

Public Housing Delivery In Nigeria: Problems And Challenges

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Abstract

In Nigeria political, economic, social and environmental factors and the huge foreign exchange accumulated from the rise in oil price in the 1970s have forced previous civilian and military government to intervene in the urban housing crisis. The initial intervention took the form of rent control. The failure and abandonment of the rent control policy led to the policy of public housing production in the urban centres. The debate on public housing programme in Nigeria has been abandoned largely on the guise of the exercise being a luxury, the economic pressure brought about by the structural adjustment programme of economic recovery of the 1990s and the inefficacy of the previous public housing programme

This paper attempts to examine the problem and challenges of public housing delivery in Nigeria. It highlights the nature and dimension of Nigeria's housing problems. The various government responses at solving the housing problems are identified. The achievements of government past housing governments are examined. Finally factors inhibiting public housing delivery and the challenges of housing in the future are presented.

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1. Introduction

Housing is one of the three basic needs of mankind and it is the most important for the physical survival of man after the provision of food. Adequate housing contributes to the attainment of physical and moral health of a nation and stimulates the social stability, the work efficiency and the development of the individuals. It is also one of the best indicators of a person's standard of living and of his place in the society. Housing, both in units or multiple forms is a significant component of the physical form and structure of a community, while the human and family contents of the house is part of the very spirit of life and prosperity of the society (1).

The Nigerian housing question is primarily that of a crisis situation, manifesting and expressing itself in quantitative and qualitative forms. Lack of comfort and rudimentary infrastructure, congestion, unhygienic conditions, high densities and absence of organization make for ghastly experiences shared by the vast majority of the urban population. The spatial product of this problem is not only in the rapid emergence and deployment of slums and squatters of various typologies but in the proliferation of these settlements in the metropolitan suburb (2).

The discussion and debates on the Nigeria housing situation have always been anchored on the need for continuous state intervention through public housing provision in solving the crisis. Public housing provision is not only a social and environmental necessity but also a political and economic approach necessary to support social peace and stable development in the nations of the world.

2. The Nature of Nigeria's Housing problems.

Many renowned scholars of urban science (castells, Burgess, Hall, Turner, Abu-Lughod, Mabogunje and so on) as well as distinguished regional and international organization (United Nations Habitat, World Society of Ekistics, the World Bank etc.) concerned with urbanisation and housing at global levels, have long expressed immense anxieties over the alarming nature and dimensions of the housing problems in the nations of the developing world. Highly recognised among the most crucial corollaries of unplanned and dependant urbanisation is the urban housing crisis pervading the primary and large regional secondary cities of the fast and medium developing categories of the third world nations (Lagos, Rio de Janeiro, Sao Paulo, Mexico City, Cairo, New Delhi, Karachi etc.). This crisis situation in its integrated form has surpassed the terrains of the social sphere, reproducing itself in the economic, political and environmental processes of these nations of the third world, Nigeria not an exemption.

Housing problem has been generally accepted as being diverse and complex. Within the spectrum of this problem, one can identify both quantitative and qualitative deficiencies.(3) identified the major housing problems in Nigeria as that of instability of human needs for housing. This problem is world wide and it is of a recurring nature. In fact it is doubtful if any nation of the world can satisfactorily meet its housing requirements.

In Nigeria, most people live in poor quality housing and in unsanitary environments. This problem of inadequate housing has been compounded by the rapid rates of urbanization and economic growth. Housing difficulties is more serious for the low income groups where problems have been complicated by rapid growth, inflated real estate values, speculative activity, influx of poor immigrants and lack of planning. One can also site the increasingly significant shifts in the form and design of housing from the rooming form to flat and single family house forms as a factor responsible for acute shortage of housing for the low income groups (4).

