

Sustainable Housing Delivery through Public-Private Sectors Partnership in Ikorodu Local Government Area, Lagos State

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ABSTRACT: Housing sound as a universal interest of human being which is an economic resources providing space for production and access to income earning opportunities. It is one of the essentials of life, but it constitutes one of the major problems in the developing urban cities. The Nigeria government has tried all attempts to address urban housing challenges but rapid increase in urban population growth had been one of the major problems facing housing stock. Ikorodu Local Government Area with its growing population was studied to gauge the performance of the Public-Private Sectors Partnership in Sustainable Housing delivery. The aim of the research is to assess the performance and impact of Public-Private Sectors Partnership in Provision of Housing delivery. The study involved primary data that was collected through observation, oral interview and questionnaire to get information from beneficiaries of the Housing Estates as well as the Public and Private Developers. Secondary data were sourced from relevant textbooks, journals and the internet. The collected data was subjected to descriptive and inferential statistics analysis. The study revealed that sustainable housing delivery suffered various setbacks such as inadequate supply of land by government due to Land Use Act, high price in building materials, inadequate fund to execute construction works, insufficient labour (skilled and unskilled) in the study area. Infrastructural facilities such as electricity, pipe borne water, drainage were lagging behind in some of the housing estates and which were supposed to be in place for the betterment of beneficiaries. It is recommended that government should come out with policy guidelines for a sustainable housing delivery through public-private sectors partnership in the country.

Key words: Housing, Sustainability, Housing delivery, Public-Private sectors Partnership, Development.

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I. INTRODUCTION

The need for housing is of universal interest to mankind. That is why housing is a part of the United Nations Universal Declaration of Human Right (1998), which endowed every citizen of every nation with right to housing. The international convention of economic, social and cultural right also endorsed this as part of basic human need. The house is an economic resource providing space for production and access to income earning opportunities. According to Nubi (2008), houses are the direct expression of changing values, images, perceptions and way of life, as well as indicators of a person's standard of living and his or her place in the society.

Housing delivery is one of the major problems confronting the under-developed world. Severally, housing policies are put in place but the unit of housing cannot be delivered. Not only is the population growth rate outweighs the rate of housing provision, the actual housing delivery processes are more often than not over-ambitious to the extent of not being sustainable. This problem has remained absolutely intractable in Nigeria. Unfortunately, the United Nations Human Settlement Programmes seem to have created more problems than solving them.

Institutional framework, from the structure of the entire housing delivery system and within which housing policies are implemented has greatly influence the success of housing delivery. Institutional roles begin at the initial stage of policy development and continue through to implementation, monitoring and review stages.

The New Housing Policy of the Federal Government of Nigeria in consonance with the United Nations 'Agenda 21' advocated the need for private sector partnership with the public sector in housing delivery. The increasing involvement of the multi-national companies in the private sector partnership of housing provision and delivery in Nigeria is getting more and more uncomfortable for the national economy. For any success to be recorded, the active involvement of the populace would be most desirable. The government's involvement should be limited to site and services level.

In Nigeria, both the government and private sector are responsible for housing delivery, but despite federal government access to factors of housing production, the country could at best expect 4.2% of the annual requirement. Substantial contribution is expected from other public and private sectors. The production of housing in Nigeria is primarily the function of the private market; approximately 90% of urban housing is produced by private developers. Due to housing demand created by rural-urban migration, which account for 65% of urban population growth, the fixed supply of urban land, and inflation of rental and housing ownership cost (Taylor, 2000).

Challenges for public private partnerships in housing are vary, depending on the country's level of understanding and development in using the partnership models. The common public private partnership challenge is, mistrust between the partners. The governments at various levels found that aligning goals and maintaining a healthy level of trust is difficult to achieve and maintain throughout the project's entire life-cycle. This is particularly the case for subsidy-driven urban projects where additional and continuous government funding is needed to deliver basic services to the poorest segments of a country's population. In this circumstance, reasonable margins of profitability for the private partner can be harder to measure and goals can become even more difficult to join.

