechanisms of coordination among stakeholders, expanding capacities to manage, plan and deliver public services[3].

In Saudi Arabia, petroleum revenues and changes inspired by urbanisation, towns have shifted rapidly towards urbanization, undergoing spectacular transformations. Since the country’s creation in 1932, many initiatives and plans have been enacted, regulating urban development and ensuring basic public services. The dramatic rise in population has necessitated huge expansion in amenities and infrastructures in urban and rural centres. In response to growing demands for service delivery and infrastructure, one main objective was to enhance the technopolitical capacity of governance of urban development. However, rapid urbanisation and growing complexity presented cities with daunting challenges in inefficient public service delivery and insufficient urban governance. Such growth has significantly degraded public amenities, adversely affecting urban life.
For over forty years, the government has approved significant expenditure to implement infrastructure projects, providing quality services to residents. In response to growing infrastructure requirements, government has aimed to strengthen the construction industry through stabilization, organization, and productivity. Governmental concern for construction projects has enlarged the industry. This concern will predominate in response to expected population growth and urban expansion in the next two decades. Although the economy has slowed, prospects for the industry in 2017 were positive, despite poor liquidity from decreasing oil prices and austerity programmes freezing infrastructure spending. The infrastructure market and construction sector are estimated to grow and remain the brightest in the Gulf region\textsuperscript{[4]}. Government concern to expand service delivery and infrastructure will energize the industry as urbanization intensifies over coming decades\textsuperscript{[2]}. 

Growing project demands highlight the importance of construction to socio-economic development; poor quality services and industry degradation allowing lengthy delays remain major problems. Despite investments, most companies face delays, project cost overruns and poor services. These can be attributed first to poor resources, incompetence, and weak contractor performance, secondly to bureaucratic control and ineffective governance.

The rapid growth of Saudi cities leads to strained public infrastructure and resources, delays and cost overruns. Decision makers demand governmental intervention and reform. Heavy expenditure has challenged the efficiency and quality of services alongside governmental inability to handle urban, economic and social developments. This has led to a National Transformation Program (NTP) altering the state apparatus\textsuperscript{[5]}. 

Understanding urban policies and the limitations and strengths of specific administrative and political reform is essential to improve urban governance and resolve strains on infrastructure and resources. We explore the factors driving recent reforms to governance, then probe daily project experiences. We ask two questions: how does a particular mode of governance affect quality of service delivery and how far does the NTP implement governance principles? Finally, we review literature on these subjects. Our premise is that understanding urban governance principles helps synthesize a conceptual framework to bring clarity to the NTP, enabling stakeholders to implement Vision for 2030 goals and resolve pragmatic issues. Our investigation confirms previous research, showing that project issues are strongly associated with ineffective urban governance. An ambitious reform programme is crucial to efficiency and good quality project management.

2. Urban Governance and Public Service Delivery in Advanced Countries

2.1 Urban Governance in Advanced Countries

Governments and stakeholders use urban governance to engage in making policies to manage patterns of daily life for residents\textsuperscript{[1]}. Governance encompasses many economic actors determining urban transformation. Negotiations and debates occur over allocation of wealth and responsibilities. Government is the largest actor controlling city management, with officials supplying capable leadership and resilience, acting to establish partnerships with other stakeholders, cooperating and empowering participation in setting policies. Governance has responded to increasing urban complexity, addressing lifestyle and cultural differences. Connections between people and places grow more diffuse, creating challenges within shared spaces. To maximize potential
and handle complexities, governance emerged alongside technical solutions, replacing top-down steering models. This fuelled interest group participation and coordination among urban actors\textsuperscript{[2]}. Urban governance literature (e.g. \cite{Devas, Amis et al. (2004)}), shows a growing perception of the importance of strengthening local authority capacity and autonomy to empower other stakeholders in urban entrepreneurialism and privatization, regulating urban development and public service delivery. This avoids reliance on traditional management structures formerly criticised for inefficiency\textsuperscript{[9]}. Justification for this lies in economic globalization and international competition between cities, while governments face severe capacity constraints and lack the vision and information to address urbanization issues that necessitate privatization\textsuperscript{[10]}.

Challenges to government have been stimulated by neo-liberalism, citizens, and interest groups suffering from poor quality services. Citizens questioned government responses to their demands and perceived unaccountability\textsuperscript{[11,12]}. This required a shift to more diffused power situations, with vocal actors at national, regional, and municipal levels. These pursue collective action, aligning decisions about service expansion with sector priorities, incorporating core principles to make policies regulating urban developments. These principles include: efficiency, effectiveness, cooperation, partnership, participation, accountability, transparency, policy alignment competence, and equity\textsuperscript{[13]}.

The shift from technocratic and bureaucratised managerial styles to competition and urban governance is reflected in changes in thinking about urban planning. Concerns with physical planning without sufficient attention have shifted to participatory urban planning practice through budgeting, management, monitoring, evaluation, policy networks, decision-making procedures, self-organizing networks and multilevel governance\textsuperscript{[14]}. Accordingly, city governments no longer control direct developments. Healey et al. \textsuperscript{[15]} argue that management with top-down planning has been replaced by governance, stressing bottom-up initiatives and network organization to coordinate stakeholder actions fulfilling collective goals\textsuperscript{[9]}.