The problem of inadequate housing is experienced in both urban and rural areas in Nigeria. For example NISER in a study of rural housing in the nine Southern States of Nigeria found that, “the projected demand of housing units on an average of six persons per dwelling unit for the nine states are 5.2 million in 1990, 7.0m in 2,000, 9.5m in 2,010 and 12.7m in the year 2,020. “Other manifests of the housing problem are: high rent in the housing market, inadequate mortgage finance and in accessibility to mortgage loans. These problems have resulted in overcrowding, poor and inadequate social amenities, unsatisfactory and unwholesome environmental conditions and urban squalor, the absence of open space, the over development of land area leading to the overcrowding of buildings, in-accessibility within residential areas, and in the scarcity and high cost of building materials (5).

3. A Review of Public Housing Delivery in Nigeria

State intervention in the form of public housing construction evolved during the period of colonial domination. This policy was exclusively directed at the provision of housing for the white colonial population “settled” in specially protected and developed areas, referred to as Government Reservation Areas (GRAs), “ Prohibited” to the local population, the housing forms and spatial patterns of the GRAs reflected the English nostalgia for the “garden city”.

The post-independence period saw the development and extension of the GRAs and the introduction of special public housing programmes exclusively for the needs of the new national elites in the higher hierarchy of the state apparatus.

In 1962, National Development plans was introduced into the budgeting system of the country instead of the fiscal and sectoral plans, which were previously used. From the first National Development Plan period (1962-68), it was the intention or policy of the government that low, medium and high-income people should benefit from public housing and programmes of governments. However, the first ten years after independence does not have much to say about government efforts in the provision of public housing in Nigeria.

The first National Development Plan (1962-68) mentioned housing as part of industrial estates, Land Acquisition and Town Planning. The plan indicated government’s aim of producing 24,000 housing units during the plan period. Unfortunately, only 500 housing units were built by the Federal Government before the outbreak of the civil war in 1967.

The second National Development Plan ** (1970-74) was unique because government accepted housing as part of its social and political responsibilities. It emphasizes housing provision for all social groups whether displaced or not from the competitive housing market.

To fulfill the aims and objectives of the housing policy, the Gowon Military administration announced the following (1): during second development plan period

- (1) Immediate construction of housing units by the Federal Military and State Military Governments for rent at affordable prices.
- (2) Increase in the construction of houses for government workers. (Though not explicitly spelt out, this implies the senior officials of the administrative mechanism).
- (3) Development and expansion of loans for private housing. (This case favoured the most privileged social group who already had access to the banks through collateral security and employment stability).

- (4) Increase in investment in local production of cement and other necessary building materials. Increase in the importation of cement to supplement the needs created in the housing construction sectors.

In accordance with the public housing policy, 54,000 housing units were programmed for immediate construction between 1972 and 1973. Ten thousand units in Lagos and 4000 units in each of the then 11 state capitals. The Federal Housing Authority was established to directly construct these housing units. The housing volume was distributed as 60% for the low-income groups, 25% for the middle-income and 15% for the high-income social strata (5). However, the capital expected to be expanded on the middle-and high-income housing caused doubts about the amount to be spent on low-income housing.

In 1976, following the military overthrow of the Gowon regime, a reappraisal of the housing policy and the numerical dimension of the construction programmes was made and incorporated into 1975 –1980 National Development Plan. A total of 1.83 billion was allocated to housing during this plan period. The rise in the oil economy and local political pressures influenced this reappraisal. It was stated that:

- (1) The Federal Military Government would build 202,000 housing units per year; 46,000 in Lagos, 12,000 for Kaduna, while 8000 units would be built in the state capitals. The State Government would be directly involved and FHA would provide the necessary infrastructure. (This marked the beginning of the decentralization of FHA to state levels).
- (2) A Ministry of Housing, National Development and Environment with sole responsibility on housing was created. (For the first time, housing is accorded a separate status and liberated from the bureaucracy and financial inadequacy of the ministry of works, to which it was subordinated).
- (3) The additional financing of the Federal Housing Authority in order to directly construct and develop housing estates in various cities of the nation. (This is different from the initial policy line. It recognizes the need for qualitative housing development in the larger secondary but no-primate cities).

