

# An Assessment Of Public Housing Delivery System In Ogun State, Nigeria

**Orekan, Atinuke Adebimpe**

Department of Estate Management,  
College of Environmental Sciences,  
Bells University of Technology,  
Ota, Ogun State, Nigeria.  
tinuorekan33@gmail.com  
+234 (0) 706 649 7858

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## ABSTRACT

This study acknowledges the importance of housing in Nigeria and the various housing strategies formulated by Ogun state government in solving housing problems and several efforts been made till date. But it seems that much has not been achieved in terms of availability of affordable housing. The common slogan then in 1991 during the military era, "Housing for all by the year 2000" appears to be a mere illusion and up till now, the dream is yet to come true. This study examines the strategies in place for the provision of affordable housing in the state and their failures. To achieve this, seven (7) questionnaires were administered to all the senior cadre staff in Estate Department. An in-depth interview was also conducted with the head of Estate Unit of Ogun State Housing Corporation, Abeokuta. It was revealed that Ogun State Housing Corporation has five (5) basic public estates in which allocation is made to public. It was also noted in this study that this agency (OSHC) is tilted to profit making instead of social welfarism. This has made housing less affordable to the low and medium income earners. The paper therefore recommends that government should have a direct participation in housing delivery both in the urban and rural areas to reduce rural urban shift and also make credit facilities available to private investors.

**Keywords:** Housing, Housing problems, Housing affordability, Ogun State Housing Corporation.

### 1.0 Introduction:

Shelter, one of the basic necessities to human existence cannot be undermined. Provision of affordable houses has been a major task facing Nigeria government despite the fact that it is part of their agenda at the beginning of their tenure. The availability of housing stock could determine the wealth base of any nation. Nubi, (2010) discussed that the housing market has contributed a significant proportion of the GDP. He further showed that residential mortgages alone contribute over 87% of the GDP in Denmark and 71% in the USA. In the UK it is slightly lower at 70% while in Germany residential mortgages contribute 54% of its GDP, Hong Kong stands at 31% and Nigeria comparatively lower at 0.8%. This implies that the effort of Nigerian government in improving housing stock has not gone far as regards the provision of affordable houses.

The population in Nigeria as at the last count of the population census in 2006 is that the nation is over 140 million and 35% live in the cities. Nigeria is facing the problems of overcrowding, homelessness and squatting in our major cities. This is prominent in cities like Enugu, Kano, Lagos and Ibadan. To further buttress this, Nubi (2015) also expressed that Sub-Saharan Africa has the highest population of slum dwellers with a figure of 71.8%, Nigeria inclusive. Falade (2007) found that more than 62% will living in urban centres in Nigeria by the year 2020. This will occur when an annual population increment will be 2.8% and all other factors being equal. Going by the statement, one will be tempted to ask; is Nigeria government prepared for this?

Housing problem is expected to be tackled at the urban and rural areas. Most policies of the past and present government in Nigeria have only been concentrating on the urban cities while rural areas have been neglected. We seem to have forgotten that availability of decent houses with basic amenities at the rural area will deter rural- urban migration and the effort of government in resolving housing problems will be felt. As it is now in Nigeria, it looks as if housing problems cannot be easily solved. This could be because of failure of past policies as regards to housing. Some of the noticeable problems associated with housing policies in Nigeria are lack of proper implementation, inadequate funding, lack of credit facility, low incentive to investors.

The nature of housing deficit in Ogun state most especially in the urban areas is not different from what is obtainable in other parts of the country. In view of this, the study tends to assess public housing delivery in Ogun state and examine the adequacy of the system. The policy and system of Ogun state government in the provision of housing delivery is not well known and it seems that it has not been given adequate attention. This study further tends to examine the various housing strategies in place and identify which one works out and how it can be improved on.

### 2.0 An Evolution of Housing Programmes in Nigeria

The history of housing policy in Nigeria dated back in 1928 in Lagos. The policies are modest with the ultimate aim of addressing the housing problems at a National scale (Orange and Udegbe, 2000). One can then say categorically that housing has been one of the issues government had focused on since the 20s. As population increases, the system of operation then does not longer handle housing issues. Arigbola, (2000) confirmed that construction of senior civil servant quarters in the capital city of Lagos and regional headquarters like Kaduna, Ibadan and Enugu are some of the practical efforts made and at the same time some of rent subsidy and housing loans. This is to say that during this era, their focus was to cater for their staff members.

