

## **Urban Housing Crisis and Responses in Nigeria: The Planners' View Point**

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### **Abstract.**

The relevance of housing in urban and rural environment cannot be over-emphasised. It contributes to the attainment of physical and moral health of a nation, stimulates social stability, the work efficiency, and the development of the individuals.

This paper attempts to examine the urban housing problem and responses in Nigeria. The paper explores the fundamental root cause of the housing problem in Nigeria. The past and contemporary official responses to the urban housing questions are critically examined. The paper asserts that previous responses to the housing problems had failed in Nigeria largely due to institutionalized mechanisms of decision making and implementation process

Finally the authors posit their viewpoints as a way of solving the urban housing problems in Nigeria

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## **1. Introduction**

In the nation of the Third World where dependent industrialization and unplanned urbanization characterized economic and social growth processes, the urban housing question is over and above all that of a crisis situation. The experiences of dependent growth substantiate the rationale that the housing question and its crisis situation are no accidents of history. The structural determinants and peripheral causal root of this crisis are profoundly established in the systemic peculiarities of past and contemporary directions of growth in the region of the third world. In general, it seems evident that the aggravation of the urban housing problem is mostly a phenomenon originating from the rural regions marked by gross underdevelopment. Many expressed urban functional realities in the third world convincingly indicate that the condition of extreme deterioration and explosive marginalisation, visible in the various urban fabrics particularly in the housing sector, are the culminated products of a structural process, dependency, actuating a marginalisation process emphatic and beginning in the country sides (1).

In essence, owing to the marked imbalance between the few developing areas (the urban) and the many vast underdeveloped regions (the country), and specifically, due to the acute withering away of the latter, considerable groups of rural dwellers have been swept away in recent decades through the continuous process of direct migration to the few and weakly developing regional metropolises of greater economic and production concentrations (1,2). This massive flow of population and the existing poor level of city development and state of unpreparedness create profound disruptions and imbalances within the urban tissues. Simultaneously the inability of the city to integrate or absorb the new population socio-economically and in term of infrastructural provision became apparent and almost “unavoidable”.

Housing the “surplus population” of the city becomes an acute problem and a competitive exercise of multi-dimensional implication manifested in the political, socio-economic and environmental processes. The “order” of this situation is the appearance and proliferation of various substandard shelter system in and around the cities and the deterioration of the existing ones mainly inhabited by the “working masses” this is more so, when a substantial majority of the urban population is economically and socially displaced from the qualitative housing and home - ownership markets. The spatial expression of this situation of displacement is manifested in unorganized housing generically referred to as slum and informal housing areas characteristic of many third world larger cities. Generally, every third world metropolis possesses one or more slums usually reflective of the level and context of the urban housing crisis, the degree of urban social impoverishment and the contradictions in the overall content of the urbanization processes (2).

## **2. The Nature of Nigeria’s Housing Problems**

Housing problem have 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 insatiability 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 inaccessibility to mortgage loans. Those 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, inaccessibility within residential areas, and in the scarcity and high cost of building materials (5).

Having identified the nation’s housing problems, this section will not be complete without a brief mention of the causes of the problem. This is because we believe that housing policies in trying to solve a nation’s housing problem must take into consideration the causes of the problems. Some of the causative factors of housing problems include: natural increase in population due to improve health care leading to a great demand: high rate of rural urban migration; already existing overcrowding in our urban centres; high cost of land, building materials and labour; and lack of dedication to duties, and lack of planning. These factors have combined and acted together to heighten housing needs and problems in Nigeria.

### **3. Government Response**

What has been the response of the government to the housing needs in Nigeria? This will be summarized, under six era – the pre-independence period, the First National Development Plan period (1962-68) the Second National Development Plan Period (1970-74); The Third National Development Plan Period (1975-80); The Fourth National Development Plan Period (1980-85) and Post Fourth Plan Period (1985-1990) and the current democratic dispensation

#### **PRE-INDEPENDENCE (COLONIAL ERA)**

Public Housing in Nigeria evolved during the colonial regime when the colonial administration embarked on the provision of staff Quarters for its staff who could not build their own houses. The type of housing made available by these colonial administrators were usually the type comparable to what exists in their home country. In most regional and provincial capitals both Junior and Senior Staff Quarters were built. The building of these Staff Quarters marked the emergence of what is now called the Government Reservation Areas (GRA). However no effort was made by Governments to build houses either for sale or rent to the general public. State intervention in the form of 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 form and spatial pattern reflected the English nostalgia for the “garden city”

