

People and Places: The Importance of the Supply of Land in Delivering Affordable Housing in Informal Settlements *

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SUMMARY

In line with the three pillars of sustainability, good governance requires a holistic strategic approach- in this paper the provision of affordable housing. Affordable housing in sub-Saharan Africa first appeared on the international agenda with the increasing pace of urbanization, but Countries' administrative and managerial mechanisms are generally not in place to cope with the new demand. Year on year shortfalls in housing compounded the problem.

Today the position is serious. Rapid population growth and rural-urban migration is placing enormous pressure on the ability of African countries to facilitate access to housing and public services, as manifested by the high housing rents, overcrowding, and emergence of slums and informal settlements.

The need is for increased government resources and a political will to tackle the problem including identifying pragmatic solutions to the fundamental structural problems that affect the delivery of houses. As its contribution, the Special Advisory Services division (SASD) of the Commonwealth Secretariat and the Common Market for Eastern and Southern Africa (COMESA) identified and initiated a project that has been specifically designed to address how to identify and implement pragmatic action orientated actions, to address demand for cost- effective housing and public facilities.

Furthermore the provision of a house structure cannot be seen as only an end product. Housing is after all part of a complex series of action steps and policies that cuts across government departments. So if governance practice's are to be influenced, then a holistic approach would be needed to bring about an integrated economic, environmental and social development solution.

The project team's Terms of Reference required visiting six countries in the COMESA region. Although the project focus was on 'Alternative Technology for Building Materials' aimed at offering lower unit costs of construction, it became clear during these visits, that economic function of land was missing and that this would be needed to devise 'options for actions' that would stimulate both public and private sector stakeholders. The project then was adjusted to enable the inclusion of an assessment of the 'supply' of land as well as the existence of dual landownership systems (i.e including Customary).

This paper is Part I of a two- part series. The aim of this paper is to investigate the extent that governance needs to observe spatial planning and dual landownership systems when seeking to influence the supply and demand of housing materials. It address these questions by first explaining the project background, next building upon the empirical data collected it analyses the role of land in the delivery process n the case study countries before concluding with observations and attempts to highlight positive actions for consideration in future projects.

* This paper is Part I, Part II is to be delivered at CASLE Regional Conference, Zanzibar, Tanzania March 2006

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1. INTRODUCTION

This paper reports on a project initiated by the Special Advisory Services division (SASD) of the Commonwealth Secretariat (COMSEC) in partnership with the Common Market for Eastern and Southern Africa (COMESA). It is the recognition during the project that there was a need for a holistic approach to bring about an integrated economic, environmental and social development solution to create the business environment for affordable housing. This then requires an understanding of the supply of land.

The project thrust is to devise a strategy for COMESA, that in turn seeks to empower Member countries to help one another but above all utilise the coordinating, regional umbrella skills of the COMESA organisation. So the project purpose is to engender collaboration and to set pathways for ongoing communication between the COMESA Countries. The project output is a Framework Strategy for Action. It is concerned with 'How' COMESA can help member countries. It aims to provide a shared vision for the development of COMESA nations economy that in turn globally promotes the region.

In the building material sector, this approach is novel, it considers the whole economic supply line of materials and identifies ways to deliver affordable housing for all income groups but in particular low income groups, through the use of Alternative Technologies for the production and use of Building Materials. But the focus in this paper is the component relating to the 'supply' of land as well as the existence of dual landownership systems (i.e including Customary).

The cycle of strategy demands: *Vision* i.e. the project, *Strategic thinking* i.e. stakeholder involvement, and *Strategy implementation* i.e. a framework. The project team achieved this by communicating the strategy as it is developed over a 12 month period. First, by seeking consensus on the priority for the COMESA options for actions, achieved in Nairobi May 05, second making all of this happen means focus- not just on what we do but how we do it, achieved in Lusaka Dec 05.

Why this approach is worth highlighting is due to the interactive way that land emerged in the project process, thus demonstrating the implicit role of land in the delivery process. The project team's Terms of Reference required visiting six countries in the COMESA region. Although the project, focus was on 'Alternative Technology for Building Materials' aimed at offering lower unit costs of construction, it became clear during these visits, that economic function of land was missing and that this would be needed to devise 'options for actions' that would stimulate both public and private sector stakeholders.

This paper first explains the project background, next it outlines the phased method before describing how the issues of land emerged and was subsequently debated in each phase. The concluding remarks are suggestions for positive actions to be incorporated in ‘governance’ strategic thinking.