The shift to local governance with principles and public values has also affected developing countries, bringing sweeping reforms in some places. This has witnessed stakeholder involvement in planning\textsuperscript{[16]}. International case studies on urban governance conclude that regulating urban development and delivering public amenities require substantial governing capacity. Urban governance is important for collaboration between developers since it powerfully promotes delivery of amenities, efficiently and in quality, enabling residents to access local government and involve themselves in decisions that affect their lives\textsuperscript{[1,17]}.

\section*{2.2 The Challenges of Construction Management of Public Services Projects}

The literature suggests that urban governance and politics determine delivery of goods and services. Many say good practice is a priority for national and local governments and crucial for effective urban infrastructures\textsuperscript{[18]}. Although appropriate delivery depends on resources, urban governance institutions are important\textsuperscript{[19]}. Devas, Amis et al. (2004) say service delivery is not purely technical but is influenced by political context and wealth distribution. Although insufficient finances result in downgraded amenities, other factors are involved. These include government unresponsiveness; poor coordination between
Worldwide experience shows that failure in infrastructure projects is strongly associated with corruption and fiscal volatility. This is attributable to construction industry complexity, costly financing, and stakeholder numbers. Absence of integrity creates project delay and increasing cost overrun, degrading the quality of delivery. High values are a perquisite for effective governance environments and successful delivery with superior quality standards. The World Bank Group found clear positive correlations between governance measures and high quality urbanization providing long-term growth rates of national investment. Misallocations of public investment and corruption occur when a government is acting in favour of influential political groups rather than in the public interest.

Construction management failure is a global phenomenon attracting the attention of academics and practitioners, who acknowledge the importance of good governance. In the UK, the Office of Government Commerce (OGC) reveals that five out of eight major deficiencies in construction projects in 2005 were caused by weak governance at various stages. This results in mismanagement and increased opportunities for corruption, misbehavior, project delays and cost overruns. The OECD considers it dangerous to think involvement of the private sector in governance is a panacea. Effective private sector involvement requires active consultation and stakeholder engagement involving end-user evaluation and monitoring of the quality of delivery. Governments at all levels require essential skills and powers to regulate public service provision, guaranteeing public values such as transparency and integrity.

The New Urban Agenda (Habitat III) of UNCHSUD indicates that service delivery has two major dimensions: political and technical. Politically, success requires leadership,
stakeholder involvement, and localities in decision making. Technically, it needs good planning, negotiation with contractors, accounting and monitoring. Both require strong technical and management capacity from stakeholders employing transparency, efficiency, effectiveness and resilience. Successful delivery requires collaboration between spheres of government along with resources, giving city authorities cooperative responsibilities towards national policy goals. The World Bank Group says establishing effective urban governance and successful service delivery demands institutional capacities within public agencies. Selection of and rewards for officials, with performance assessments, call for integrity measures, mediating between powerful groups in city governance.

Experience of urbanization in Western societies indicates that changes in governance originate in structural changes over the last three decades. This reveals general themes in governance affecting how public services are regulated. Problems impeding governance and infrastructure in cities of developed countries enhance understanding of hindrances in emerging economies. Assuming a significant relationship between governance and management of public services – while using the construction industry in Jeddah as a case study – our investigation explores the attitudes of different parties (e.g. clients, contractors and consultants) towards challenges they face. The basic premise is that a need exists for a practical framework suggesting new approaches to improve construction industry practices.

3. Methodology of the Jeddah Case Study

3.1 Qualitative Survey Using In-depth Interviews as Data Collection

We aim to explore the relationship between urban governance in Saudi cities and the quality of construction management of public service projects. We believe the launch of Saudi Vision 2030 and enactment of the National Transformation Program (NTP) will promote inclusive governance, improving nationwide productivity and enhancing the quality of life. To test this, we conducted a systematic literature review, seeking new ideas. We searched the Web of Science for relevant articles and books, then combined data from two stages of our empirical survey in Jeddah (May 2015 - September 2016; October 2016 - February 2017).

We used a qualitative approach for data gathering, informed by in-depth interviews gauging perceptions of stakeholders and industry actors (clients, contractors, and consultants) regarding challenges they faced (Sample size: 29). We focused on officials from three public sector agencies, three from consultant offices and four from construction companies, through interviews in offices, cafés and hotels. Lack of an appropriate framework for agencies and professionals, our selection was based on quota sampling through researcher choice and individual willingness to participate. We used the concept of saturation point, where the collection of new data adds no further insights.

From the literature review, we scrutinized different themes linked to governance and management challenges. Our themes were developed thus: 1) what constitutes urban governance and what causes insufficient service provision in Saudi cities, degrading the construction industry? 2) the quality of governance and its impact on service provision. 3) how effective Saudi Vision and NTP initiatives have proved. 4) Recommendations for improvements.

We designed our semi-structured interviews along these themes as a device to link governance with public service provision. Our
questions were written on a questionnaire. Their design was based on the literature, but modified to fit participants’ organizational requirements. Respondents were allowed to ask further questions, and informed consent was obtained. The in-depth interviews were digitally recorded, anonymized and transcribed in order to generate a substantive code. Collected data were classified into themes, then analysed through the software package NVivo 7 to develop a coding framework. These codes were then grouped into concepts and categorised to establish an analytical framework.

