

## The Major Challenges To Housing Development And Delivery In Anambra State Of Nigeria

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### Abstract

This paper examines the major challenges militating against housing development and delivery in Anambra State of Nigeria with a view to stimulating relevant agencies of government and other stakeholders into designing appropriate strategies for effective housing delivery in the state. The study has identified a multiplicity of factors inhibiting effective housing development and delivery in Anambra State to include lack of secure access to land, high cost of construction, limited access to finance, bureaucratic procedures, high cost of land registration and titling, uncoordinated policies and implementation at Federal and State levels, ownership rights under the Land Use Act, lack of critical infrastructure, affordability gap, inefficient development control, youths harassment of developers, inelegant revocation and compensation process among others. In order to comprehensively address the challenges the study recommended the need for a holistic approach to housing development and delivery that will involve the Federal Government, the State Government and the private sector (both formal and informal). In view of the fact that the private sector has displayed greater flexibility and potential for housing production, we are of the opinion that in line with the provisions of 2012 National Housing Policy, government should provide the enabling environment for the private sector to provide safe, adequate and affordable housing for the citizens.

**Keywords:** Access to land, Affordable Housing, Cost of Construction, Housing Delivery, Housing Development, National Housing Policy.

### 1.0 Introduction

Housing (Shelter) is unarguably one of the basic necessities of man. It used to be ranked second after food in the hierarchy of man's needs but according to Ebie (2009) it is the first and most important of all rights. According to him, because of the importance attaching to provision of housing and coupled with the fact that housing in all its ramifications is more than mere shelter since it embraces all social services and utilities that go to make a community or neighbourhood a livable environment, it is now a right.

This position is reinforced by section 16(1)(d) of 1999 constitution under the Fundamental Objectives of State Policy which compels the Nigerian State "to provide suitable and adequate shelter for all citizens" Even though this provision is not actionable, it reinforces the call for public sector driven mass housing provision in Nigeria. Housing being a right entails that all strata of a society including the less privileged members of the society, the old, the disadvantaged, the wondering psychotics should own or have access to decent, safe and sanitary housing accommodation at affordable disposal prices or rental with secure tenure.

Unfortunately the reverse is the case as in spite of the policies, institutions and regulations which various Nigerian Governments have put in place since independence; there is still dearth of housing for low income segment. A recent study of housing situation in Nigeria put existing

housing stock at 23 per 1000 inhabitant. Housing deficit is put at 15 million housing units (Mabogunje, 2007) while 12 trillion naira will be required to finance the deficit. This is about 4 times the annual budget of Nigeria (FHA, 2007). Housing is of supreme importance to man and one of the best indicators of a person's standard of living and his place in society. However, at no point has it been adequately supplied either quantitatively or qualitatively (Jiboye 2009; Omoniyi & Jiboye, 2011). Over time, the need for adequate shelter has continued to attract global attention especially in developing countries where the urbanization process has been growing at an alarming rate. The phenomenal rise in population, increase in number and size of most cities in the past decades have led to acute shortage of adequate dwelling units in many urban centres globally (Jiboye, 2009).

Consequently, in recent time, the issue of housing has formed part of the major discussion in several global summits such as the 1992 Rio-de Janeiro summit on environment and development, the 1996 Habitat summit at Istanbul, the 2000 New York, United Nations Millennium Development Goals (MDGS) summit, 2002 World Summit in Johannesburg and the 2005 La Havana, UN sustainable Cities Documentation of Experience Programme (Oladunjoye, 2005; UN-Habitat, 2007; UNDPI, 2008).

Nigeria, like other developing countries is saddled with uncontrollable growth of the urban population caused by lack of provision of infrastructural facilities and poor economic conditions in the rural areas. The proportion of the Nigerian population living in urban centres has increased phenomenally from 7% in the 1930s, 10% in 1950, 20% in 1970, 27% in 1980 to 35% in 1990 (Okupe, 2002). Over 40% of Nigerians now live in urban centres of varying sizes. The incidence of this population in urban centres has created severe housing problems, resulting in overcrowding in inadequate dwellings, and in a situation in which 60% of Nigerians can be said to be "houseless persons" (Federal Government of Nigeria, 2004).

Besides the incidence of overcrowding in the existing housing stock, rural-urban drift has occasioned the sprouting of make shift dwellings or squatter settlements in cities that are devoid of minimum structural and normative quality. Majority of the houses are constructed with all sorts of refuse/second-hand materials in illegally occupied self allocated land, they are badly maintained and lack the basic necessities of life like sanitary facilities, light, air and privacy. As evidenced by past researches in housing studies, most urban centres in the country are characterized by high density buildings, acute sanitary problems, pollution of air, surface water, noise and solid wastes (Filani, 1987, Agbola, 1998). According to Olotuah (2002) estimated 2.3 million urban dwelling units are substandard, only 33% of urban houses can be considered to be physically sound, and 44% and 19% require minor and major repairs respectively to bring them to normative and structural quality.