2. PROJECT BACKGROUND

In line with the three pillars of sustainability, good governance requires a holistic strategic approach to address a broad range of issues stated here as the “the Big Five” of Africa, (i.e. Agriculture, Health, Education, Infrastructure: including housing, and Water & sanitation). As emphasised by the Millennium Development Goals, this report considers one of the five, i.e. the fundamental right of all to have adequate housing.

Affordable housing in sub-Saharan Africa first appeared on the international agenda as the pace of urbanization increased; but these Countries’ administrative and managerial mechanisms are generally not in place to cope with the new demand. Year on year shortfalls in housing compounded the problem.

Today the position is serious. Rapid population growth and rural-urban migration is placing enormous pressure on the ability of African countries to facilitate access to housing and public services, as manifested by the high housing rents, overcrowding, and emergence of slums and informal settlements.

The need is for increased government resources and a political will to tackle the problem including identifying pragmatic solutions to the fundamental structural problems that affect the delivery of houses. As its contribution, the Special Advisory Services division (SASD) of the Commonwealth Secretariat and the Common Market for Eastern and Southern Africa (COMESA) identified and initiated a project that has been specifically designed to address how to enhance the capacity of COMESA to assist member countries to implement programmes that will encourage the use of local-resource based building materials production in the region.

Led by Governments but in partnership with Private and Donor/NGO sector, it is recognised by all member countries, that definite, immediate action and change is needed. This change has to be holistic and address the total economic supply line. This includes the supply of land and raw materials- the demand for manufactured products to serve the self build sector as well as micro and large enterprises.

3. PROJECT METHOD

The project Terms of Reference was to review the present position and to take a realistic view on possible solutions looking at the situation as broadly as necessary to enable the

formulation of a range of integrated options that will allow the problem to be tackled with a realistic chance of success in the future.

To maximise collaboration within the parameters of the project, an approach was developed that consisted of five broad phases.

- Phase 1- Drivers and Objectives agreed and development of COMSec/ COMESA Terms of Reference.
- Phase 2 – Stakeholders engagement, preparation and agreeing an evidence base approach by instigating country visits.
- Phase 3- Test technical delivery at consultation workshop with partners about key issues, May 2005 (Nairobi).
- Phase 4 - Preparing a draft detailed consultation paper, and refining recommendations at December2005 stakeholder meeting (Lusaka).
- Phase 5 - publishing and promoting the final options for action after the stakeholders workshop in February 2006

4. PHASE 2 – COUNTRY VISITS

Collaboration on technical ‘know how’ was essential. Thus in phase 2, the project team in partnership with the project lead from COMESA undertook country visits to observe what is happening in the field and along the way identify exempla practices which will enhance the collective understanding of Members when they met in subsequent forums. Base data was collected from six countries- Kenya, Uganda, Seychelles, Malawi, Zambia and Swaziland.

It soon became apparent that some country representatives were concerned that the ‘supply’ of land was the problematic issue in the context of affordable housing. From a land economist perspective, this is not surprising. Given the need for a holistic supply and demand approach, the scene was set that land is a strategic prerequisite for the provision of shelter and for the development of sustainable human settlement affecting both urban and rural areas. But the emerging pattern of settlement is that cities and towns are facing challenges associated with increasing migration of peoples to urban areas, who are without any option are settling informally on the edge of cities. The very worst scenario is the development of slums, which are representative of demand led settlements.

Regardless of any project approach- be it affecting the supply of materials or concentrating on provision of houses by the public or privates sector - it is clear that the supply of land is needed at a faster pace to the contain the squatter settlements. Land requires proper management and development at national level. But land is in short supply in some parts of member countries due largely to high population density, it is the delivery of planned plots and the political power that governs this land.

This finding led to the need to understand and possibly further debate the supply issue of land and plot allocation, justified next.

5. JUSTIFICATION OF THE SUPPLY OF LAND

The economics of housing recognises that it is easy for Governments worldwide to mix two different drives- The need for accommodation (to combat homelessness and overcrowding) with the demand to own a home, close to friends and family and work (fuelling un-affordability). So the objectives must be clarified in order to distinguish between policy that affects social need and market demand (1).

In this project a holistic approach to deliver SME support will require an understanding and support within the wider economic and business environment. Consequently the project objectives needed to look at the supply of land, as this was agreed to enable efficient delivery and low prices in the housing sector.