During this era, the policy objectives at that period include;

- 1.) Promulgation of legislations to maintain construction standards, planning of housing areas and sanitation;
- 2.) Provision of housing subsidy and rent control;
- 3.) Land reform through promulgation of land use decree of 1978.

In order to achieve these objectives, the colonial administration created the Urban Councils in 1946, the establishment of Lagos Executive Board (LEBD) 1954, the formation of Nigeria Building Society (NBS) and the enactment of Regional Housing Corporation 1959. Waziri and Rookie, (2013) explained that the Nigerian Building Society is a replica of what is obtainable in the British system where mortgage bank is known as building society after the second world war to allow for housing opportunities within both public and private sectors. However, NBS depended only on government to finance it. This was another stumbling block for NBS to perform effectively. Between 1975 and 1980, 202,000 houses were planned to be provided to the public but only 28,500 units were realised representing 14.1%

For further improvement, the federal government established the Federal Housing Authority through the promulgation of Decree NO.40 of 1973. The Federal Housing Authority started its operation formally in 1976. FHA took up its main responsibility in providing houses for people between the years 1975 and 1980. Ipaja town was developed, Amuwo Odofin phase 1 estate was also created and FESTAC Town to first all African Festivals of Arts and Culture (FESTAC). This was the first low- cost housing scheme that was created by the federal government. After this, the federal government moved to solve medium and high income 350 housing units in all of the 19 states then in the federation. This assignment was also carried out by the FHA. This is in addition to the 1975/80 housing programme. Federal government also embarked on another set of low-income housing unit, popularly referred to as Shagari Quarters

throughout the federation under the supervision of the Federal Ministry of housing and enlistment (NHP, 2006).

**Table below shows detail housing delivered between the periods 1980-1983 ranging from 1 bedroom to 3 bedroom flats.**

S/NO	STATE	HOUSING UNITS
1.	FCTA	1, 908
2.	Anambra	2,400
3.	Bauchi	2,816
4.	Bendel	1,422
5.	Benue	1,980
6.	Borno	2,807
7.	Cross River	2,258
8.	Gongola	3,038
9.	Imo	2,758
10.	Kaduna	2,7716
11.	Kano	1,590
12.	Kwara	2,462
13.	Lagos	2,634
14.	Niger	2,692
15.	Ogun	2,160
16.	Ondo	2,930
17.	Oyo	2,128
18.	Plateau	2,546
19.	Rivers	1,580
20.	Sokoto	2,314
	<b>TOTAL</b>	<b>47,500</b>

**Source: culled from Junadu, 2007.**

In the year 2000, government viewed housing problems from another perception. Availability was not government's priority again but affordability. Due to this fact, government establishes the Federal Ministry of Housing and Urban development with a view of reforming housing policy. As part of the housing reform that took place between the periods of 2000-2004, the policy focus on the private sector to serve as a fast means of delivering houses and government concentrates on infrastructure on the new housing development. Apart from this, Land Use Act was also looked at. Bustani and Kabir, (2010) stated that issues in the Land Use Act were equally given attention for review as well as the financial structure such as the FMBN and provision of incentives to developers inform of tax holiday for five years. It is now obvious that the genesis of private investors developing and delivering houses to the masses. Abdullahi, (2010) also noted this by stating that the present policy recognises the private sector as the main solution to the housing deficit in the country while the government opt to function as an enabler and facilitator in the housing delivery.

The Nigerian Housing Policy 2006 has its goals and objectives in ensuring that Nigerians own or have access to decent, safe and healthy housing at an affordable cost. Unfortunately, the policy has not been able to meet its objectives. Aribigbola, (2008) reveals from his study that majority of the city residents are low-income earners which the policy supposedly deemed to address but cannot afford housing being produced under the programme. He argued that the policy has not made much contribution to housing provision.

## **2.0 Housing Policy in Ogun state and the Challenges**

Ibimilua and Ibitoye (2015), referred to a policy as a statement on paper by government or an establishment as regards the way and manner in which identified problems are to be solved. Nigeria government identified lack of affordable housing as a major challenge to our cities. This is the reason why every government of Nigeria include housing as part of their plan and a several policy papers were put forward to proffer solution. This has been on since the colonial era.