The foregoing gory picture and deplorable condition of housing in Nigeria applies with equal force to Anambra State if not to a higher extent considering that more than 60% of the population live in urban areas. Thus Anambra State also shares in this global developmental reality; and one of the most important challenges facing the state is how to ensure adequate and affordable housing to the poor and low-income group.

Unfortunately, despite all efforts of the state government at achieving sustained housing delivery to the common people, existing realities indicate the goal is far from being achieved. It is against this background that this paper examines the major challenges militating against housing development and delivery in Anambra State with a view to stimulating relevant agencies of

government and other stakeholders into designing appropriate strategies for effective housing delivery in the state.

## **2.0 The Study Area:**

Anambra State is one of the 36 States in Nigeria. It is bounded by Delta to the West, Imo to the South, Enugu to the East and Kogi to the North. It has a total land mass of 4,416 of km and situates on the Eastern side of River Niger. The state has 177 communities (towns) in 21 Local Government Areas. It comprises of three major towns namely, Awka, its capital city, the commercial town of Onitsha and the industrial city of Nnewi. According to 2006 National Population Census, Anambra State has a population of 4,182,032 made up of 2,007,391 males and 2,174,641 females, which makes it the 9<sup>th</sup> most populous nationwide.

Even though most Anambra population is rural, the state is experiencing rapid urbanization and because of its relatively small land mass, the state is virtually becoming one huge urban area.

According to National Bureau of statistics (2006), Anambra State is the 2<sup>nd</sup> most urbanized state in the country having 62% of its total population living in urban areas. Consequently it has one of the highest population densities in Africa at 947 persons living within every square kilometer. However as with every other state, rural-urban migration poses serious burdens for the state's resources. This pressure though prevalent in other major towns in the state, is predominant in Onitsha where basic amenities and facilities are in short supply.

Statistical data from National Bureau of statistics (2012) indicates that unemployment rate in Anambra State is among the highest in the South East Zone, at 21.3% which is higher than the National average of 21.1%. Anambra has a poverty index of 22.8%, the 3<sup>rd</sup> highest in South East. About 47.6% of the state's population is core poor, 45.0% is moderately poor and only 7.4% is classified as non-poor. The foregoing statistical data underscores the urgent and desperate need for mass provision of decent and affordable housing for Anambra citizens, 92% of whom are categorized as poor.

### **2.1 Existing Housing Situation in Anambra State**

Since the creation of the state in 1991, the housing situation in the state could be described as deplorable, requiring declaration of state of emergency in the sector. Shortage of housing in the three major towns of Awka, Onitsha, Nnewi appears intractable with increasing rural-urban drift and as more civil servants are moving to Awka the state capital. Residential accommodation and public buildings are very scarce and even some government offices are still operating in rented houses. This scarcity of housing has pushed the cost of rented buildings very high as an average 3 bedroom flat rents between N200,000.00 – N300,000.00 per annum and a duplex lets for between N500,00.00 – N1,200,000.00 per annum in the three major towns of Onitsha, Awka and Nnewi. Obviously these rents are not affordable to majority of the civil servants resulting in emergence of squatter settlements as alternative accommodation.

Extensive illegal and unregulated building patterns predominate the urban towns in the state. Buildings are put up without regard to existing building and health codes or zoning and subdivision regulations - thus creating slum and squatter conditions in which most residents in the state now live. This ugly situation still persists today and not much has been done by government to increase the housing stock in relation to demand for residential and office accommodations in the state especially Awka the State Capital. Cost of building houses is increasing everyday and it is becoming increasingly difficult for an average civil servant to build own houses unless

government embark on massive construction of low cost housing estate in Awka, Onitsha and Nnewi, that has increasing urban population and commercial activities.

The foregoing scenario necessitates the existence of many slums and blighted urban areas without basic infrastructures and social amenities to make life comfortable for urban dwellers. The basic necessities of life namely light, water, electricity, recreational facilities, parks, gardens are virtually non-existent in these urban towns. Primary and secondary schools are not constructed and the few existing ones are dilapidated until recently when the state government embarked on construction/renovation of public schools, sinking boreholes and construction of public buildings.

### **2.1.1 Existing State Government Residential Layouts In Anambra State.**

Realizing the importance of secure access to land as a fundamental challenge to housing delivery in urban areas, successive governments in Anambra State have developed / created government residential layouts in the three major towns of the state namely Awka, Onitsha and Nnewi. Some of these residential layouts were fully/partly developed with housing units and sold to the public while the rest were developed/created as site and services schemes and allocated to members of the public.