3.2 Case Study Selection

Jeddah is the second largest city in Saudi Arabia and the biggest in Makkah Province. Its coastal locations along traditional routes to Mecca and Medina made it an urban center with a distinct identity and a key role in the Islamic world (Fig. 1). Today, its population amounts to 3.4m – 14% of the national total. Since the 1970s, the government has invested heavily in public services to underpin its economy and address growing aspirations of citizens. Infrastructure projects – transportation, water, drainage and urban renewal – have significantly changed the city\(^{29}\). The government has spent billions of dollars responding to infrastructure shortages, improving access to basic services in major cities. But rapid urbanization has raised demands for infrastructure and public facilities for sprawling low density residential areas, creating many problems over fifty years. Alongside exponential demographic growth, this has placed insurmountable strains on infrastructure\(^{30}\).

Jeddah experiences deficiencies in existing infrastructures – crumbling roads, poor drinking water, and decaying sanitation. These require maintenance and expansion for future growth. Urban expansion has imposed financial burdens nationally and locally, requiring action to invest in better infrastructure; otherwise, it will prove increasingly difficult to support future socio-economic development. Jeddah was chosen because of its role in socio-economic development, making it a catalyst of productivity, technology and infrastructure. Its complexity is caused by neo-urbanization. Such complexity\(^{31}\), will help researchers study a multi-faceted phenomenon. Jeddah’s dramatic urban growth since 1932 has required complex governance and management arrangements. We therefore expect to provide insights for other rapidly growing cities.

4. Urban Governance and Public Service Projects in Saudi Arabia

4.1 Urban Governance in Saudi Arabia

Before turning to Jeddah, we must establish the broader context. After the final establishment of the third Saudi State in 1932, Saudi kings gradually developed a central government whereby all financial resources are allocated nationally. From 1953, the Council of Ministers, royally appointed, has held responsibility for national policy, directing a growing urban bureaucracy. Below this come three administrative levels. The highest is provincial. There are 13 provinces (emirates) headed by an appointed Amir or governor, each divided into governorates (Fig. 2).

The second level is that of the governorates – 134 in all. Each is divided into municipalities – the third level. Under the Interior Ministry, the provincial and governorate roles were limited to coordination of activities by central government ministries. However, with the approval of the Interior Minister and the Civil Service Minister of administrative reforms were introduced in 2008 for existing provincial organizational structures (including a specialized agency to administer urban development). The provinces are now often influential in determining expenditure and programmes\(^{12}\).
To regulate public services, the government established a local council in 1923. This council consisted of 12 elected members to give advice for the management of Mecca. In 1926, two organizations were established: the Municipality Governorate for Mecca and the Rural Councils, to regulate tribal/rural affairs. In 1930, a Council of Deputies with two agencies was established: its own Presidency and the Interior Ministry. By 1937, a Royal decree reinstated the Mecca Municipality and others in major towns. In 1975, the Municipal Systems Act established the Ministry of Municipal and Rural Affairs (MOMRA). Accordingly, municipalities came under the control of MOMRA at the national level. This Ministry centralized city regulation, providing
basic infrastructure while promoting housing and living conditions\textsuperscript{[29,30]}

1977 saw the Law of Villages and Municipalities annul the 1937 Law of Municipal Governorates. MOMRA was empowered to supervise resources for municipalities. The law gives it power to establish Municipal Councils with 4-year terms. These councils have equal numbers of elected and appointed members; decisions are made by a majority, leaving final approval to the Minister. Municipal Councils are part of the city management system, but centralization leaves this unimplemented. A Supreme Steering Committee has replaced councils to inspect nationwide productivity\textsuperscript{[29]}. Following reforms in 1977, municipalities are administered by appointed mayors under MOMRA\textsuperscript{[32,33]}

In March 1992, King Fahd issued three major laws: the Basic Law of Government, the Council Law, and the Law of Provinces. The first amended the constitution. The Consultative Council, replacing the council of 1926, is new; appointed members have powers to review and advise on public interest issues, outlining regulations for thirteen provincial councils. In 1997, council membership rose from 60 to 90, then in 2005 to 150. Its role expands with experience. While its main task is to provide recommendations to central authority for improvements in development, the Provincial System (Council) aims to upgrade management, preserving all citizens’ rights\textsuperscript{[34]}

In 2003, the government furthered reforms to promote service delivery through privatization, which has been used in a wider context including the concept of ‘public–private partnership’\textsuperscript{[35]}. In October 2003 the Council of Ministers instituted municipal elections for four-year terms. One responsibility was to establish development programmes, monitoring implementation alongside supervision of public spending. In April 2005, municipal councils were modernized. Half the 178 municipal representatives in the fourteen municipal councils were elected, while the others were appointed by MOMRA\textsuperscript{[29]}. Women were excluded as voters and candidates, and the elections discouraged many male citizens from voting\textsuperscript{[36]}

In 2009, alongside national concern to improve urban governance, an important reform was launched to stimulate competence in the municipal system. This increased municipalities from 100 to 241, then 244. On 18 March 2011, royal order A/65 established a National Anticorruption Commission, Nazáha, in response to public discontent with corruption and degradation of public amenities. The commission’s responsibility is to create a work environment of integrity, transparency, and equality, combating administrative and financial corruption and ensuring the viability of municipal projects with the help of diverse segments of society. According to Transparency International, this initiative will reduce budgetary and procurement overruns\textsuperscript{[37]}

Several institutional and administrative reforms were initiated, promoting welfare-state policies – the most prominent advance in centralization\textsuperscript{[32]}. However, these reforms, aimed at administrative decentralisation and local and private actions for managerial control failed due to unclear guidance for implementation. Local devolution was obscure, lacking fiscal delegation when central authorities clung to their power to oversee others’ actions. Poor institutional capacities and insufficient skilled central and local staff compounded this. This attests to the failure of the centralized welfare state, handicapping local authorities in responding to emerging urban challenges. This undermined urban governance, necessitating further reforms in
2016. Next, we take an initial look at Vision 2030 and the NTP, highlighting opportunities to improve urban governance.