In considering this, three main areas within the economic cycle were identified by the specialist consultant. These are, Supply, Demand and Regulation. Their greatest contribution to the Program will be within the Business environment, that impacts on the market by enabling the end user/ customer to respond to the lower costs that could be achieved, and thus the strategies proposed support the creation and expansion of the market for the SME producer. All are required as part of the enabling environment for the delivery of appropriate and affordable building materials and are best described in the economic cycle as follows;

Supply- relates to the forward supply of land and encompasses the strategy program headings that relate largely to Places, and Plots. The pace of urbanization is so rapid, new, modern ways that are culturally sensitive will need to be found to deliver land. The emphasize is on participatory planning and seeking agreement with a range of landowning as well as resident stakeholders. Further, the African continent community has a role to play as it grapples with, and achieves lessons for modernizing cultural and customary approaches to land.

Demand- People demand decent allocated plots for housing and thus the supply of land is a function of economic development. People require space to live that is in line with the Millennium Development Goals and is representative of decent living environments. An action to achieve this will concentrate on a range of activities. Clearly, in the context of this program, strategy must be one of collating and communicating lessons from world wide ongoing programs, which are emerging in Africa but specifically in Member countries.

Further, an immediate need is on cost effective mechanisms for infrastructure provision. What may be required is an International or at least a Regional approach to financing. Urgent action is required to build partnerships with and create strategic alliances with Private and NGO sectors, this will also need partnerships skills in PPP methodologies.

Regulation- Access to building primary materials is the engine room of the SME supply chain, but Member countries unique environmental assets need to be exploited in a way that will attract investment and develop economic advantage; but not to deplete the environmental and natural resources or the quality of life of the people living in the area. Efforts will need to

be made to encompass alternative technologies for the provision of building materials and the engagement of a range of existing organizations related to the SME environment, such as Member country Bureau of Standards, to agree and accept appropriate specifications and standards.

So even in this project, relating to technologies it was established that critical to the delivery of affordable housing are issues such as New Technologies in Materials and Construction, Building Standards, Regulations and Control, Process Management and Training, Finance for Construction and Housing Purchase, but importantly, also Land Issues and Physical Planning process.

6. PHASE 3 – NAIROBI LAND AND PLANNING DISCUSSION

At the first technical session (Nairobi) the format was to integrate the country visit information into seven Issue Papers presented by the Resource Team, followed by discussion sessions. This was over four days of deliberations. The first two days focused on technologies. The third and the fourth day were dedicated to the important background issues of finances, land and physical planning, building standards and management and training.

As it related to land and planning the summary of the discussion is amended from the specialist consultants output report (2). The country observations were grouped in order to provide a focus for the discussion. These included;

- Land ownership and administration
- Forward Planning for new land allocation
- Informal settlements
- Infrastructure and cost recovery.

A lively question and answer session initiated by a presentation on the functioning processes of slums began the debate. Delegates were keen to learn details relating not only to land, i.e. landlord, payment of rents, and basis of land ownership but also the existence of social community contracts in governance. Moreover, the African Continent's current problem of urban migration is exacerbated to non existent planning in rural areas, and as Kenya's delegate outlined subdivision of plots. The experiences in Kenya on its Slum upgrading program that is soon to move from strategic thinking to first phase of decanting residents, site clearance and preparation was shared.

An open debate on solutions then followed dividing this technical issue between, first land supply constrained by the dual ownership and administration (Government and chief land). Second, the constraints from the existing planning system failure to allocate sufficient land for housing.

7. LAND SUPPLY

The main focus was on Customary ownership, raised as an issue because it directly affects the supply of land for development. That is, the fact that town boundaries are constrained by further expansions due to the change from Government to customary administration.

So, on the one hand the theme centered on partnership with chiefs, notwithstanding two negative responses that customary land ownership should be eradicated. This view was assumed an economic climate of open market transactions and the need for willing seller and willing buyer. The majority view was that ways to negotiate, equably control, and in one instance regulate the chiefs actions should be identified and would possibly solve this constraining issue.

On the other hand, the next theme considered the role of government in owning land. The degree of control, not surprisingly, ranged from outright support of nationalization (with or without compensation) and with subsequent distribution to citizens either by lease or ownership of plots, to maintaining the status quo of a dual administration system and reflecting the first theme, setting up a dialogue with chief owners.