#### **POST INDEPENDENCE 1ST NATIONAL DEVELOPMENT PLAN (1962-68)**

The post- independent period saw the development and extension of the GRAs and the introduction of special public housing programme 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 Plans period (1962 – 98), it was the intention or policy of the

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government that low, medium and high-income people should benefit from public housing and programmes of government. 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 2<sup>nd</sup> National development Plan 70 –74

(1) The Second National Development Plan period (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 aim and objectives of the housing policy, the Gowon military administration announced the following (6) during the 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 spell out, this implies the senior officials of the administrative mechanism).
- (3) Development and expansion of loan 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 material. Increase in the importation of cement to supplement the needs created in the housing construction sectors.

At the completion of the plan period government was only able to produce

- (a). Ninety Staff Quarters of various sizes in Lagos area.
- (b). Four Blocks of Flats as transit residence for officials of the Ministry of External Affairs.

Perhaps, it is pertinent to mention at this point that government's efforts in providing public housing during the first and second plan period were concentrated in Lagos. The houses themselves are prestigious housing, which could not be tagged public housing as such.

### **The 3<sup>rd</sup> National Development plan (1975 – 80)**

The third National Development plan period started what could be regarded in reality as the emergence of public housing. It was at this period, that the federal government published a document referred to as the National Housing Policy for the country. During this plan period, and as usual, government made policy statement on the need to bring relief especially to the low-income groups, by obtaining a situation where no urban worker pay more than 20% of his income on house rent.

A total of 1.83 billion Naira was allocated to housing during this plan period. 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 Nation Development Plan. 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 the Federal Housing Authority (FHA) would provide the necessary infrastructure. (This marked the beginning of the decentralization of FHA to state level).
- (2) A Ministry of Housing, National Development and Environment with sole responsibility on housing would be created. (For the first time, housing was accorded a separate status and librated 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 to directly construct and develop housing estate in various cities of the nation. (This was 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 in starting with this plan period involved itself in direct housing construction through the Federal Housing Authority that sees to the issues of land acquisition, land clearance, selection of contractors, award of contracts and monitoring of the Federal Government Housing Programmes.

A total of 200, 000 housing units were planned to be built within a period of five years in all states of the Federation at 40,000 housing units per year. To allow for cheap housing cost and the provision of adequate building materials, the federal government pegged the price of cement in 1975. Also in 1975, an anti-inflation task force was set up to examine the causes, and consequences of inflation, as it pertains to housing. However, large scale as the government housing programme has been, it is inadequate, because the proposed 200,000 housing units during the third National Development Plan is only 22% of the projected – a shortage of 67,316 housing units at the end of the plan period (7). In terms of achievement during this plan period less than one-eighth of the housing were actually built.

#### **The Fourth National Development Plan 1981-85**

- (1) The fourth National Development Plan emphasised among other things the need for balanced development of the different sectors of the economy and of the various geographic areas of the country. To this effect, housing received more commitment on the part of the Federal Government and state Government through massive investment in the housing sector during this plan period
- (2) The Federal Government committed N1.6 Billion to the housing sector during the fourth National Development Plan Period (1980-1985). Note should be taken that the fourth National Development Plan Period coincided with the brief Civilian rule.

Among the housing programmes were:

- (a) Direct construction of 200,000 houses during the Plan period;
- (b) Provision of Staff quarters and Staff housing loans to Government employees;
- (c) Pursuit of site and services programmes
- (d) Urban Development in cooperation with the World Bank and the State Governments.

Similar to the Federal Government, the State Governments also allocated N1.1 Billion to the housing sector during the Plan period thus adopting the direct housing construction, staff housing loans, site and services scheme and mortgage lending approaches.

#### **Post Fourth Plan Period (1986-1998).**

With the change of government through a Military Coup in 1986, the mass 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 the 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 (2000 A.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” unveiled a National Housing Programme for 1994-1995 to be executed under the Ministry. During the period a total of 121,000 housing units were to be constructed for all income groups (i.e. low, medium and high). Priority was given to the newly created States i.e. each to have 5,000 housing units while the rest and Abuja share 76,000 housing units according to the then estimated demand.