Similarly, there are some Housing Estates promoted and developed by State Government parastatals/corporations like Anambra State Housing Corporation and AHOCOL, Awka. This involves the provision of land by the state government to the corporation, issuing certificate of occupancy, handing over land, granting planning approval and providing necessary support to facilitate the execution of the housing project. Armed with the certificate of occupancy, the corporation now develops the estate either as fully/partly developed housing units or as site and services scheme and sell the plots of varying sizes to members of the public. The corporation grants lease of the extant term of their term less at least a day to the prospective purchasers who registers same at the lands registry as bona fide lessees.

One characteristic of these government residential layouts including that developed by the corporations is general lack of infrastructural facilities like roads, drains, electricity, water etc. The absence of infrastructural facilities in these layouts has in no small measure compounded the problem of housing shortage in Anambra State.

**TABLE 1**  
**EXISTING STATE GOVERNMENT RESIDENTIAL LAYOUTS/  
ESTATES IN ANAMBRA STATE.**

<b>S/No</b>	<b>Name of Estate/ Location</b>	<b>No of Residential Plots</b>	<b>Status of Development</b>
<u>ONITSHA</u>			
1.	Fegge Layout	1071	Fully developed and functional, old layout
2.	GRA	473	Fully developed and functional, old layout
3.	Akpaka Layout	2725	Partly developed/settled. Cases of illegal possession and encroachment by natives and speculators. No infrastructure
4.	Trans Nkisi Layout Phase 1 & II	2725	No infrastructure. Rural claims between Onitsha and Nkwelle Ezunaka
5.	Trans Nkisi Layout	739	No infrastructure. Rival claims between Onitsha and Nkwelle Ezunaka

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6.	Niger Bridge Head	541	Fully developed and functional. Managed by Housing Corporation.
7.	Hill view Housing	696	Partly developed. Managed by Housing Corporation.
8.	Ahocol Estate	10	Developed. Managed by Housing Corporation
<b>AWKA</b>			
9.	Agu Awka, GRA	1223	Not a settled layout. Incessant encroachment by natives-partly developed.
10.	Unity Layout	2000	Returned to the natives.
11.	Presidential Layout	1119	Not a settled layout. No payment of compensation. Re-entry by natives. Illegal parcellation and sale by natives.
12.	Iyiagu Layout	283	Partly functional, No infrastructures. Natives are disturbing and chasing away allottees.
13.	Abuja Estate Phase I	99	Almost fully developed and functional.
14.	New Town Layout	1560	Settled but no infrastructure. The layout is dormant.
15.	Nkonko Layout	800	Settled but no infrastructures in place. Yet to be allocated to general public
16.	Udoka Housing Estate	333	Fully developed and functional. Managed by Housing Corporation
17.	Liberation Housing Estate Nawfia/Enugwu Agidi	700	Not settled, No infrastructure. Managed by Housing Corporation
18.	Ahocol Phase II	112	Fully developed and functional. Managed by Housing Corporation
19.	Ahocol Phase I Extension	54	Fully developed and functional. Managed by Housing Corporation
20.	New Heaven Estate Mgbakwu	248	Not developed Managed by Housing Corporation
21.	Inner City Estate	8	Fully developed and functional. Managed by Housing Corporation

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22. Ngozika Estate Phase I	420	Fully developed and functional. Managed by Housing Corporation
23. Ngozika Estate Phase I Extension	71	Not developed. Managed by Housing Corporation
24. Light of the Nation (Ngozika Estate Phase II)	400	Partly developed. Managed by Housing Corporation
25. Eme Court Layout	32	No infrastructures. Partly developed and functional
26. Otolo Utu M/I Layout	369	Not settled, Dormant and Non-functional
27. M/I Guide GRA Nnewi, Oraifite/Ozubulu	1315	Not settled. No Compensation payment. Not functional
28. Okwuzukpe Redevelopment Layout Scheme, Umuenuem Otolo, Nnewi	80	Not developed and Functional

*Source: Authors' Field Survey, 2012.*

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Note that some of the residential layouts purported to be created by successive administrations in the state could not be actualized as a result of inelegant revocation and compensation procedures. As payment of compensation completes land acquisition process, it follows that non-payment of adequate compensation stalls acquisition process as is the case of many non actualized layouts in the state. The customary owners of these layouts have tended to re-enter or re- possess their land, parcellate same and sell to interested members of the public. Thus over the same parcel of land two different persons will be claiming ownership, one with government allocation and the other that bought from the customary owners. The foregoing scenario is what is obtainable in some of the state government layouts compounding the problem of lack of secure access to land in the state.