The solutions provided against these challenges are a variety of approaches that illustrate the possible power-sharing and decision-making arrangements. A partnership with the private sector can fall under a consultative approach where by the government seeks out expert advice from the private sector or community groups.

According to Akinlusi (2007), Union Homes a subsidiary company of Union Bank of Nigeria Plc is Nigeria's leading mortgage finance institution. Since its inception in 1994, it has continued to excel in its operations in Nigeria's housing sector. Union Homes provides mortgage finance services, builds estates, funds estate developers and estate development, supports investors in housing schemes even at state government levels, and purchases houses and estates for resale to corporate and private customers within and outside Nigeria.

Public-Private Partnership describes a spectrum of possible relationships between the public and private sectors for the cooperative provision of infrastructure services. Largely championed by the World Bank and UNCHS, Public-Private Partnership is a form of neo-liberal ideology of market economy which re-defines the roles of the state from infrastructural provider to that of an enabler and regulator (UNCHS, 1990; Adedeji, 2005). The essential ingredient is some degree of private participation in the delivery of traditionally public domain services. Today, Public-Private Partnership is widely accepted as the framework "for resolving the needs/demand gap in the shelter provision" (UNCHS, 1990; UN-HABITAT, 2006). Consequently, Public-Private Partnership is promoted by UNCHS, governments and International agencies as an effective vehicle for service delivery (UNCHS, 1990). But this remains just an idea without the necessary researches to determine whether the people can afford what the partnership would provide.

II. CONCEPTUAL FRAMEWORK AND LITERATURE REVIEW

2.1. The concept of participatory development

The concept draws largely from the works of NISER (2003) and Ariyo (2005). According to the authors a more satisfactory conception of participatory planning situates within a people-centre development which is demand driven. This is based on the dynamics, perceptions, priorities, capabilities and resources of the dialogue among the various stakeholders. This implies negotiations and deliberations rather than dominance by an actor or a group of actors in the economy. In this regards, every participant in the economy becomes an actor instead of being simply a beneficiary. The concept of participatory development is said to be anchored on both the utilitarian (instrument) and moral (final) paradigms, beyond the gains in effectiveness and efficiency that derive from people's participation in decision making. The utilitarian argument can be formed in general terms.

The state and the market have their limits as mechanisms for organizing society and the economy. In this regards, people and groups are given a stronger role and rights which can help to make up for market and government failures. Genuine participation in everyday economic and social activities is a major dimension of human, legal and political rights.

There are three partners in the development process. These are: Governmental (public sector), Business (Private sector) and the civil society (people). The role of government is to facilitate the partnership and coordinate the entire process of partnering. This involves synthesizing the divergent demands from the partners and coalescing them into distinct implementable policies. The public sector is also expected to create incentives for entrepreneurial endeavours as well as provide functional infrastructure. On the part of the private sector, they lead the way in terms of investment and production activities while the civil society supplies labour and market goods and services.

2.1.2 Concept of public/private partnership to urban housing

Partnerships have been used with great success to construct and maintain low-income housing in developed countries such as the United States of America, Australia, Ireland and the UK. The Public/Private Partnership approach to housing projects in these countries has included a joint venture where the private and public sectors jointly finance, own and operate a housing project where risk is shared according to predetermined contractual provisions (Moore, 2000). This allows the public authority to have control over the planning and development stages of the partnership while making the partnership model. The public sector typically contributes significant funds for the project for the use of the private sector's resources and expertise in construction and design.

These are important tools for low-income housing projects that depend on some form of public subsidy to keep prices at affordable levels. In a number of developing countries across Asia and Africa, Public/Private Partnership is beginning to emerge as the prominent approach to urban housing policy. A distinction was made with wealthier countries where affordable housing success has been primarily based on a significant level of government subsidy used to keep housing costs as low as possible.