The temporary departure of the military from state power and the installation of the Shagari civilian regime saw another reappraisal of the housing programme. This was done under the excuse of the huge economic and financial burden of the numerical dimension of the exercise. However, the new capital, Abuja, was to be rapidly constructed during the same period. The Federal Government, during the 1981 –1985 plan period, was to embark on the provision of 2000 housing units yearly in each of the 19 states of the Federation, without special attention to the cities worst pressed by the housing crisis (e.g. Lagos). About N1.6 billion was allocated to housing.

In 1979, in an apparent reply to the cancellation of the special housing programme for Lagos, the civilian government of Lagos State announced a state housing programme of 50,000 units to be constructed between 1979 and 1983. The 1984 re-arrival of the military witnessed a reappraisal of the housing units to be constructed by the Lagos State Property Development Corporation. Instead of the on-going exercise of 50,000 units, 8000 units with new design models were to be constructed between 1983 and 1986 by the state's military government.

With change of government through a Military Coup in 1986, the public housing exercise was terminated. The Military Government claimed to no longer provide housing for Nigerians on grounds of restraining economic situation. House ownership was left to hard-working Nigerians although efforts were made by the Government to reduce costs of building materials and control land speculations. There is no doubt that this policy deviation placed the urban poor and middle-class in further displacement from the housing market.

With the enormity and perpetual nature of housing problems facing the Country, the Government nonetheless, took another look at housing and thus launched the National Housing Policy in February 1991. This was a comprehensive document aimed at “ensuring that all Nigerians own or have access to decent housing accommodation at affordable cost by the year 2000 A.D.” This goal is consistent with the United Nations resolution of Housing for all by the year 2000 A.D. and thus required that 700,000 housing units be constructed annually in order to meet the target of 8 million units by the target year (2000A.D) in Nigeria. The policy provides for encouragement and promotion of active participation in housing delivery by all tiers of government; strengthening of institutions within the system to render their operation more responsive to demand; emphasizing housing investment which satisfy basic needs; and encouraging greater participation by the private sector in housing development. The policy also suffered major setbacks in its implementation.

It is however important to note that 1994 marked a rethink of the military Government to addressing housing provision. Hence in an address on January 20, 1994 by the Minister of Works and Housing titled “The Beginning of a New Dawn” Unveil a National Housing Programme for 1994 – 1995 to be executed under the Ministry. During the period a total of 121,000 housing were to be constructed for all income groups (i.e. low, medium and high). Priority was given to newly created states. Each of the states is to have 5,000 housing units while the rest and Abuja share 76,000 housing units.

To ensure proper execution of this programme, the Government formed a 16-man committee to study the National Housing Policy in terms of its provision compliance and implementation. The issue of housing finance was addressed through the establishment of the National Housing Fund in 1992 and granted a take-off fund of N250million. Also the Federal Mortgage Bank (FMB) put in place three schemes viz: voluntary, mandatory and budgetary allocations and financial transfer schemes to curb the problem of housing finance.

Under the current democratic dispensation, which started in 1999, the federal government involvement in housing has been in partnership with private developers- a situation which makes one to query the authenticity of government public housing programme.

One initial first step taken by government was the setting up of a 15-man committee to look into the problem of urban development including housing. The committee recommended appropriate framework for housing development among other issues (6). In 2002, the federal Government set up a new Ministry of Housing and Urban Development to deal with housing and urban development. This development demonstrates government commitment to continue to assure a paternalistic approach to housing.

The Government identified under the National Housing Policy a prototype-housing scheme, which was launched in order to increase the nation housing stock. The scheme was on a revolving fund basis and ensures that proceeds from sale of completed units are ploughed back into the scheme.

It is on record that the Federal Housing Authority, which is responsible for implementing Government housing programmes have stated to develop and manage real estates on commercial basis. Within the last two to three years it has completed 500 housing units in Abuja; it has entered into partnership with private developers to complete 1127 units in Abuja and Port Harcourt (6). In Lagos work has resumed at sites, which were previously abandoned – satellite 2 and Agbesian 1 & 4; in other States of the Federation the FHA encouraged the State Government to take over formerly abandoned housing projects in their states.