### **2.1.2 Existing Federal Government Residential Layout In Anambra State**

The Federal Government of Nigeria is not left out in the efforts to provide decent, safe and affordable housing to citizens of Anambra State. There are some Federal Housing Estates developed/created by Federal Government in Anambra State at the following locations namely, Onitsha, Awka, Nnewi, Aguleri, Ogidi, Ihiala and Umuenuem. Save for low cost housing schemes, developed/partly developed during Shagari regime, the rest of the estates are site and services schemes. This involves the Federal Government acquiring land, surveying and parcellating the

land and allocating same to interested members of the public through Federal Ministry of Works and Housing, now Federal Ministry of Lands, Housing and Environment. Initially, building leases for 99 years were granted to allottees but now replaced with certificate of occupancy.

**TABLE 2**  
**EXISTING FEDERAL HOUSING ESTATES IN ANAMBRA STATE**

S/No	Name of Estate/ Location	No of Residential plots	Status of Development
<b>ONITSHA</b>			
1.	Low Cost Housing Estate	210	Developed
2.	Federal Site & Services Scheme (Federal Housing Estate)	1545	Developed
3.	Part C Federal Site & Services, Trans Nkisi,	160	Not developed
<b>AWKA</b>			
4.	Federal Site & Services Scheme, Awka Amansea.	1908	Not developed
<b>UMUNYA</b>			
5.	Federal Site & Services Scheme	1177	Not developed
6.	Nnewi Low Cost	75	Not developed
7.	Aguleri Low Cost	96	Not developed
8.	Ogidi Low Cost	48	Not developed
9.	Ihiala Low Cost	27	Partly developed
	<b>Total</b>		<b>5246</b>

*Source: Authors' Field Survey, 2012*

Note that out of 5246 residential plots provided only 1755 residential plots in two out of nine Federal Estates have been developed.

It is our submission that the provision of infrastructural facilities in both the state government and Federal Housing Estates will engender secure access to land for urban dwellers which is pivotal to adequate and affordable housing delivery to Anambra citizens. The State Government while providing infrastructural facilities in State Government Layouts should also facilitate that of the Federal site and services schemes as Anambra citizens are the ultimate beneficiaries.

### **3.0 Peculiar Challenges to Housing Development and Delivery In Anambra State.**

It is regrettable that in spite of the policies, institutions and regulations which various Nigerian Governments including Anambra State Government have put in place since independence, the task of instituting efficient, effective, affordable and sustainable housing delivery processes continues to challenge policy makers even as the problems of the housing sector worsens. This



has been attributed to multiplicity of factors which includes lack of secure access to land, high cost of construction, limited access to finance, bureaucratic procedures, high cost of land registration and titling, uncoordinated policies and implementation at Federal and State level, ownership rights under the Land Use Act, lack of critical infrastructure like roads, affordability gap, inefficient development control, youths harassment of developers, inelegant revocation and compensation process among others.

### **3.1. Lack of Secure Access to Land**

Land is a crucial element in the property development process and its accessibility is vital to efficient and sustainable housing delivery. Land accessibility, according to Omirin (2002) entails land tenure security, land affordability, land availability and the ease with which land is acquired. Ikejiofor (2005) opines that extensive and intensive literature searches reveal consensus among analysts that accessibility to land poses the greatest difficulty to urban housing production in many developing countries. Evidence abound in urbanization studies in developing countries to buttress the fact that where land has been made available, even the poor have been able to provide themselves with some form of housing (Cheema, 1987, Crooke, 1985; Asiana, 1990). Thus of all the ingredients of housing, land is of paramount importance.

This assertion applies with equal force to Anambra State as even the very poor ones have been able to incrementally develop their residential houses even if it means one year one block until the building gets to livable stage. At this stage, the owner moves in and completes the building within in line with the local tradition that whoever is building a house must move into the house before completing it.

However, the fundamental difficulty in achieving land accessibility is the promulgation of Land Use Act of 1978 (Cap L5 LFN, 2005) which created a dual structure of land delivery systems. Therefore customary and state systems prevail in the state with the consequence of double purchase from the customary owners and the state which has the effect of complicating the land accessibility process. For instance some allottees of residential plots at Agu-Awka GRA cannot take possession of their land even with certificate of occupancy until they have paid the customary owners of the land supposedly acquired by the state government. The Act which vests ownership of all land on the Governors was enacted to make land more accessible for housing development. The Act rather than facilitate easier access to land has made it extra difficult for intending developers to get land while top government officials have been using it arbitrarily. Ironically an agency of the federal government responsible for housing provision, Federal Housing Authority (FHA) also identified difficulties in land acquisition as a major hindrance to housing delivery in the country. The provision of the Act was based on wrong assumption that the Governor would act in the best interest of the people which has since proved to be a fallacy.

The way out is for comprehensive review of the Land Use Act by removing it from the constitution to facilitate easy amendment. Expunging section 1 of the Act which made Governors trustees of land in their state; removal of section 22 of the Act which made provision for Governor's consent and amending of other offensive provisions to introduce more flexibility in land acquisition and administration.