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 N250 Million in October of that year. Also the Federal Mortgage Bank (FMB) put in place three schemes viz; voluntary, mandatory and budgetary allocation, and financial transfer scheme to curb the problem of housing finance.

#### **The democratic Dispensation (1999 to date)**

Federal Government involvement in housing within the last six years shows that at the very least government has a significant contribution. One initial first step was to set up 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 (8). Already, the Government has set up a new Ministry of Housing and Urban Development to deal with housing and urban development which demonstrates government’s commitment to continue to assume a paternalistic approach to housing.

Government identified under the National Housing Policy a prototype housing scheme which was launched in order to increase the nation’s 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.

Government also has four parastatals directly involved in housing viz, Federal Housing Authority (FHA), Federal Mortgage Bank (FMB), Federal Mortgage Finance Limited (FMFL), and the Urban Development Bank (UDB).

It could be recorded that the Federal Housing Authority, responsible for implementing Government housing programmes by developing and managing real estates on commercial basis, has within the last two to three years completed 500 housing units in Abuja; it has entered partnership with private developers to complete 1,127 units in Abuja and port Harcourt (8). In Lagos, work has resumed at sites, which were previously abandoned – satellite 2 and Agbesian 1&4; In other States, the FHA encourages State Governments to take over formerly abandoned housing projects in their states. The Financial institutions have been working hard on housing provision granting loans, mortgage, etc. to people to build houses.

The Urban Development Bank in 2001 expended over N10 Million towards the implementation of some 23 projects which cover housing, markets and motor parks, upgrading of roads, development of cultural sites, and the construction of shopping complexes (8).

## **4. Flaws in the strategies for solving the Housing Crisis**

The review of government activities in housing provision was made to highlight the nature of responses to the nations housing problems. The numerical dimension of the national and state housing programmes was very ambitious.

However, the Nigeria Government (federal and States) should be commended for their interest in housing provision.

Unfortunately, in terms of physical manifestation the entire programme fell grossly from the target. Ridiculously, from 1973 to 1979 only 10,000 housing units were constructed in Lagos and about 24,000 units 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 claimed it 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 whereas it completed about 70% of the housing units meant for the high-income groups (Alaka, Opebi Alapere estates). The 1984 military administration of Lagos State completed 200 units out of the programmed 8000 for 1983-1986. The story of serious short fall from planned targets for housing could continue like that without end. The question then is why did the government responses fail to solve the housing problems especially in their numerical dimensions? The reasons were simply because some of the strategies had flaws. Attempts shall be made to identify such flaws as a pre-condition for drawing lessons for the future.

### **1, Mass housing/ direct housing**

Flaws in the housing policy and programme include inconsistent and organizational structure as a result of political instability and over centralized mechanism of decision and execution.

Factor such as price of housing units; location; value and taste; cost of building materials; and poor/substandard construction are further identified to be root causes of the very minimal and disappointing achievement of the urban Housing provision.

Houses built by the Federal Government and the State Housing Corporation that are meant for the low-income group (i.e. low cost housing) are very expensive and far from the financial reach of the low income earners.

Location of many of the housing units especially the Federal Units were outside the functional and active boundaries of the cities. The locations reflect lack of coordination and contravention from the existing residential transport, social and economic patterns of the cities where the units were built. Ibadan, Ondo, Akure, Ife and Osu are striking examples.

In the housing delivery system, the standard of space and quality adopted was too high and the material components of the building i.e. room size, finishes, etc. were of middle level taste as in the case of low cost housing. The high standard of taste consequently hindered housing provision in numerical terms.

Furthermore, high inflation and subsequent high cost of building material serve as militating factors against urban housing provision.

The poor performance of indigenous contractors posed a serious problem to housing delivery. Houses were often poorly constructed.

### **2, Land Inadequacy**

The practice and system of granting loans tend to dissuade the low income people from benefiting. Only the higher income group has access to loan facilities.

### **3, Inadequate Attention to Other Solutions**

There are other means of encouraging home construction, e.g. site and service scheme, core housing scheme etc, apart from direct housing construction. Attention in this regard was less during the National Develop Plan periods.

#### **4, Ineffective Programme of Action and machinery**

Many government measures introduced in the past were not accompanied by effective programme of action and appropriate institutional arrangement for their execution. For example, the Anti-Inflation task force made a number of recommendations on the housing problems which were not implemented. Examples of recommendations that were not implemented include the cheap land, especially for the poor, and the provision of locally produced building materials at affordable prices.