2.2 Literature review

Housing, one of the basic necessities of life believed to be among the human problems that continue to persist and remain virtually insoluble in spite of the close attention paid to it. According to Raji (2008), it is one of the most universal basic needs of human being. Housing was ranked second to food as man's most essential need. Thus affordable and good housing constitutes a critical condition for the physical, psychological, social and economic well being of human being. He also described it as "the stimulant of the national economy". Housing has been described as the most basic human need with a profound impact on general well-being of people. It contributes to the development of a country and enhances the efficiency of labour. Housing in its ramification is more than mere shelter since it embraces all social services and utilities that make a community or neighbour a liveable environment (Ebie 2004).

Aluko (2002), defines housing as one of physiological means of human being. It is a residential environment with all auxiliary services like electricity supply, sanitary services and other infrastructural facilities that makes housing to be functional, economically and socially acceptable. Nubi (2000), viewed housing to be product and process of a thing that people needs and put them into action. He continues his explanation that it is a product in the sense that materials can be used as shelter which means its physical environment. Agbola (2003), blamed the chronic shortage of inevitable resources in housing on the competition offered by other sectors of the economy which apparently are more remunerative and hence more attractive in monetary terms to investors.

The National Housing policy ((FGN, 2004) is the instrument that governs the activities of the three tiers of governments in Nigeria as well as private individuals. This has its ultimate goal to ensure that all Nigerians owns or have access to decent housing accommodation at affordable costs by the year 2000 A.D. in order to achieve this goal, the following objectives were pursued:

- i. To encourage and promote active participation in housing delivery by all tiers of government.
- ii. To strengthen institutions within the system to render their operations more responsively to demand.
- iii. To emphasise housing investments which satisfy basic need of the people.
- iv. To encourage greater participation by the private sector of the economy towards housing development.

According to Calabrese, (2008), Public-Private Partnership can be described as a co-operative between the Public and the Private sector, In which the government and the private sector carry out a project together on the basis of an agreed division of tasks and risks, each party retaining its own identity and responsibilities. The interest in Public-Private Partnership is growing, notably due to the growth in the demand of infrastructure, limited public funds to meet current and future needs and acceptance for the private sector in the provision of infrastructure. The principle behind Public-Private Partnership sector is that the public sector may need to be responsible for the delivery of a particular services, it does not have to be responsible for actually providing the service or for undertaking the investment themselves. (Deloitte 2006).

Public infrastructural projects have always been undertaken by the private sector under contract. The major difference between this conventional procurement model and Public-Private Partnerships is the fact that the private sector can be regarded as a full-fledged actor. Public-Private can take many forms from simple commercialization to full privatization, but in general Public-Private Partnerships can be considered as long term agreements between the public and the private sector to provide and operate transport infrastructure and services.

Public-Private Partnership aim in housing delivery is to enhance the productivity of the housing sector, increase housing affordability and improve access to basic infrastructure and social services. Ikpeazu (2004) stressed that in order to attain the desired outcome for Public-Private Partnership, the perception of the housing

sector as a vast arena of social problems and a drain on the economy must change. Housing must be seen as an important economic sector with crucial linkages to the overall economy of a nation. The housing sector is a key component of the economy. It is typically the largest single form of fixed capital investment, in most economies.

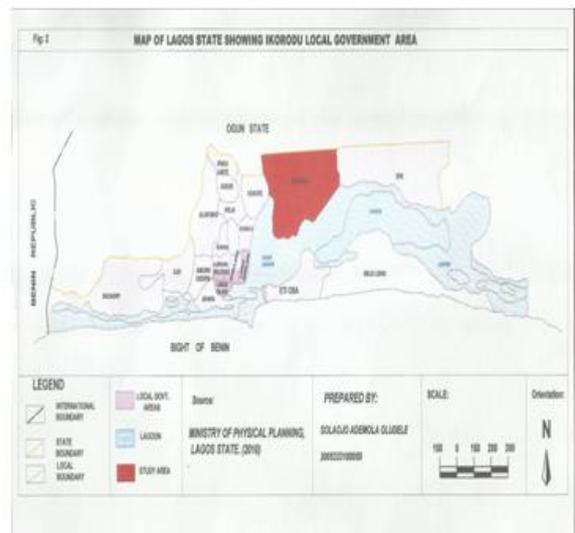
2.2.1 Potential benefits of public-private partnership