### **3.2 High Cost of Construction**

Over the years construction costs have remained high due to the relentless inflationary pressure on the building materials and labour market. Before now emphasis has been on high cost of building

materials but experience has shown that cost of labour has risen to between 25 – 30% if not more of cost of construction as shown by the quotation for construction of a block of 6No 3 bedroom residential flats on three floors at Onitsha in table 3 below.

**TABLE 3**

**LABOUR (ONLY) TENDER FOR THE CONSTRUCTION OF PROPOSED 6 NO 3 BEDDROOM BLOCK OF FLATS AT ONITSHA.**

<b>TENDER SUMMARY</b>	<b>AMOUNT</b> ₦
<b><u>Stage 1:</u></b> From setting out/foundation and including mass concrete floor (German Floor)	600,000.00
<b><u>Stage 2:</u></b> From mass concrete floor (German Floor) to and including first decking	900,000.00
<b><u>Stage 3</u></b> From first decking to and including second decking	1,000,000.00
<b><u>Stage 4</u></b> From second decking to final roof level	500,000.00
<b><u>Stage 5</u></b> Roofing(Woodwork)andceiling	400,000.00
<b><u>Stage 6</u></b> Finishing (plastering & Rendering - No tiling cost Septic Tank/Soakaway Electrical Wiring Plumbing works	1,200,000.00  100,000.00 300,000.00 200,000.00
<b>TOTAL</b>	<b>5,200,000.00</b>

A careful analysis of the reliable monthly price survey covering a wide variety of building materials that the Guardian Newspaper has been publishing easily reveals the severity of high cost of building materials. This has been attributed to over reliance on foreign building materials as evidenced in the high cost of cement in the country. There is need for the nation to explore local raw materials if it is desirous of achieving sustainable housing development. Imported materials could be blended with local materials to the advantage of the nation. Luckily Anambra State has adopted this recommendation by purchasing 45 hydro foam brick making machines from South Africa, with which it is using earth bricks in building primary and secondary school classroom blocks with plans to extent it to construction of low cost housing units in the state. There is also urgent need to set up skill acquisition centres where artisans and technicians of Anambra state origin will be trained to acquire requisite skills in building construction. This is sequel to the fact that about 90% of artisans/technicians in the building industry in the state are non-indigenes resulting in incessant hiking of labour charges after their respective state labour union meetings.

**3.3. Limited Access to Finance** is a major challenge to housing delivery in Nigeria. This could be attributed to underdevelopment in our mortgage industry as it generated less than 100,000 transactions between 1960 and 2009. According to World Bank Report (2008) the contribution of mortgage finances to Nigeria's Gross Domestic Product (GDP) is close to negligible with real estate contributing less than 5% and mortgage loans and advances at 0.5% of GDP, compared to 77% in the US, 80% in the UK, 50% in Hong Kong and 33% in Malaysia. Aggravating the situation is the Efina Report (2010) that less than 5% of land in Nigeria has formal title registration. This indicates that majority of Nigerian land owners are not even qualified to apply for mortgage/loan facility as no financial institution will grant facility with an unregistered title as collateral. Unless something radical is done to encourage land owners to move from informal market and embrace formal market which entails land titling and registration, development of mortgage industry in Nigeria may remain a far cry.

In Anambra State, there are very few primary mortgage institutions which are operating not as mortgage bankers but as commercial banks and they advance loan to businessmen for importation. They view advancing facility for housing unattractive because of its long term nature while granting credit for importation/trading activities is short term. Government should therefore encourage more primary mortgage institutions to establish branches in the state. Mortgage Banks Association of Nigeria should be encouraged to create awareness through organizing of workshops/exhibitions in Anambra State to sensitize the citizens on modalities for accessing mortgage finance for housing. Furthermore, high interest rate and bottle neck (red-tapism) in obtaining loan from the Federal Mortgage Bank of Nigeria through primary mortgage institutions should be addressed.

**3.4 High Cost of Land Registration and Titling** is another hindrance to housing delivery as seen in the foregoing. The World Bank/International Finance Corporation (IFC) (2006), indicated that when it comes to property registration and transfer, Nigeria has the highest cost of 27.1% of the property value when compared to other developed and developing countries of the world. The report indicated that in Nigeria there are 21 procedures to be followed and the entire process of transfer also last up to 274 days.

These views still hold sway in Anambra State as it takes between 2-5 years to obtain certificate of occupancy and high cost of land transfer as observed by Obunadike (2003) "unfortunately, the demand for the services rendered by the lands department cannot be said to be inelastic. Hence with the recent introduction of astronomical high fees for services rendered by the lands department in the state, prospective investors have shifted their interest to sister states like Delta, Enugu, Ebonyi, Imo and Abia. In other words, Anambra State is now experiencing capital flight since potential investors have now focused attention to the sister states where cost of land transactions is reasonable".