The two themes debated suggest that the current split of land ownership between government and chiefs is not in real dispute; but delivery of housing on government land should be more accountable. To continue this line of thought if ownership is not considered an issue then regularizing and planning within informal settlements must be in partnership with chief because these settlements are largely (but not exclusively) occurring on traditional lands.

So, the emerging view is that modernization of customary land would greatly help. There will be a need to consider the dual system and the extent to which tenure types can be utilized by the poor, which may require a uniform land tenure.

This moved the discussion to regulation of the formal cadastre system. Led by Kenya, a country with a comprehensive suite of Acts; and their need to amend the titles under the Sectional Properties Act debate. As well as a short discussion on subdivision; but largely concentrated on rationalization, transparency and accountability.

This debate concluded emphasizing that any review of land laws must be done with the involvement of people, again underscoring the political nature of land.

8. PHYSICAL PLANNING

It is important to distinguish between forward planning and development control. It is the former that is the theme concentrated upon because this relates to the supply and control of land for new housing development.

The overriding and most active debate focused upon the need for a new approach to planning and the need for a reassessment of the role that plans can play in addressing both the existing development of urban areas as well as allocating future land to supply housing land. Noting that this constraint mirrors the current global debate on the changing culture of planning (see UN Habitat workshop “Urban Planning Revisited” World Urban Forum September 2004).

Strategic planning was mooted as a new approach, this could be developed to be a affordable, responsive and contribute to the prevention of informal settlement. It envisages bottom up, cross sector, integrated and inclusive planning. The action oriented approach was compared to the laborious current zoned plan documents and planning process and received favorably support.

But the contrary view that a place for traditional approaches should continue with long-term planning documents also had support. After deliberations a consensus began to emerge that the short-time horizons in strategic planning would benefit housing, but this could be in parallel to the long time horizons associated with major transport and national planning issues encapsulated in current plans. So there is a place for both approaches, but with scarce resources choices may need to be made.

Boundaries were briefly discussed as minor theme, and reflect the need for responsiveness due to revisions required as cities are pressurized to grow. This constraint would be removed with effective planning.

Importantly, this discussion also raised the topic of the required skill set of people in the planning function. A new strategic approach will demand a broader set of skills from people in the housing and planning teams including capability in economics, housing, public participation, coordination, as well as spatial planning. It maybe desirable to use staff from across the “built environment” professional sector.

Furthermore the provision of house structure cannot be seen as only an end product. Housing is after all part of a complex series of action steps and policies that cuts across government departments. A small coordination team, that is not politically motivated, could be responsible for gathering, monitoring and disseminating information to ensure joined up thinking and implementation. Data needs could include GIS spatial information, population census, informal settlement community leaders, liaison and enforcement. This was considered a worthy contributor to the solutions.

The final major theme was public participation. With recognition that planning needs to be more responsive to economics drivers, the desirability of greater communication between public and private stakeholders was encouraged. Although, a roundtable approach comprising representatives from planners, developers and politicians was proposed, after discussion it was agreed that because their respective agendas would be extreme instead the liaison function may be an appropriate role for the coordinator (as above) to pursue. Pertinently, this

debate underlined the need for better relationships between the private sector as well as community leaders.

The outcome of the technical workshop was a series of recommended options for action. These were based on the strategic directions identified for each issue during the earlier sessions. Some of these were to be taken forward to the COMESA stakeholder workshop in Lusaka scheduled later in the year for approval, but discussed next.

9. PHASE 4 – LUSAKA

Importantly, the two emerging land and planning themes arising in the country visits and subsequently discussed in Nairobi remained on the agenda.

This stakeholders' workshop is the penultimate stage of the project. The aim is to refine the options for action generated from the Nairobi Technical workshop (May 2005) with a view to gaining consensus to inform the strategy framework that is due in February 2006.

After reviewing the stakeholder wants and needs the delegates considered three broad strategy frameworks, Technology; Land Supply, Infrastructure Provision and Building Regulations; and Training and Finance.

The main strategies that arose from the stakeholders' workshop, and that formed the basis of further refinement and focusing on priority areas in the stakeholder workshop where:

- Dual land ownership and administration,
- Supply of land through Forward Planning,
- Informal settlements and upgrading,
- Provision and access to basic service infrastructure,
- Legal and technical framework on Building Regulations.