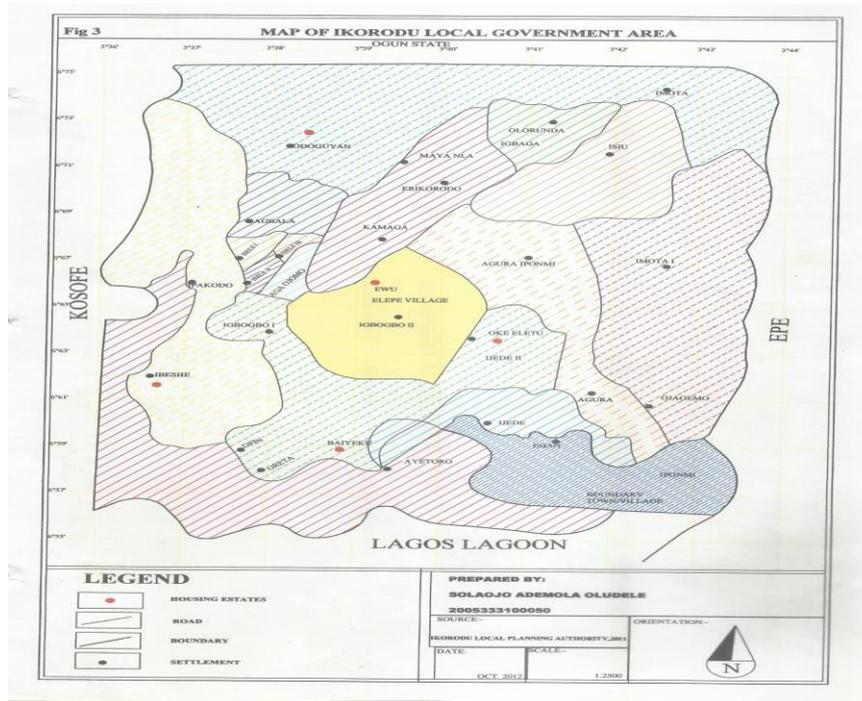
According to the World Bank (2014), the financial crisis of 2008-2011 has brought about renewed interest in Public-Private Partnership in both developed and developing countries. Facing with constraints on public resources and fiscal space, while recognizing the importance of investment in infrastructure to help their economies grow, governments are increasingly turning to the private sector as an alternative source of funding to meet the funding gap. While recent attention has been focused on fiscal risk, governments look to the private sector for other reasons:

- Exploring Public-Private Partnerships as a way of introducing private sector technology and innovation in providing better public services through improved operational efficiency.
- Incentivizing the private sector to deliver projects on time and within the budget.
- Imposing budgetary certainty by setting present and the future costs of infrastructure projects over time.
- Utilizing Public-Private Partnerships as a way of developing local private sector capabilities through joint ventures with large international firms, as well as sub-contracting opportunities for local firms in areas as civil works, electrical works, facilities management, security services, cleaning services, maintenance services.
- Using Public-Private Partnerships as a way of gradually exposing state owned enterprises and government to increasing levels of private sector participation. And structuring Public-Private Partnerships in a way so as to ensure transfer of skills leading to national champions that can run their own operations professionally and eventually export their competencies by bidding for projects or joint ventures.
- Supplementing limited public sector capacities to meet the growing demand for infrastructure development.
- Extracting long-term value-for-money through appropriate risk transfer to the private sector over the life of the project from design or construction to operations.

III. STUDY AREA AND METHOD

The study area is Ikorodu Local Government area of Lagos State with its headquarters in Ikorodu, have a distance of 36km north of Lagos State along the lagoon. It is located between latitude 6° 36’ North of the Equator and longitude 3° 30’ East of the Greenwich Meridian. It shares boundary with Ogun State in the north and lagoon in the south and have a population of 535,619 (NPC 2006). The Local government comprises of major towns such as, Ikorodu, Ijede, Igbogbo, Imota, Ibeshe among others, The local Government has a large industrial areas as well as a seaport, hence the relative closeness to sprawling Lagos Conurbation makes it the fastest growing exurb near Lagos metropolis .All these made the local government to witness rapid population growth and physical development. The consequences of this like any other urban centres is the development and cropping up of various infrastructural facilities especially in the area of housing and which are of course not ever in commensurate with the level of urbanization process in the local government area.