In addition to these high fees, the State Government recently introduced Anambra Property Land Use Charge (APLUC) and increased personal income taxes payable by citizens. Payment of these charges (APLUC) and income taxes are prerequisites for processing any land documents in the state. Some of these taxes are not based on current ability to pay but on the estimated value and location of your property. Where your property is located in GRA for instance you are expected to pay minimum income tax of N500, 000.00 for three years together with APLUC and other fees before your file is treated.

This unfortunate situation has made a lot of people to operate in the informal market or invest in neighbouring states with its negative impact on housing delivery in the state. The way out is to review downwards the current fees, land charges and income taxes payable in the state in line with economic principles and realities.

**3.5 Affordability gap.** This is defined as the difference between the required monthly mortgage repayment on the least expensive house and the 33% (an industry standard as recommended by the international labour organization) that can be deducted from the total salary of a potential home owner. There is a gap between need for housing and the capacity to acquire the desired housing type resulting in an effective demand crisis for affordable housing in the country. While it is clear there is a housing deficit, it is crucial to recognize that people can only require what they can afford. Affordability analysis shows that low income earners can afford housing units at N2 million. This is based on the assumption that the borrower is on average monthly income of N34, 000.00 and should spend a maximum of 33% of his gross income on housing for a 30 years NHTF mortgage of 6% per annum and a down payment of 10% (N200, 000.00) of the cost of the house, the monthly payment will be N10, 792.00.

The question that begs for answer is what percentage of Anambra State citizens earns N34, 000.00 per month as to be able to afford a house of N2m using NHTF mortgage facility? Similarly what type of housing unit will be delivered at a total cost of N2m including land and other associated costs? Williams (2012) in his analysis on housing construction cost estimated that an average cost of a modest 60 square metres one bedroom flat together with associated indispensable items like land, water, power, sewerage disposal etc. would be in excess of N3 million. One-bedroom flat may not be the most sought after type of accommodation but this kind of associated cost automatically excludes a large section of households in dire need of accommodation in the state.

**3.6 Slow Bureaucratic procedures:** The World Bank/International Finance Corporation Report (2006) indicated that in Nigeria there are 21 procedures to be followed and the entire process of transfer last up to 274 days which ranks as one of the highest in developed and developing countries. This is evidenced in the delay in processing certificate of occupancy and granting of Governors consent for subsequent transactions which is a measure of bureaucratic procedures associated with Nigeria land administration practices. The delay, according to Omirin (1992) is traceable to the web of movement of files from one office table to the other. It is believed that some land owners would choose to continue to operate in the informal market rather than wade through the web of bureaucratic procedures associated with title processing. This entails not bothering to process and register their title documents thereby effectively shutting themselves out from accessing mortgage finance and its consequential negative impact on housing delivery in the state.

**3.7 Lack of Critical Infrastructures in Urban and Rural Areas of the state:** has been identified as one of the critical factors to housing provision. There is no gain saying the fact that provision of infrastructural facilities like roads, water, electricity, sewerage systems and comprehensive city planning and development engenders capacity building and encourages the private sector to embark on housing provision. However successive administrations in the state have failed to provide this basic infrastructural facilities resulting in increasing urban poverty,

housing shortages, poor infrastructure and poor sanitation in the face of rapid urbanization of the state.

This probably explains why the present state administration embarked on preparation of structural plans for the three major cities in Anambra State namely Awka, Onitsha and Nnewi. It is hoped that strict implementation of these plans will give the state a facelift and transform a partially rural state into a modern city state by providing 24-hours electricity supply, network of reticulated water supply, bulk sewage system, network of good roads (streets), public transportation, network of waste management, waste disposal systems, well laid out residential commercial and industrial areas, parks, gardens etc. Certainly the provision of these infrastructures will reduce construction cost and encourage the private sector to invest in housing provision.

### **3.8 Development Control:**

The process of development control involves the regulation of the detailed aspects of physical development. There are two levels of development control: the macro and the micro. At the macro level, the objective is to control the subdivision of land. The subdivision plan should be drawn at the appropriate scale and details. At the micro level, the objective is to control the development of the individual plot and structure within the sub-division. At the level of individual, development control essentially involves the designing of building plan to satisfy specified standards and ensuring that the actual development conforms to the approved plan.

Physically and environmentally, Anambra State today shows no signs of an effective development control or regulation. Structures are built anyhow anywhere. High rising buildings are constructed with hardly any road access to them. At the macro level indiscriminate subdivision of plots is taking place daily in low density layouts in the state. At the micro level it takes between 6 – 12 months or more for a plan to be approved. A lot of relevant and irrelevant documents are required for plan approval by the town planning authorities in the state like (Environmental Impact Assessment Report (EIA), Undertaken of a Structural Engineer to supervise the construction and unreceipted approval/processing fee. The foregoing identified administrative corruption, bureaucratic bottlenecks pushes up the cost of approval thereby negatively impacting housing delivery by the private sector.