In 2003 during the regime of the former governor (Otunba Gbeniga Daniel), he formulated a housing policy in Ogun state known as the OGD Housing programme. This programme was initiated to achieve some benefits for the people of Ogun state. These benefits include; i) provision of adequate housing for all interest person in the state, ii) to create a peaceful co-existence and social coherence amongst all social –economic group in the society, iii) to provide security of land tenure and home ownership amongst all socio-economic group amongst others (Ogun state, Ministry of Housing, 2005). From this it is obvious that the policy wants all interest people in the state to own or have access to a decent, safe and healthy housing accommodation.

It was further revealed that in Ogun there are Core-housing delivery strategy, Turnkey housing delivery strategy, Public-Private Housing delivery and Shell Stage housing delivery.

### **2.01 Housing Delivery Strategy**

#### **a. Core – Housing Strategy:**

This was initiated by the former governor to provide housing scheme for low and medium income civil servants. According to Greene and Rojas (2008), core-housing delivery became popular in 1960s and early 1970s, when government of developing countries embarked on a large scale public housing schemes. Swedish International Development Cooperation Agency in 1992 noted that this scheme was supported by aid from International Aid Agencies such World Bank and United States Agency for International Aid (USAID). In the mid 70's, Nigerian government had an arrangement with the World Bank in the provision of Core Housing Delivery. See fig 1 below;

*Fig 1: Core Housing Estate.*

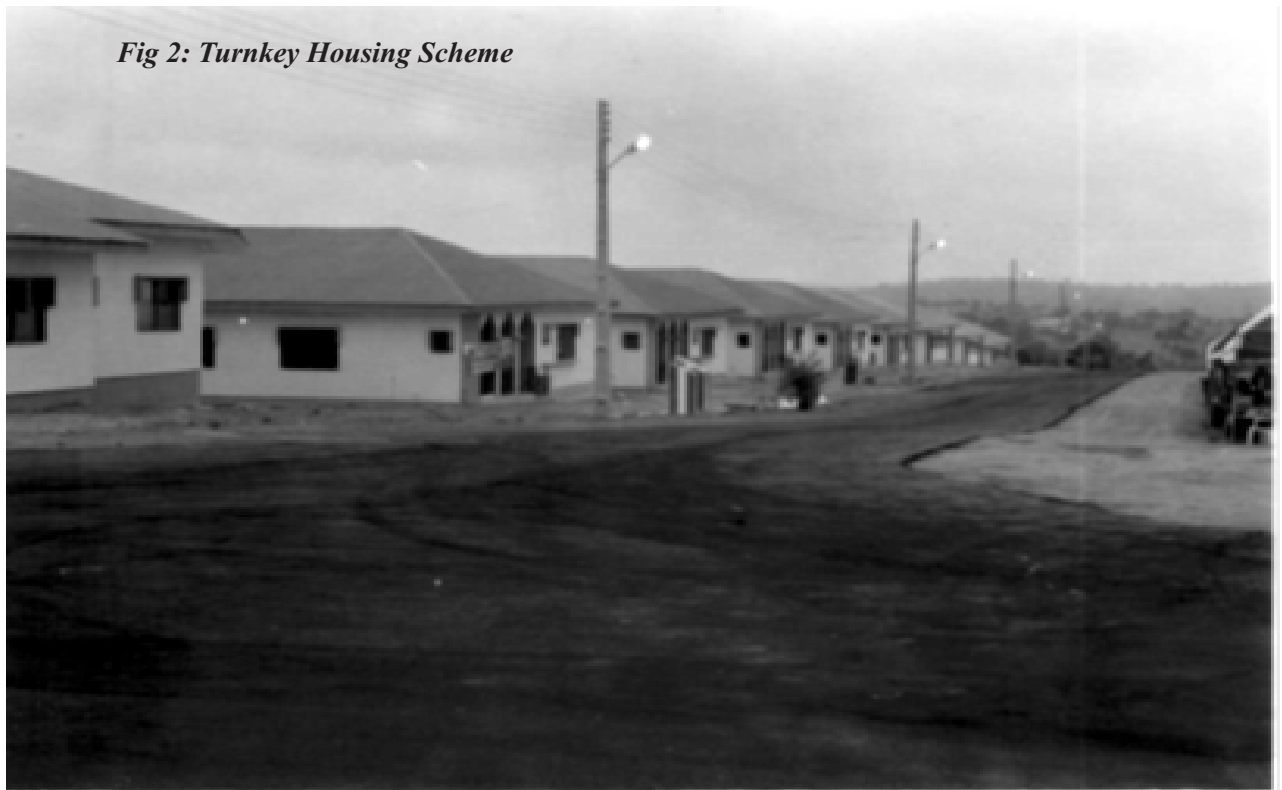


### **Turnkey Housing Delivery System**

This is a diversification of housing markets through the sale of a completed housing units to the public at an affordable price (Sengupta and Ganesan, 2004). This strategy involves a lot of stages which are right from acquisition of land to the stage of marketing the houses. In Ogun state, the turnkey housing scheme entails land acquisition and project design. This