#### **5, Narrow Conception of Housing Need**

Adequate attention was not placed on housing quality and other aspects of housing need in the periods before the 1990s. Housing need in Nigeria is reflected in the socio-cultural group in the country and therefore varies with each ethnic group. The focus of housing programmes in the past particularly the low-income housing has not adopted the broad interdependence of housing need.

#### **6, Inadequate Data Base**

Housing need is the extent to which the supply of adequate housing falls short of the demand of household in terms of their psychological and physiological needs (5). Data needed to establish housing need in the Country is inadequate. In general the Country lacks reliable comprehensive up-to-date data base on housing.

#### **7, Politics**

Politics played a major role in hindering housing delivery in the Country as politicians at Federal and States manipulate or influence housing programmes to suit their selfish interests. Housing programmes were executed without any reference to planning. Evidence is the location of many housing estates around the Country with a minimum of 3km from the cities. Contracts for housing projects were and are awarded on political basis.

#### **8, Neglect of the Rural Majority**

Public attentions regarding housing were been directed towards the Urban areas almost to the exclusion of the rural communities. Government more or less adopted a nonchalant attitude to understanding the problems of housing thereby not carrying for the rural communities

The National Housing Policy, which was launched in 1991, too, has fallen short of expectation. It has been nearly six years since the targeted year (Housing for All by the year 2000) elapsed, but the manifestation of housing problem is even more severe.

The policy is more or less silent on the incorporation of the private sector in housing provision. The government assumes a paternalistic role in housing provision as far as the objectives of the Policy are concerned; and this is a major set-back to the actualization of the housing goals in economic terms. There is also the issue of poor citizen participation and lack of clarity about conditions pertaining to activities of investors and developers. The general participatory approach of the Policy does not carry the people along in its inception, planning and implementation stages but rather imposes on the citizens

Deregulation of prices in the housing sector has been harmonized in the context of the National Housing Policy. Excess prices for housing whether provided by the public and /or private sectors, are on the increase. The price tag (in millions) of new housing schemes in Lagos and Abuja further demonstrates the outrageous and expensive trend of housing provision. There is also politicization in housing delivery as it has serious effect on the actualization of the National Housing Policy's goals. Often the units provided are hijacked by the rich and political giants. Lack of funds for maintenance, repair, modernization and reconstruction has in a way handicapped the National Housing Policy in achieving its goals.



## 5. The Way Forward

The following are suggested ways of solving the housing problems facing the Country-

(i) Solution to the all-prevailing problems of housing cannot be achieved outside a buoyant economy. There is need to remodel the economy of the Nation. Diversification is needed so that revenue sources can be varied. The Nigeria economy must be re-structured to encourage a fiscally strong economy where private entrepreneurs and mortgage institutions can freely operate. The people should be empowered economically.

(ii) There is need to review the National Housing Policy in term of learning and making correction from its pitfalls. The remodeling of the housing policy should adequately focus on housing for all. Deregulation of prices should be strongly emphasized in the remodeled policy.

(iii) Process of establishing housing estates without situating and integrating them within the overall urban master plan, should be faulted. In cases where there are no master plans, relevant governments should ensure that master plans are prepared so as to foster orderly development. New housing scheme must be located in consideration of the work place, existing or proposed transport system, availability of water, electricity and other infrastructural facilities in order to meet the needs of the people.

## 6. Conclusion

Our action here is not to characterize all the faults in the nations responses to the housing needs of its people. An attempt is made to highlights the flaws made in meeting the quantitative and qualitative housing needs of the Nigerian people.

Nigeria cannot stand aloof to the golden responsibility of standing up to the needs of her estimated 120 million people. From the discussion presented, it is arguable that the Nigerian housing crisis is not deficient of solutions in practical and theoretical terms. The question does not seem to rest anymore in the search for effective, feasible and viable policies. Where the thrust of the issue lies seems to be in the political will, economic determination, organized and democratic approaches in the resolution of the housing crisis. The indispensability of state intervention must be emphasised. This becomes crucial so long as the private sector are still at their nascent stages of development.

They lack the necessary capital, organisational and practical experiences, economic foresights and interests, as well as the moral obligations and class political awareness needed in housing intervention. Organized state intervention is viable. The closer the solution are to the prevailing national realities the more positive the result of chosen policies in urban housing development in a dependent economy like Nigeria.

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