Source: Ikorodu Local Planning Authority, 2015

The data for this research were collected from two main sources; namely primary and secondary. The primary data which is first hand information involved the researcher going on field survey by randomly distributed 165 questionnaires across the six (6) housing estates within the study area. These are: Lagos homes Ibeshe 288 units, Lagos homes Igbogbo 288 units, Oba Adeboluwa housing estate 342 units, Odonla housing estate 460 units, Suru (Garden) Ibeshe 132 units, and Agbowa housing estate 136 units. There are 1646 housing units in all the six housing estates. Therefore 10 percent of housing units in each estate were randomly surveyed. In all a total number of 165 housing units were sampled within the six housing estates in the study area.

The secondary data were Information sourced through relevant textbook, available materials in the library, internet, journal papers presented and public lectures including the various ministries such as Lagos State Development Property Corporation (LSDPC), Lagos State Ministry of Housing and other publications by corporate bodies and individuals relating to housing delivery.

In the process of analyzing the data, descriptive and inferential statistics were used in the evaluation of the data collected respectively. The frequency distribution was used to examine the trends of housing delivery in the study area.

IV. RESULT OF FINDINGS AND DISCUSSION

The result of findings are presented under the following major sectors namely: the socio-economic background, forms of housing delivery system and assessment of housing delivery **Socio-economic background:** The breakdown of the age structure of the respondents of all the estates surveyed in the study area reveals that most of the respondents were between the age brackets of 35 and 50 years with 51 percent while those above 65 years recorded the lowest percentage of 16 percent.

Table 1: Age structure

Age	Frequency	Percentage
20 – 34	15	9
35 – 50	84	51
51 – 65	40	24
Above 65	26	16
Total	165	100%

Source: author's fieldwork, 2015.

Available data in table 2 below clearly showed that majority of the respondents have tertiary educational background and are in public service. This closely followed by the self employed. This also revealed the greater the proportion of a population in an estate that is well educated, the better will be the quality of the living environment.

Table 2: Educational status

Educational Status	Frequency	Percentage
Primary School	15	9
Secondary School	33	20
Tertiary	117	71
Total	165	100%

Source: author’s fieldwork, 2015.

The result from table 3 below reveals that 60% of the respondents were in public service followed by self employed with 40% within the study area.

Table 3: Occupational status

Occupation	Frequency	Percentage
Public Servant	99	60
Self employed	66	40
Total	165	100%

Source: author’s fieldwork, 2015.

The result in table 4 below reveals that majority of the respondents (38%) earned between ₦50,000-80,000 per month. 15% of the respondents earned between ₦20,000- ₦50,000 per month while ₦80,000-100,000 and ₦100,000-150,000 with 15.0% and also above ₦150,000 with 5.0% within the study area.

Table 4: Income per month

Income per month(₦)	Frequency	Percentage
20,000 – 50,000	25	15
50,000 – 80,000	62	38
80,000 – 100,000	45	27
100,000 –150,000	25	15
Above 150,000	8	5
Total	165	100%

Source: author’s fieldwork, 2015.

Forms of housing delivery system: This section deals with the types of housing units available, mode of purchase and assessments of housing units purchased.

Table 5 below revealed 3-bedroom flat is most common in all estates surveyed within the study area. As indicated in Table 4, the type of housing unit procured by majority of the respondents were 3 bedroom flat with 44% followed by 2 bedroom flat 41% and duplex with 15.0% within the study area.

Table 5: Types of housing unit purchased

Housing Unit	Frequency	Percentage
2 Bedroom Flat	68	41
3 Bedroom Flat	72	44
Duplex	25	15
Total	165	100%

Source: author’s fieldwork, 2015.

Table 5 below indicates that 39% of the respondents are outright owner of the housing units while 61% have leasehold housing unit within the study area.