4.2 The Saudi Arabia Vision for 2030 and Transformation Programme (NTP)

In April 2016, the Saudi cabinet endorsed Vision 2030; a wide-ranging economic and administrative reform program aimed at strengthening the economy through reduced dependence on oil and rationalized public spending. It encompasses ‘strategic objectives, targets, outcome-oriented indicators and commitments that are to be achieved by the public, private and non-profit sectors in the Kingdom’[38]. The private sector has been granted greater opportunities of partnership with the public sector, while the Supreme Economic Council has been replaced by the Council of Political and Security Affairs and the Council of Economic and Development Affairs[39].

Vision 2030 was driven by fiscal pressures following decreasing oil prices, a budget deficit and slow project progress. This has downgraded public services and infrastructures, intensifying challenges around quality, efficiency, and overspending on public amenities. All these hampered public sectors in handling urban development. This necessitated new initiatives and reforms to government composition, leading to Vision 2030[5]. The NTP identifies challenges for government bodies in achieving Vision 2030. According to this programme, public state apparatus need restructuring and realignment towards national strategic objectives (Fig. 3).

To support this, the government established expert project management offices (PMOs) in the Council of Economic and Development Affairs (COED), within regional municipalities and other central government departments and bodies (about 50) to manage long-term development[40,41]. The NTP 2020 document sets targets and benchmarks for the public sector agencies, establishing PMOs under the Ministry of Economy and Planning (MEP) to provide overall frameworks overseeing and managing predictable and transparent resource allocation for mega projects across organizations and companies. The Vision Realization Offices (VROs) in ministries established and assigned responsibility to monitor progress in Vision 2030[38].

Whether Vision 2030 and the NTP, with their initiatives and reforms, are appropriate steps towards progress in urban governance, they represent a new phenomenon in Saudi Arabia; it is far too early to fully assess their viability[42]. Initially, some observers were unsure goals would be achieved: previous experience made people skeptical of the government’s ability to achieve goals like increasing accountability and transparency[43]. However, most local newspapers wrote of a giant step, greeting this as an urgent leap towards significant and comprehensive change to make Saudi Arabia a new developed nation with better governance and a diversified economy beyond dependence on oil, improving productivity, and slashing waste in public services[44].

Some international media argue that recent reforms and economic transformation will not work because although the NTP promised improved economic governance and resource allocation, this was not the first time the government promised diversification from oil. Government officials need to explain how this initiative may differ since it will most likely be hindered by challenges such as the rising cost of living[45]. Others say the makeup of the Saudi talent pool and other domestic labour market realities represent critical contradictions to long-term economic goals. Without systematic enforcement of meritocratic structures inside public and
private sector institutions, sensible economic reforms may struggle due to the demographically complex economy[43].

Whether the goals are realistic or not, we believe that the NTP represents a significant transition in public management and urban governance. It will enhance the economic position of the country and realize successfully the strategy of Vision 2030. This is because Vision 2030 incorporates good governance principles as agreed in the literature (e.g. [8,46,47,48]) as prerequisites for promoting good governance and planning, promoting service delivery, and enhancing the construction industry everywhere, coordinating the public and private sectors and ensuring integrity by combating corruption and ensuring system integration.

4.3 The Practice of Construction Management for Public Service Projects in Saudi Arabia

Saudi urbanization is among the fastest in the world. Construction project management started there in 1932. Increasing oil revenues in the next two decades propelled urban growth through housing, transportation, and infrastructure projects[32]. With the 1970s and 80s economic boom, much of the national budget has been invested in constructing municipal services, addressing growing needs and enhancing state legitimacy. Utility projects attracted local and international contractors, advancing the construction industry[49,50].

High governmental spending since the 1970s has made the construction industry the largest in the Gulf. Recent decreases in oil prices have affected the economy, reducing investment in public services. But many recognize the industry as ‘the jewel in the crown for international contractors looking to get into the Arabian Gulf’s construction market’[41]. The country’s strong economy, they say, will encourage investment in more municipal and housing construction projects in response to the dramatic population growth, expected to increase by 30.7% by 2030[51].

Growing demands for amenities and infrastructure highlight the industry’s importance to urban and socio-economic development. However, frequent delays, cost overruns, inefficiency, and non-performance of projects, are prevalent challenges for governance, threatening the economy and services. Some[49] say 70% of projects experience time overruns and few finish within schedule and budget. In response, the government and academics developed strategies and tools limiting adverse effects[52].

Despite efforts by governmental officials, decision makers, and specialists to address poor public services, this continues to be a sizable challenge for urban and project management. It requires further institutional and organizational reform in governance to promote management centrally and locally. As indicated, we hypothesize that Saudi Vision 2030 and the NTP will provide opportunities to create inclusive urban governance, improving nationwide productivity and enhancing living conditions. We now present the findings of our survey, exploring challenges to urban governance and its impact on service delivery. Finally, we examine how accurate this hypothesis is from the perspective of various stakeholders interviewed.