It is evident that the planning programming and implementation of the public housing policy and programmes suffer grossly from planning inconsistency and organizational structures, due to political instability and an overcentralised mechanism of decision and execution. In Nigeria, governments rise and fall, revolutions come and go, but the mass of urban population will always remain with the housing problem since they are, at present, not in a position to decisively influence the rise or fall of these “interchanging governments”. Organized and consistent approaches, less susceptible to political instabilities are needed to challenge the growing urban housing crisis. Such approaches, which must include mass housing provision, should secure the political support and genuine participation of the needy at local government and mass organization levels, supplemented by an organized system of participatory financing, implementation and management not exclusively dependent on the centre or dictated by it.

4. A Review of Past Achievements of the Government Public Housing Programmes

As mentioned earlier, there was little effort made in the field of housing during the pre-independent era and in fact up to the time of the second National Development Plan Period; except for the central Lagos slum clearance programme and the establishment of government reservation areas housing programmes was low in the priority list of the government in the pre-independence era.

The central Lagos slum clearance programme displaced about 30,000 people despite the 66.6% subsidy on the housing provided for the displaced, very few if any of the displaced people went to live in the houses because of high cost.

During the first National Development Plan period only N39.2 million representing 47% of the N84 million allocated to Urban and Regional Planning was disbursed. Furthermore, the public sector was only able to produce 1.06% of the 24,000 housing units planned for this period

Perhaps, it needs be mentioned too that the former regional governments could not undertake housing scheme on a large scale, even with the establishment of regional housing corporations, because of inadequacy of technical personnel.

The actual achievement of the second National Development Plan in relation to housing was rather low. The plan was only successful in providing.

- (a) Ninety Staff Quarters of various sizes in Lagos area.
- (b) Four Blocks of flats as transit residence for official of the Ministry of external affairs.
- (c) The establishment of the Federal Housing Authority in 1973 charged with the provision of low cost housing across the country and
- (d) The reduction of the interest rate of the Nigerian Building Society from 8^{1/2} to 6^{1/2} %

Essentially, it needs be stated that government effort in the provision of low cost housing in the second National Development Plan Period just like in the first was concentrated in Lagos area. The houses themselves were prestigious housing which would not be tagged public or low income housing as such.

In the third National Development Plan Period, the following achievements were recorded

- (a) The promulgation of the Rent Control edict and the subsequent establishment of the rent control panel charged with the fixing of minimum rent payable on different types of houses.
- (b) In 1975, the anti- Inflationary task force was established to examine the causes, and consequences of inflation as it pertains to housing
- (c) The promulgation of the land use decree to allow for ease of implementing the public housing programme.
- (d) The promulgation of the Rent Control edict and the subsequent establishment of the rent control panel charged with the fixing of minimum rent payable on different types of houses.
- (e) In 1975, the anti- Inflationary task force was established to examine the causes, and consequences of inflation as it pertains to housing
- (f) The promulgation of the land use decree to allow for ease of implementing the public housing programme.

Nevertheless, at the publication of the National Development Plan in 1980, only 26,950 housing units, representing 23.3% of the intended housing for the third National Development Plan Period could be constructed.

Not much was achieve in the fourth National Development Plan either. The available data shows that 26,334 one-bedroom units and 3,449 three bedrooms units had virtually been completed. The same survey shows that 3,924 and 443 units of the two categories respectively were in progress.