### **3.9 Uncoordinated Policies and Implementation.**

The major instrument used to administer land in Anambra State is the Land Use Act (Cap. L.5 LFN 2004 (originally decree No 6 of 1978). However successive administrations in the state have been making land policies in the state and implementing indiscriminately. Obunadike (2008) identified a number of problems associated with land polices implementation in the state to include.

- The issue of double allocation and allocation of non-existent plots.
- The problems of block allocations to groups like the Abuja housing estate sited in the area already allocated to other people with subsisting certificates of occupancy.
- The problem of redesigning some layouts and allocating same to different people, thus creating problem of displaced allottees.

- Resistance by expropriated land owners over acquisition of their land. In some cases they extort some money from the allottees or cart away stacked building materials of the allottees especially in Agu Awka Layout and Trans-Nkisi Layout, Onitsha.
- Reservation of 20% of realized plots in any government layout and given to land owning community as compensatory plots.

Similarly successive administrations in the state indulge in constant revocation and review of allocations made by previous administrations. Meze, et al (2011) assert that since the creation of the state in 1991, allottees of government plots are never sure of the status of the plots allocated to them because such allocations are subjected to constant revocation exercises.

The foregoing uncoordinated policies and practices impact negatively on provision of safe, adequate and affordable housing for the citizens of the state.

**3.10. Youth/Touts Harassment of Developers;** Virtually in all urban towns in the state ranging from Onitsha, Obosi, Nkpor, Nkwelle Ezunaka to Awka they have emerged powerful youth/touts associations that harass and disturb real estate developers from carrying out development.

In Onitsha you cannot carry out repairs or renovation of your old house without paying development fee, levy or royalty to the youth association. When you fail to pay before commencing development, they will seize and cart away the tools of the artisans together with some lightweight building materials until the developer settles them. It is regrettable that even with the enactment of Prohibition of Fraudulent Practices on Land and Property Law 2012, these youth associations are still fully operational in their various towns. The annoying aspect of this practice is that there are various distinct groups operating in the same area to the effect that if you settle one group, the next day another group will pose to be the authentic group and so on.

This frustrating situation is driving away investors in housing from the state to some neighbouring states where investment climate is friendlier.

### **3.11 Lack of Security in The State.**

Ever since the worsening situation of security in the state, most investors even indigenes of the state have relocated to Lagos, Abuja and other seemingly safe havens to avoid being kidnapped. The situation is so bad that some Anambra citizens living in Lagos now do traditional wedding of their daughters in Lagos instead of coming to the village. If they cannot risk coming to the village to do traditional wedding of their daughters, would they come to inspect land, buy and supervise the construction?

Similarly, people attribute their inability to live in the village and go to work in any of the urban towns to lack security as it is easier to be picked up in the village than in the town. Governments should as a matter of urgency address this security situation before it becomes our way of life and drives away prospective real estate investors from the state.

### **3.12 Laws Governing Landlords and Tenants Relationships and slow pace of Justice.**

It is generally agreed that these laws have since outlived their usefulness and should be reviewed to reflect trends in our socio-economic environment. Some of the statutes are so skewed in favour of the tenant that with the slow pace of dispensation of justice system, real estate owners are

usually at the mercy of the tenants/occupiers. This serves as a major disincentive to housing development and caused prospective investors to consider alternative forms of investment besides housing.

#### **4.0 Anambra State Government Efforts Toward Housing Development And Delivery.**

Amongst the strategies adopted by the government include:

- (i) Site and services scheme
- (ii) Public private partnership
- (iii) Master plans for Awka, Onitsha and Nnewi.

#### **4.1 Site And Services Scheme**

As noted earlier, there are existing state layouts that are yet to be provided with infrastructural facilities. Government has been intervening in these old housing estates to make them functional and serviceable. According to Ilozumba (2012) government is providing water in Udoka Housing estate and plans a similar work at Niger Bridge Head Estate, Onitsha. At Ahocol Oganiru Estate, Awka, the state government has completed roads and drains in it while it is constructing dual carriage road through other Ahocol Estates in Awka.

Furthermore, government is creating new estates in Awka to be known as New Awka City Greenwood Layout to be located at Agu-Awka. It will provide 4000 fully serviced plots of various sizes for residential purposes. Another new estate is the Nkonko Housing Layout at Mgbakwu, which will provide 800 fully serviced plots to the public.

The downside of these site and services schemes is that when the plots are fully serviced as proposed, the cost will be beyond the affordability level of the low income group.