5. Findings: Challenges of Urban Governance and Public Service Delivery in Jeddah

Concerns about urban governance efficiency emerge from a study of the perceptions of stakeholders involved in managing public service projects in Jeddah. This regards infrastructure project quality as affected by existing governance arrangements. Based on earlier research (e.g. [1,9,21,53]) which improved insight into the opportunities and risks of urban governance, we developed
these questions: What most degrades public service delivery in Saudi cities? Do urban governance and management influence project construction? How far can local agencies make reforms? How independent are local authorities? What initiated the new Saudi Vision 2030 and the NTP? How can we trigger a move to good governance? How can we increase transparency, accountability and democratic processes? How far does the NTP help address pressing governance issues and guarantee effective management?

We show that key challenges associated with such governance belong within five main categories: human and financial resources; transparency and accountability; enforcement mechanisms; progress monitoring; and coordination of interventions in delivery – a major challenge (Fig. 4). We will discuss these and other factors inducing reforms, highlighting challenges to urban governance.

Fig. 3. Strategic objectives of Saudi Vision 2030 and the NTP.
5.1 Weak Coordination Between Public Service Agencies

Our evidence shows the substantial challenge faced by project management in coordinating the activities of civil society actors. Patsy Healey,[40] conceptualizing Cooperative Planning, argues that increasing complexity and stakeholder multiplicity in pursuing national goals impede coordination but are ‘endemic in the organisation of governance activity’. In Jeddah and other cities, public agencies were pressured to provide basic services and facilities. This involved numerous stakeholders as legitimate participants in planning and management – despite reforms improving coordination. New administrative structures continue to suffer from significant fragmentation locally and nationally. Nationally, allocation of investment resources was carried out by different ministries. Although central authorities planned to coordinate intervention in urban development nationwide, orchestration remains fragmented, insufficient and hampered by weak mechanisms, poor harmonization of strategies, and clashing ministry interests.

Locally, no one public sector organization has ultimate responsibility to control development and coordinate megaprojects for services. Different provisions remain regulated by varying branches of central ministries. Regionally, although emirates and governorates insist on coordinated actions, officials in different branches whom we interviewed admitted there is weak coordination: they work together through separate lines of responsibility. This often produces conflicting and overlapping responsibilities, with disparate actions for delivery and varying timescales, creating
ineffective integrated decision-making, failures in implementation, and poor quality delivery[54].

One contractor in charge of a sanitation and drainage system said:

Lack of coordination among public service agencies is the major source of industry problems, including delays in public projects, cost overruns and poor quality amenities. The main cause of delay in is lack of information on underground characteristics. Some ministries avoid coordination with others who had previously implemented infrastructure projects, while clients provide incomplete information and fail to coordinate with contractors. Thus, capacity building is urgently needed to enable officials to make links with stakeholders (Interview 2017, translated from Arabic).

Previous research indicates that in an increasingly urbanized world, collaboration is considered indispensable for successful delivery management with vertical and horizontal coordination[10,26]. Our research confirms this. Most of our interviewees highlight a need for coordination mechanisms to ensure harmonious relationships among stakeholders.

Interviewees also declared themselves optimistic about Vision 2030 and believed the NTP with its project management offices (PMOs) and Vision Realization Offices (VROs) will establish effective mechanisms, enhancing Ministry-Agency coordination. As advisory boards, these offices will help public sector organisations and other stakeholders to synchronize their actions, fulfilling national objectives. As indicated by Lafuente and Nguyen[55] (2011) regarding public-sector advisory boards in selected OECD countries, these offices will help improve Ministry-Agency coordination while promoting performance by agencies, clarifying standards and objectives in public policies and providing reports about performance targets and evaluations of agency works.

5.2 Insufficient Human and Financial Resources

Interviewees were asked questions concerning the availability of financial resources and expertise in their agencies. They were also asked whether appointed officers with responsibilities to oversee public amenities were appropriately qualified. Most clients, regulators, consultants and contractors, found limited financial resources a major factor limiting efficiency and constraining effective collaboration between stakeholders. Inadequate funding restricted maintenance and expansion of basic utilities, leading to poor quality projects. Late funding causes failures to meet policy deadlines, increasing total delivery costs.

Limited resources in public and private agencies are the major factor restricting trained and qualified personnel, undermining institutional and administrative capacities. Most contractors interviewed said public sector agencies (clients) are the main cause of delays. Such delays are usually caused by poorly organized clients with staff unqualified to deliver a clear management framework. This translates to frequent design changes and slowdowns in work, delaying delivery on deadline and within budget. One Jeddah municipality contractor said:

Finance is central for project continuity. Delaying finance negatively impacts labour and material availability, slowing delivery and increasing cost overruns. Delays in government finance mean delays in construction, constraining the implementation of vital amenities. There is evidence that government spending
and resource efficiency have improved since the mid-2000s through expanding urban management experience. However, fragmentation of policies, overlapping responsibilities and ineffective resource allocation for amenities has resulted in resource shortages, creating discrepancies between targets and service quality. Enhancing public sector personnel skills and lightening bureaucracy is essential for resource utilization and successful delivery (Interview 2016, translated from Arabic).

The candor of these responses shows that major causes of delays in Saudi Arabia relate to slow financial payments and lack of coordination and knowledge, resulting in changes of orders and increased costs.