scheme is majorly funded through the internal generated revenue and external loans. Under this scheme, there is “Aboismi” housing scheme where government collects money from Nigerians in diaspora who are willing to have property in Ogun state. This scheme will address the issue of “Omo onile” (land grabbers) where owners will be subjected to multiple payment for land documents.

*Fig 2: Turnkey Housing Scheme*





### **Public-Private Partnership (PPP) housing delivery scheme**

This scheme is a collaboration of government with private sector in housing delivery. Ong and Lenard (2002) and Ikekpeazuc (2004) opined that PPP (Public–Private Partnership) has potentials to address housing and service delivery challenges in many countries. This scheme will also relief government

and its agencies from financial and bureaucratic burdens. From findings, Gateway City Development Company Limited (GCDCL, a government agency), had successfully participated in PPP housing scheme in Ogun state. They were involved with other private estate developers (Grant Properties Limited) and Spark light development company limited in the development of Havilah Villas Estate in Isheri and OGD-spark light Estate in Ibafo.

### **Shell Stage Housing Delivery Strategy**

*Fig 3: Spark Light Housing Estate*



This strategy is different from the Core aid and Turnkey strategies. Preliminary survey done with the Ogun state Housing Corporation revealed that the strategy involves the acquisition of land and the construction of a so-called “Skeletal Structure”. The finishing and supporting services would be left for the intending users to put in place. This is so because of the various complaints from buyers on poor quality of finishing and structures. The house buyers will install windows, doors, sanitary wares and any other forms of finishing that suit their choices. The housing providers will provide the block walls, the roof, electricity and the laying out of the environment. Enquires made from OSHC further revealed that shell stage housing strategy brought about different development of housing within the estate.

#### **1.0 Study Area:**

Ogun state is located in the South-western zone of Nigeria. The state was created in 1976. It lies between Latitude 7° 00' N and Longitude 3° 35' E. It borders Lagos State in the South, Oyo and Osun States to the North, Ondo to the East and Republic of Benin to the West. These are shown in figures 1.0 and 2.0 below. It covers a total land area of 16,980.55KM<sup>2</sup> (6,556.238sqm) with a density of 220/km<sup>2</sup> (570/sqm). Abeokuta is the capital and the largest city of the State which is fondly referred to as the “Gateway State”

because of its strategic location as an entry point to the country from West Africa. It is noted for its concentration of industrial estates and a major manufacturing hub in Nigeria. Major factories in Ogun State include Dangote Cement factory, Ibese; Nestle and Lafarge Cement factory. Other urban infrastructural services such as road facilities, parks and public utilities are duly provided.

The 2006 census recorded a total population of 3,751,140 residents in Ogun state with twenty local government areas. The state is dominated by the Yorubas, who are the main ethnic group in South Western Nigeria. The state is made up of six ethnic groups which are the Egba, the Ijebu, the Remo, the Egbado, the Awori and the Egun. The state comprises several dialects such as Egbas in Abeokuta North, Abeokuta South, Ifo, Ewekoro, Obafemi –Owode, Odeda and Ado-odo/Ota LGAs, the Egbados in Egba-North, Egbado-south, Imeko-Afon and Ipokia LGAs. The Ijebus in Ijebu- East, Ijebu-North, Ijebu-ode, Odogbolu and Ogun watersides LGA; the Remos in Sagamu, Remo-North and Ikenne LGAs. Other dialectical groups in the state include Oyo (Owu), Awori, Ikale and Ilaje.

The primary occupation of the people is Agriculture and 80 percent of the total land area is arable. About 20% of its total area is constituted of forest reserve

suitable for livestock. Mineral resources available include chalk, phosphate, high quality stones and gravels for construction works. Ogun state population is ranked 16th of 36th states.