#### **4.2 Public Private Partnership (PPP)**

There are various variants of PPP each depending on the terms of the contract between government and the developer. However, this basically involves the provision of land by the state government to interested developers who are able and willing to utilize their resources to develop real estate for sale to members of the public. The state government tries to reduce the delivery cost of each house by granting rebate to the developer on the cost of the land. The PPP is targeted at providing affordable housing for the populace.

There are presently two of PPP contracts in the state namely: Hill View Housing Estate, Nkwelle Ezunaka between Anambra State Housing Corporation and Master Holdings. We understand this contract has been revoked for non performance on the part of the developer.

The second one is Light of the Nation Estate which took over Ngozika Phase 2 Estate. This is public private partnership between Anambra State Housing Corporation and Rockland Development Ltd. The Estate will provide 400 serviced residential plots out of which 20% will be sold as site and services scheme while 80% will be developed as 4 bedroom and 5 bedroom duplexes sitting on 900m<sup>2</sup> and 1200m<sup>2</sup> plots of land.

#### **4.3 Preparation of Master Plans for Awka, Onitsha And Nnewi.**

Before the advent of the present state administration, extensive illegal and unregulated building patterns predominate Onitsha, Nnewi and other major urban centres in Anambra State. Buildings are put up without regard to existing building and health codes or zoning and sub division

regulations – thus creating squatter conditions in which most residents now live. This necessitated the preparation of structural plans for three cities in Anambra State with a view to supporting the state government in implementing the structure plan through capacity building and ensuring systematic physical development, provision of adequate shelter and improving urban management.

## 5.0 RECOMMENDATIONS

Having x-rayed, the major challenges militating against housing development and delivery in Anambra State, we are proffering the following solutions:

(a) The state government should adopt and implement strictly the provisions of 2012 National Housing Policy by providing enabling environment for private developers to provide affordable housing for the citizens of the state.

(b) The Ministry of Housing and Environment should liaise with professionals in the construction industry to organize a housing summit in the state on how to implement the 2012 National Housing Policy in the State and the benefits accruable thereof.

(c) The Federal Government should carry out comprehensive review of the Land Use Act by removing it from the Constitution to facilitate easy amendment, expunging section 1 of the Act, section 22 on Governors consent and other offensive provision to engender more flexibility in land acquisition and administration. Formal and informal land delivery systems should be encouraged to ensure secure and easy access to land, titling, transfer and foreclosure.

(d) The state government should review downwards the transaction costs (fees and taxes) for landed properties in the state in line with what is obtainable in neighbouring states to minimize capital flight from the state.

(e) The state government should liaise with banks and set up Anambra State mortgage scheme like in Lagos State. This entails interested banks pooling reasonable sum of money together for lending to citizens of Anambra State at a negotiated but reduced interest rate of say 10% or less. The scheme like in Lagos State could start with the civil servants and later extended to other citizens.

(f) The state government should establish more serviced residential layouts and provide infrastructures in old residential layouts like Trans Nkisi, Onitsha to serve as catalyst for housing development and delivery.

(g) The new law on the Prohibition of Fraudulent Practices on Land and Property should be strictly enforced as the youth associations of the various urban towns are still harassing and extorting money from innocent developers.

(h) Government should consider reviewing some of the statutes/laws governing landlords and tenants relationship together with facilitating the slow pace of justice system to reflect trends in our socio-economic environment and make investment in housing attractive.

(i) To overcome the challenge of limited access to finance, government should encourage primary mortgage institutions to establish branches in the state, recapitalize its own primary mortgage institution and encourage the formation of co-operatives under the control of the State Civil Service Commission through which housing loans could be advanced to the civil servants and monthly repayments deducted from salaries and entitlements on retirement.

(j) To reduce the high cost of construction in the state the blending of imported building materials and local materials should be encouraged; effective and functional architectural designs adopted



and skill acquisition centres established in the three major urban towns in the state namely Awka, Onitsha and Nnewi.

(k) Primary mortgage institutions, corporate organizations and town unions should engage in a symbiotic relationship in housing provision.

### 5.1 Conclusion

This paper discusses the major challenges militating against housing development and delivery in Anambra State. As could be seen from the paper, most of the challenges are common to developing countries and not peculiar to Anambra State or even Nigeria. Therefore to comprehensively address the challenges there is need for a holistic approach which will involve the Federal Government, the State Government and the private sector (both formal and informal). Cognizance of the fact that despite the considerable resources deployed for housing production by government since 1960 to date, the formal planning system has made limited impact on urban housing problems and in view of the fact that the private sector has displayed greater flexibility and potential for housing production, we are of the opinion that in line with the provisions of 2012 National Housing Policy, government should provide enabling environment for private sector to provide safe, adequate and affordable housing for the citizens.

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