There is increasing recognition that decision making within public-sector agencies is highly technocratic, lacking a participatory approach, hindering delivery of numerous public amenities. As some interviewees reported, although local authority mandates promise to provide municipal infrastructure, they actually lack budgetary powers and authority for decision making. Moreover, they require institutional capacity and administrative competence to regulate services or devolve decision-making. Although there is general dissatisfaction about weak performance by local public sector agencies, some indicate that deficiencies in delivery are also attributable to centralization of public administration and absence of fiscal autonomy within local authorities.

Some suggest that decentralization and devolution of responsibilities to sub-national and local authorities avoids national policies that neither consider local needs nor eliminate bureaucratic layers which delay in services provision. Decentralization while ensuring technical assistance to local authorities will empower them to plan and adjust delivery. Others say effective resource utilization and allocation for service delivery will most likely benefit from changes under the NTP and Vision 2030, to improve opportunities for partnerships with the private sector in public service provision, establishing strong steering committees and coordination offices (VROs) with competent members. These initiatives should enhance urban governance, eliminate bureaucratic complexity, and allocate public wealth for clear objectives and priorities.

5.3 Lack of Transparency and Accountability

The last decade has witnessed increasing requests for well-functioning governance alongside rises in transparency and accountability worldwide, employing multi-stakeholder partnerships and harnessing public participation. As in other Arab countries, corruption and lack of transparency are Saudi problems. The National Anti-Corruption Commission (SNAC) was established in 2011 to fight corruption as an independent authority encompassing all public sectors and reporting directly to the king. In 2016, Vision 2030 and the NTP were launched. According to the Crown Prince, Vision 2030 will ensure transparency and fight corruption, while the government adopts international administrative practices to achieve the highest levels of clarity and accountability.

Asked about major causes of deficiencies in project management and the significance of the above initiatives, interviewees agreed these are key problems undermining urban governance and project management. Most said centralization is the main reason for poor accountability among bureaucrats, because officials and public employees report to central authorities rather than local communities. Many refer to a lack of accurate legal records for public-sector
activities – a necessity if officials are to be held accountable or prosecuted for unaccountability. Regarding transparency in service delivery, respondents repeated that citizens, scholars, and professionals suffer from poor transparency and obstacles in accessing public accounts, budgets, and audit reports. This is because the Basic Law of Government exempts public officials from financial disclosure, while prohibiting public access to government information. A former Jeddah Municipality official, asked about public access to the municipality database, said:

Officials in different departments cannot allow public access to information on projects, especially financial and budget data. To obtain information about Municipality activities local journalists need permits from senior officials or the mayor. Most citizens and officials disapprove the lack of transparency. The only sources of information about projects carried out by other agencies are the press or social media. The main reason for corruption is unaccountability and opaqueness, wasting public resources (Interview 2015, translated from Arabic).

Regarding the significance of recent reforms and initiatives, some interviewees said the Saudi National Anti-Corruption Commission will succeed by encouraging public participation in decision making, allowing direct interaction between users and stakeholders to address issues of honesty in public sector agencies. As advocated by the World Bank, such interaction would promote social accountability and instigate anti-corruption reforms[24]. Regarding Vision 2030 and the NTP in improving urban governance, some argue it is too early to judge results. However, as the reforms occur, government needs to speed up action within existing bureaucratic apparatuses, advancing institutional and administrative capacities. For recent initiatives to succeed, optimists say government must ensure mutual responsibilities between stakeholders. While these are all positive initiatives, much remains to be done to establish effective measures to evaluate agency performance and hold them accountable for shortcomings.

5.4 Weak Enforcement of Contract Mechanism

Most public officials, consultants and contractors interviewed said the major challenge is to enforce contracts and resolve disputes. Enforcement by legal institutions is fundamental for meeting deadlines within budget. It reduces uncertainty by assuring stakeholders their contractual rights will be maintained by public agencies. Although comprehensive laws address corruption and contractual disputes, they are not uniformly enforced or punished. The cumbersome actions and lengthy procedures of bureaucrats are inefficient for dispute settlement, allowing corruption in terms of time and financial cost. Weak law enforcement allows corruption to flourish. One senior deputy official in a construction project in King Abdulaziz University says:

Often, we have to accept completion of a project with fewer specifications than contractually agreed. This is because of lengthy legal proceedings for problem solving. Complicated and lengthy proceedings are used to stop projects while extending their duration. For officials, expedited delivery is sometimes more important than quality. These situations demand difficult choices and tradeoffs such as accepting minimum quality projects just to deliver the service as scheduled, avoiding lengthy litigation. Weak contract enforcement slows construction and
affects service quality. Initiatives are needed to hasten dispute resolution, reducing delays and incorporating best practices while measuring enforcement and providing accountability at all stages (Interview 2016, translated from Arabic).

Most Municipality officials interviewed criticized residents, citing vandalism, anti-social behavior, and limitations blocking anti-corruption measures. They say weak law enforcement is due to the absence of decisive and applicable laws rather than reluctance of agency officials to implement regulations or a lack of coordination within enforcement teams. They argue that current contract law deprives the Municipality of authority to withdraw projects from contractors who procrastinate. They say existing laws and by-laws were formulated by the Law of Municipalities and Villages of 1973. These laws require updating to fight anti-social behaviour and control illegality like vandalism, leafleting, breaking street furniture, littering, and fly-tipping. This demands considerable manpower. Some spoke of a need for public responsibility to help agencies achieve this. An integrated law enforcement team with skilled employees is urgently needed for such duties. One official stated that

Although an enforcement team has been established with members from various public sector agencies, poor coordination has impeded effective operations. We have faced difficulties in prosecuting criminals because we lack full authority to deal with issues at city level. We usually need evidence of culpability for officials in higher authorities like provincial or government ministers. This leads to costly, time-consuming legal cases. The system needs to be overhauled if effective governance and management are to be achieved (Interview 2017, translated from Arabic).