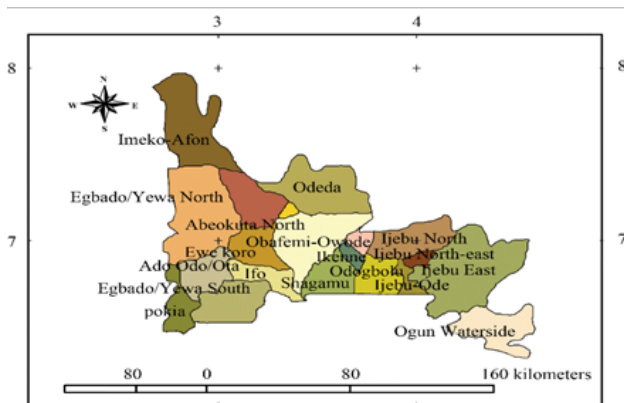


Fig 4: Map of Ogun State showing local governments  
Source: Biopublisher.ca, 2013.

**4.0 Materials and Methods**

Questionnaires were administered to seven (7) senior cadre staff in estate department who have been in service for over a period of 10 years and are professionally qualified. Interview was also conducted amongst them. From the questionnaire it was revealed that there are different housing estates in Ogun state that are under the management of OSHC and these housing estates fall under the 5(Five) major categories which are; Core-Housing Estate, Turnkey Housing Estate, Public-Private partnership (PPP) and Shell State Housing delivery. Interview conducted revealed that the core-housing estate have been fully occupied by low and medium income earners, except for the blocks of flats.

The data obtained from the survey research questionnaires were analysed using statistical package for social sciences (SPSS. 20). This is a statistical tool used for statistical analysis. The study employed both descriptive and inferential statistical analyses to get frequency distribution tables for better understanding of the percentages used to determine the proportion of the variables used.

**5.0 Results and Discussion:**

**Table 1. Respondents**

RESPONDENTS	NO OF RESPONDENTS	PERCENTAGES
Estate Surveyors	5	71.42
Town Planners	1	14.29
Architect	1	14.29
<b>Total</b>	<b>7</b>	<b>100</b>

Source: Field survey, 2019.

The table above revealed most of the respondents at the Estate Unit of OSHC are Estate Surveyors and Valuers, 2 of the other staff are from allied profession.

**Table 2: Housing Estates within OSHC**

S/No	Names Of Estate	Units	Accommodation
1.	Ibara Mews, Ibara, Abeokuta	12	4 B/R duplex, Terrace House
2.	HID, Awolowo, Obsanjo Hilltop	76	4B/R duplex semi-detached, 3B/R semi detached.
3.	Ajebo Rd. Estate, Idi-Aba	26	4BR detached, 3BR detached shell stage
4.	Value-Ville Estate, Oke-Ata	112	1 BR semi-detached core houses
5.	AAK Degun Workers Estate, Laderin	150	2BR and 3BRsemi-detached block of flats

**Source: Ogun State Housing Corporation, 2019**

**Table 3: Application and Allocation Details**

Name of Estates	Allocation Details (2018)	Allocation	Amount (=N=)
Ibara Mews	12	6	45M/unit/Duplex
HID Awolowo, Obsanjo HillTop	10	3	25M/unit-3BRS
Ajebo Road Estate Idi	5	3	3BD- 7.5M 2BD- 7.0M
Value Ville Estate, Oke-Ata	105	48	3.5M/Unit
AAR Degun workers Estate	Fully occupied except for the back flats	-	Mortgage for Civil Servants

**Source: Ogun State Housing Corporation, 2019**

From the tables above (table 2 and 3), they revealed that in Ibara Mews, out of 12 applicants, only 6 of the applicants were given allocation and this represents only 50%. Invariably, 50% were not granted. In HID Awolowo, Obsanjo Hilltop, 10 people applied for the houses, only 3 applicants got the request. This represents 30% of the total applicants. Ajebo Road Estate appears different in the sense that out of the 5 applicants, allocation was made to 3, which represents 60%. 105 applicants applied in Value-Ville Estate, only 48 of the applicants were given allocation, this represents 45.7% and in AAK Degun workers Estate all the houses have been fully occupied.

From the interview conducted amongst the staff in Estate Department, one was rightly informed that Ibara Mews, Ibara Abeokuta, falls under the PPP Housing Delivery scheme, HID Awolowo and Obsanjo HillTop falls under Turnkey Housing Estate, Ajebo Road Estate falls under Shell Stage Housing Delivery and Value-Ville and AAK Degun Workers Estate fall under Core-Housing Estate.