Table 5: Mode of purchase

Mode of purchase	Frequency	Percentage
Outright purchase	65	39
Leasehold	100	61
Total	165	100%

Source: author’s fieldwork, 2015.

Table 6 below revealed that the respondents were satisfied with the location with 85% while 15% are not satisfied. On the price of housing unit, 73% are satisfied of the while 27% were not satisfied with the prices. With respect to availability of in-house facilities, 88% were satisfied while 12% were not satisfied. In terms of accessibility of housing units 73% are satisfied while 27% were not satisfied. This reveals that the road condition of the estates was of good condition for movement. It was revealed that there were adequate educational facilities within the estates. The schools were owned by private individuals but the case of health facilities and shopping facilities was different because there were few within the estates of the study area. With respect to drainage system, 86% were satisfied while 14% were not satisfied. In terms of refuse collection, 91% of them were satisfied while 9% were not satisfied. This reveals that the refuse collection points were located outside each housing unit of the estates in respect of plastic drums or iron drums. This indicated that the refuse collected were disposed by the Lagos State Waste Management Agency (LAWMA) operators.

Table 6 Assessment of acquired housing unit

Assessment Variable	frequency		total	Percentage		total
	satisfactory	Not satisfactory		Satisfactory %	Not satisfactory %	
Location	140	26	165	85	15	100%
Price	126	45	165	73	27	100%
Aesthetic	139	26	165	84	16	100%
In housing facilities	146	19	165	88	12	100%
Access to the house	120	45	165	73	27	100%
Availability of education facilities	128	37	165	77	23	100%
Availability of health facilities	136	29	165	82	18	100%
Availabilities of shopping facilities	129	36	165	78	22	100%
Drainage	142	23	165	86	14	100%
Refuse disposal	150	15	165	91	9	100%

Source: author’s fieldwork, 2015.

V. DISCUSSION OF RESULT

Findings from the study revealed that public private sectors partnership initiatives in housing delivery has reduced the housing shortage in the study area, thus resulting to increase in home ownership tremendously.

The fact that the majority of the respondents are public servants (high and medium income earners) made it possible for them to have easy access to cooperative societies where they borrow money to own houses of their choice at their convenient through the public – private sectors initiative. The types of housing units provided by them were mostly two and three bedroom flats bungalows.

Funds for execution of these projects were also sourced mainly from Public-Private Sectors Partnership who relies on commercial banks, Federal Mortgage Bank and Primary Mortgage Institutions. They relied on profits that were made from the sales of the housing units. Some of the financial constraints identified include, delay in payment by clients and delay in loans from financial institutions as well as high interest rates on loans.

The perception on land reveals that land availability constituted little or no problem, but land accessibility, prices, registration, approvals and processing, especially obtaining Certificate of Occupancy constituted some of the problems face by the initiators.

It is important to note that high cost of building materials as well as inadequate professionals constitutes constraints against the success of the private sectors in sustainable housing delivery in the study area.

VI. CONCLUSION AND RECOMMENDATIONS

It is realized that Public-Private Sectors Partnership is making impacts in the study area in terms of housing delivery which could be better improved. As a matter of fact, the initiatives of the private sectors will go a long way to eliminate the problems of land speculators in the study area and increase in provision of housing units to meet the housing demand of the populace.

It is therefore recommended that there would be improvement of the activities under the Public-Private Sector Partnership towards a sustainable housing delivery in Ikorodu Local Government Area if the following recommendations are adhere to:

- The Housing and Urban Development Policy should be implemented and made effective by regular monitoring of the implementation process.
- Various agencies in the building industry should be encouraged by providing effective and conducive environment for housing.
- The issue of building materials should be addressed so as to encourage use of local building materials. This could be through loan for operation, special tax relief and special tariffs to enable them import machineries for their operations.
- The Land Use Decree of 1978 should be reviewed and the procedure for acquisition and registration should also be less costly.
- Developers should not be only concerned with provision of housing units but to give consideration to neighborhood facilities in order to enable beneficiaries maximize returns on their houses.
- There is need to improve the state of quality and cost of construction in sustainable housing delivery.

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