We asked contractors what contributes to conflict between agencies and contractors. Most say public officials often lack competence and understanding of project design and scope. This causes payment delays, causing project suspensions from our inability to pay workers and purchase materials to complete projects. One consultant said inadequate qualifications for contractors are the major reason. Others argue that appointing inexperienced contractors to certain projects relates to existing regulations that encourage selection of lowest bidders.

Contractors and consultants expressed dissatisfaction with prevailing legislation, requesting a neutral agency to formulate contracts between stakeholders and resolve disputes.

5.5 Progress Monitoring Problems

Monitoring can provide progress in projects, giving up-to-date information, assisting government departments and agencies to track achievements, while evaluate movement towards decision making. The need for it has increased as new stakeholders appear in service delivery practice provided by public agencies (UNDP, 2013). To assess the role of management in mentoring service provision, we asked: Are projects delivered as scheduled and with specified qualities? How would you estimate your agency’s progress? How could you show success? Is citizen participation encouraged in monitoring delivery?

Most interviewees indicated that the government is responsible for public services. Despite good progress, dramatic expansion of cities like Jeddah hampered authorities in delivering services on time, with high quality and efficiency. In spite of various reforms, agencies face challenges in establishing effective monitoring systems to measure
successes and failures. Some attribute this to poor institutional and administrative capacity. Efficient arrangements and skilled human resources are essential for monitoring and evaluation systems. Others described a lack of public participation in local decision making. They said public involvement in project monitoring teams can provide better resolutions to issues. Citizens can report observations during project construction, including delays and cost overruns, and register satisfaction with amenities. Some attributed this to lack of interest or commitment to better performance. One academic consultant was asked several questions, including ‘how far have previous political and administrative reforms improved public participation in policy making and quality monitoring?’ He said:

Although various reforms (e.g. decentralization, deregulation and privatization) have strengthened public sector agencies, helping build a system for tracking progress and evaluating service delivery, results were unsatisfactory. There are four major reasons. Designing appropriate systems that provide the basis for evaluation and monitoring is a challenge that cannot be tackled overnight. It requires 1) considerable restructuring of the political and administrative environment; 2) well-trained experts to make agencies performance-oriented; 3) strengthening supervision of local councils; and 4) since the greatest beneficiaries of monitoring systems are localities, it is wise to encourage engagement in decision making and supervision (Interview 2016, translated from Arabic).

Several officials, contractors, and consultants said recent reforms will help create a culture of integrity to resolve management failure and low quality delivery. Elevated state commitment to encourage boards of stakeholders alongside steering committees of government and non-government personnel and VROs at various agencies will turn Vision 2030 into reality and help promote capacity to facilitate coordination through effective monitoring and evaluation systems. These will track expenditure, staff performance, resource allocation, programme and project implementation, and quality of goods and services. Promoting inspection functions – as pointed out by the UNDP 2013, World Bank 2017, and UN-Habitat[26] 2017 – will make governmental agencies participatory and responsive, creating a sense of social accountability as the key to successful urban governance.

6. Discussion

Our findings indicate that urban complexity has forced government to explore governance to transition from bureaucratic top-down steering models to an innovatory style encouraging stakeholder participation to regulate public service delivery. This emphasizes public values including transparency, social accountability, interaction, participation and integrity alongside technical principles such as efficiency and coordination.

In the last two to three decades, growing demands on public services and reduced financial resources have resulted from decreasing oil revenues and insufficient provision for public infrastructure and goods. These gave rise to a politico-social context stimulating wider reforms in governance and management. We argue that the key challenge to urban governance lies in extreme national and local centralization. Successive reforms inducing civil society stakeholders to participate in local decisions and management have been undermined by: 1) a lack of serious commitment by central government to break
up the statutory monopolies of the welfare system, offering alternative forms of governance based on comprehensive participatory mechanisms; 2) bureaucratic resistance of central authorities to implement new governance and facilitate collaboration; 3) lack of clear institutional frameworks supporting civil society actors, defining responsibilities and duties; 4) Lack of legal and fiscal autonomy for local authorities, hindering innovative approaches to service delivery that might encourage citizens to realize their full potential, while facilitating coordination.

Local authorities in Jeddah face serious challenges in regulating delivery, due to five major factors: 1) The challenge to coordinate interventions in delivery; 2) Lack of human and financial resources; 3) Absence of transparency and accountability; 4) Weakness of enforcement mechanisms; 5) Lack of effective progress monitoring systems. Regarding lack of coordination and poor communications between agencies, most interviewees said coordination of governmental and non-governmental agencies and stakeholders is central to growth management. These issues lead to conflicts in management efficiency regarding financial allocations, owing to insufficient strategic structures for multi-level and multi-agency coordination to provide public services and ensure alignment with human and financial resources. We show that resource allocation for delivery was insufficient for all residential areas within Jeddah. Although reforms sought to grant local authorities greater fiscal power, in practice resources were limited and still depended on central authorities for revenue. Inadequate resources caused low maintenance levels for existing services and infrastructure. Most amenities were without funding for long-term maintenance because budgets were transferred to other projects.