**6.0 Discussion of findings, Recommendation and Conclusion:**

Value- Ville Estate and AAK Degun workers Estate are the core-housing estate which the state government embarked on for low-income and medium income earners. They are one- room semi-detached and 2/3 bedroom bungalows and block of flats. From table 3 and information gathered in the course of interview, it is obvious that it has the largest allocation compared to other estates. The reason for this is because the price unit is more affordable than others. AAK Degun workers' estate is an estate with a mortgage plan for civil servants and this has contributed to its 100% occupation by allottees.

The Turnkey Housing Strategy which HID Awolowo and Obsanjo Hilltop fall are for Nigerians in diaspora.

The percentage of allocation is just 30%. This is as a result of its price per unit. This strategy seems not for low and medium income earners, but for high class and high income earners. The houses in these estates are not easily affordable for residents in the estate.

Ibara mews are private developers' participation with the government. It is a high class housing delivery. The price of houses in the estate is N45M per unit and the allocation rate is 50% of the total applicants. It is an estate that has a well layout and with basic amenities.

From the various literatures reviewed so far, it can be deduced that housing development is essentially tied to affordability and availability of land. The demand for housing in the inner part of cities is expensive; having access to sites in these areas is not affordable for the low-income earners. This is one of the reasons why the so called not-for-profit housing developers cannot compete with the private sector. Government is expected to be facilitators of housing delivery. Though, housing delivery has been part of their policy, but it has not gone far to meet the level of urbanisation in the country. Land is an essential element in development. Government should look into how land can be acquired or allocated easily. The cost of titling and perfecting land document is a major setback to lots of people (middle and low-income earners). The time spent in the completion of land papers is another issue. It is advisable that all official units involved in land processing should be in lands department to fast track this process. Couple with GIS and the computerisation of data, things will move faster.

Direct participation of government in housing delivery has slowed down. Government have pushed it to private investors. Private investor's participation has not made houses affordable to the masses. According to Ofori (2002), he said that government of developing countries are major clients and investors in the construction industry. Non-involvement of government and shifting the responsibility of housing delivery to a private sector that is at its infancy with neither financial nor technical capacity to delivery has grossly increased the housing deficit in developing countries.

A major direct government involvement in housing that was noticeable especially in Lagos state was during the then- governor of Lagos state, Alhaji Lateef Jakande housing scheme. He constructed residential estate about 16 in areas like Abesan (Iyana-Ipaja), Okota (Eti-Osa LGA), Iponri (Surulere) etc. One cannot account for a massive development on residential buildings for middle and low –income earners again apart from his own effort. As shelter is a basic need for everyone, so should government see housing for all as their main responsibility.

When housing is mentioned, attention is focused in

the urban areas. There is no doubt that the population density in the urban areas may prompt government to want to resolve the housing need in these areas first. But it is pertinent to also consider solving housing problems in the rural areas. If decent and affordable houses are constructed in the rural areas, rural-urban shift will reduce and urbanisation will start to pick-up in the rural areas as well. Employment opportunity will likely to be created if good portable accommodation is created.

Access to credit facilities: Getting involved in housing development without finance is indeed a difficult task. It is well known that building construction is capital intensive. Finance is a major pillar in housing construction. The Federal Mortgage Bank of Nigeria (FMB), Primary Mortgage Institution's (PMI) impact in financing property construction cannot be felt, not much can be obtained from them. Nubi, (2001) states that the poor performance of FMBN which gave loan to 8,874 out of 10,000 applicants between 1977 and 1990 was very worrisome. It is obvious that FMBN should undergo serious re-engineering to be able to cope with enormous task of housing finance.

Continuity and Implementation of government Policies that have been tested and is beneficial to all should be allowed to continue even if government changes.

## 7.0 Conclusion

Government involvement in housing delivery should be a thing of priority. It should be seen that providing a roof over people is one of their main responsibility. Without shelter, there is no life. It is not something that should be totally shifted to private developer, but create a partnership. Private investor's aim is to make profit and if this is the case, it will reflect on the price of the buildings, but with the involvement of government the price can be subsidized. One is aware of the fact that in public-private partnership, the arrangement is that government provides land, issue certificate of occupancy, grant planning approval, but from the look of things government has not fulfilled their own side of the agreement. If things are done accordingly, there will be progress in terms of housing delivery

In conclusion, it is important that the government has the statics of housing stock present in the country; a special unit at the land bureau should be set-up to handle this task.

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