In terms of physical manifestation of the entire numbers of houses that were delivered during the plan periods, from 1973 – 1979 only ten thousand housing units were constructed in he Lagos area. About twenty-four thousand units were constructed in the rest of the states. The Federal Housing Authority admitted in 1980 that 19% of the programme was completed in Lagos and 13% in the rest of the Nation (5). The civilian administration before the 1983 military coup claim its executed 20% of its housing programme (about 30 000 housing units). The Lagos State civilian government constructed 10 428 units out of the planned 50 000 units, were as it completed 70% of the housing units meant for the high income groups (Alaka, Opebi, Alapere estates. Some of the reasons given for the low level of housing provision include :poor output of contractors; financial problem arising from current economic situation unresolved problems of compensation for land structure and corps unco-operative attitude of some state governors; abandonment of site by contractors; late or non-availability of land, consultancy problems. These factors, the federal Ministry of Housing and Environment remarked, were reasons why the housing target were not met.

5. Factors affecting public housing delivery in Nigeria.

The provision of housing has for long been seen as a government concern and the Federal Government has tried in different ways to tackle the nation's housing problems. The synthesis of government activities reveals that during the past few years, a series of constructive programme and far reaching actions were taken by the government to combat the housing problem. However, it is a fact that the housing problem is far from being solved, and this can be attributed to flaws in the strategies adopted by the government. Such flaw include:

First, Government's intervention through direct housing construction. Even though the government possesses the resources and executive capacity to embark on direct home construction, it should not have done so given the past experiences of the high cost and slow

pace of construction of government projects. Apart from the fact that the Ministry of Housing and Environment was faced by many constraints which affected its performance level, the houses built were usually very expensive which put them beyond the reach of the low income group, and the houses for did not meet the requirements of the people e.g. providing one bedroom houses for low group when the average family size is put at 6 persons.

Secondly, the adopted practice and system of granting loans makes it difficult for the really low income people to benefit. The bulk of the mortgage loans went to family in the upper class, making it necessary to re-examine the loan policy of the country.

Thirdly, other means of encouraging housing construction were not given adequate attention. For example the government agreed to lay emphasis on the provision of basic infrastructure in various layouts on which individual could build their own houses, but this was not done. Also, cooperative societies were not given much encouragement as planned.

Fourthly, many government housing projects were embarked upon without effective programme of action and appropriate institutional arrangement for their execution. This means that the project lacked adequate and sound planning which led to their failure

Fifthly, there was too much corruption in high quarters. For example, Chief Awolowo alerted the nation to the fraud in the Ministry of Housing and Environment in one of his Campaigns in 1982. He said about N5.4 million was missing, a figure later reduced to N4 million by the minister when he confirmed the said fraud. This shows that money meant for housing project were diverted into private hands thereby allowing the projects to suffer.

Also there is the problem of party politics in Nigeria, and this affected the Federal Housing Project extents. For instance, the uncooperative attitude adopted by some state government were simply because a different party other than their own controlled the federal administration. These states saw themselves as competing with the Federal Government and did all they could to slow down the pace of the Federal Housing Projects.

In summary, one may conclude that lack of financial prudence, public probity and accountability, inefficient and ineffective administrative machinery, mass importation of foreign technology, material, personnel and inflation, as well as incomprehensive analysis of the nation's housing requirement caused the low performance of the public housing programmes.

6. Lessons to be learnt

One important lesson we might get from our experiences is that the Federal Government should not engage in direct housing construction. Studies have shown that individuals build better and cheaper houses and at faster rate than the government agencies. We should borrow a leaf from the U.S.A. where the federal Government responsible for policy formulation and provision of funds for research and matching grants to the states. The Nigerian Federal Government should adopt this stance too.

Another lesson is that the government should encourage the use of local building material for construction so as to reduce building cost. This has been successfully done in countries like Tanzania, and Sweden. Entrepreneurs wishing to go into the production of building material should be encouraged through tax relief and incentives.

Government should promote alternative strategies for house construction. For example, the government might acquire land; lay them out and service them with basic infrastructures before making them available for sale to individual needing them. It is the opinion of the writers that the adoption of the various suggestions made above the housing problems in Nigeria could be successfully tackled and more housing units constructed for the citizen of the country.

Note: Before 1980 1US\$ = 0.65 Naira

Now in 2005 1US\$ = 135 Naira

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