Evidence reveals that most respondents say this issue is linked to difficulties in ensuring coordination of fragmented and hierarchical government agencies. Corruption has been exacerbated by lack of inter-agency coordination and weaknesses in enforcement of effective regulations imposing immediate penalties. One contractor said existing contract law prevents clients from making quick decisions to withdraw a delayed project from a contractor. Most said the government should respond to infringements such as vandalism on public amenities. Steps must be taken to punish violators and enact effective policies and regulations.

Regarding weaknesses in progress monitoring, most suggested that agencies face challenges in establishing effective systems to track progress and measure success – something linked to insufficient administrative and institutional capacity with resources to monitor legal and regulatory compliance. Involving stakeholders in governance and delivery, including staff from agencies and private organisations, with consultants and community members is complex. Regarding how far Saudi Vision 2030 and the NTP improve governance quality, most believe current reforms will enhance political stability, resolve corruption issues, and promote technical capacities through political support. All this is linked to the call to implement good governance principles such as transparency and accountability, emphasising collective action and creating harmonious workplace relations in agencies. It is also linked to objectives for realization of Vision 2030, including stakeholder boards, interactive participation, policy alignment, and coordinated stakeholder actions. All these will help promote urban governance quality and ensure effective management of public goods and services.
7. Conclusion

We have reviewed several claims about the transformation of modern cities and the decline of public services. The literature on this subject reveals multiple opinions. Theoretically, the desire to develop a vision for city development and public service management requires understanding of the socio-political realities for each city. We need to know what services communities need and why, to reinforce delivery of better amenities.

Our findings provide a fresh understanding of how growing demands for public services necessitated national and local reform initiatives, transforming modern agencies and bridging older literature on urban governance and city management with recent work on change. Analysis of our empirical data shows that, in recent years, government has realized the urgent need for good urban governance. Despite shifts in the governance regime, increasing erosion of control over agencies, and efforts to incorporate governance into city development, actions still lag behind expectations. Bureaucratic centralization and resistance to granting local authorities greater autonomy has undermined performance, hindering stakeholder involvements and disincentivizing urban governance.

Our findings suggest that links between governance, municipal services and physical planning are alike across all Saudi cities. Good governance applies everywhere. We argue that high-level government commitment to national aspirations will help realize Vision 2030, through good governance. A well-defined institutional framework for high values is essential for reform. As stressed in the literature (e.g. [8,21]), the key means of promoting governance and resolving complexities in public service is a solid legal framework defining responsibilities. This will coordinate public amenity provision for progress monitoring mechanisms. It will expand building capacity, enabling broad participation in local planning decisions and policy formulation regulating urban development through social control over governmental activities.

Our research indicates an urgent need for further empirical studies on the causes of mismanagement of projects in Saudi cities, focussing on challenges and lessons for governing different services, identifying factors that shape provision quality. This will generate comparative analyses between different services and areas, showing similarities and contrasts, exploring where and how progress has been possible. We offer clues for countries of emerging economies, such as the Gulf States, who struggle with administrative and political reforms. Despite limitations, this is a fresh and timely contribution to governance literature. The primary research is robust, raising questions about Vision 2030 in promoting governance and management. This should be read by policymakers and academics.

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تأثير الحوكمة الحضرية على جودة الخدمات والمرافق العامة في المدن السعودية

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المستخلص:
تستعرض هذه الورقة البحثية آراء أصحاب المصلحة الذين يخططون ويديرون عمليات تنفيذ مشاريع الخدمات العامة والبنية التحتية في محافظة جدة فيما يتعلق بالإدارة الحضرية ودورها في الارتقاء بجودة هذه الخدمات. كما تسلط هذه الورقة الضوء على علاقة تقديم الخدمات العامة بجودة عالية بمستوى الإدارة الحضرية، وتؤكد على أن رؤية السعودية 2030 وبرنامج التحول الوطني السعودي يوفران فرصة لإنشاء إدارة حضرية شاملة تساعد على تحقيق الكفاءة والفاعلية في ممارسة أجهزة الدولة لمهامها وختصاصاتها على أكمل وجه وتعزيز نوعية الحياة. كما تظهر النتائج التي توصلنا إليها أن صناعة البناء وعمليات تشييد الخدمات والمرافق العامة تواجه تحديات كبيرة في الوقت الراهن بسبب ضعف الإدارة المحلية بمحافظة جدة. ومن هذا المنطلق تؤكد على أن عملية مواجهة هذه التحديات وتحسين مستوى هذه الخدمات بما يواكب التطلعات والآمال تستوجب تحديد العوامل التي تساعد على الارتقاء بها. كما تؤكد على أنه يمكن تعزيز الإدارة الحضرية من خلال تطبيق مبادئ الرؤية السعودية 2030 التي تهدف إلى تحقيق الحوكمة الشريدة في جميع القطاعات، فيما يضمن استمرارية العمل التنفيذي وملاءمة الأداء وفق أفضل الممارسات العالمية المتبقية.

الكلمات المفتاحية: الحوكمة الحضرية، الإدارة الحضرية، الخدمات العامة، جدة، رؤية السعودية 2030، المملكة العربية السعودية.