In this regard it was suggested that the priority areas for further consideration (Appendix A) in Lusaka should be:

- Realistic and honest adoption of Housing number needs, and an appropriate mechanism to deliver sufficient urban plots for housing,
- Forward Planning, systems and processes
- To reconcile the dual land administration issues through Partnerships with chiefs and people and protecting/ establishing stakeholder tenure rights.

The aim of this high level senior meeting was to refine the Action options with a view to consider proposals for COMESA to implement, recognising that not all can be done immediately and that Members will also need to partner in the initiatives.

The stakeholder review was intended to challenge the delegates to prioritise the regional intervention, it allowed delegates to grapple with the most important question of all, namely, why we are doing this. In developing a final strategy the roles of key stakeholders with regard to specific strategies to support the COMESA effort will be investigated further.

10. CONCLUDING REMARKS

It is noteworthy that at all discussion levels; technical, stakeholders and eventually within the strategy, Land has been subsumed into what is essentially a technically driven project.

Land is politically motivated and it is suggested that Governance will need to understand and account for the supply of land in their strategies if the aims are to mirror people and places. For it is this, that will be socially and economically sustainable, which combined with the nature of land also demands an environmental impetus for sustainability.

In deed the priority areas alluded to above (Appendix A) are key actions. Furthermore, these actions are demonstrable in a range of door programmes across the continent. But it is now time for these agencies to begin to co ordinate their own efforts between themselves and ensure that each individual programme has regard for one another, at least across the region but it is essential within each country. Not to do so, is surely an injustice to each nation state's attempts to implement good governance? Given scarce human resources in governance, it is time for the multitude of Donor programmes to work together and collaboratively rather than antagonistically to ensure long-term viability for developing nation states.

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Appendix A- Strategic options for Action

Action 1

Objective: Dual ownership

Context:

Towns often have reached capacity and require more land for expansion, but are surrounded by Chief land held under Traditional / Customary ownership, thus making expansion difficult. Specifically, Local governance power to take action where informal settlements have emerged on chief land is both constrained and impeded by political alliances, City governance is unable to equably govern and ensure regulated settlement, e.g. control encroachments.

Options

- Review Member Country Act's that enable temporary occupations to become established.
- Consider task force to seek ways to negotiate and understand issues facing the Chiefs, and finding a way to negotiate appropriate political and a technical issue
- Consider ways to modernize and work with customary land administrative practices and seek ways to allow dual systems to operated including : Set up dialogue with chief owners

Action 2

Objective: Supply of land for house plots through Forward land use planning and infrastructure

Context: A nation's ability to generate, mobilise and use the common land assets productively and sustainable is crucially important for its short and long term development, this requires forward planning. Typically Country Land Use plans, if they exist are out of date, this combined with understaffing and lack of resources incapacitates the ability of planning departments to be effective. Resource constraints also apply to Planning Depts development control function. Unless the urban areas can plan ahead then they will never be able to gain control as more and more people arrive from the rural areas.

Options:

- Investigate a new approach to forward planning by drawing on global proposals (e.g FIG), reassess the role that plans can play in addressing both the existing development of urban areas as well as allocating future land to supply housing land, and
- Develop Strategic planning methodologies utilizing the work being progressed across the African continent.
- Understand and disseminate appropriate practice as to how to demarcate plots immediately, that allows incremental upgrading but prevents the growth of the informal planned settlements, and prevent encroachments.

- Consider and propose a plan for training Built Environment Professionals within one of the Region's Universities, including
- Facilitate short course on capacity building for planning and built environment professionals in the housing and planning teams including capability in economics, housing, public participation, coordination, as well as spatial planning.
- Lead on collating as a priority realistic delivery housing numbers to be immediately planned for in land use planning to address the Inadequate affordable housing allowances for both existing urban and informal settlements.
- Seek and propose appropriate ways to engage a range of stakeholders in a series of working groups to include: PPP cost recovery, Forward plot allocation, Vulnerable group headed households.

Action 3

Objective: Addressing haphazard growth of unplanned settlements, and upgrading

Context: Much is being done in upgrading slums, notable in the UN Habitat initiative (for a brief synopsis see Dr DD). In line with UN Habitat of two strategic programmes - improvement of a) security of tenure, and b) urban governance.

Option Aims:

- Disseminate information and analysis of the UN Habitat workshop "Urban Planning Revisited" World Urban Forum September 2004, and
- Monitor UN Habitat Program relating to governance and Housing Policy and identify interim lessons learned
- Facilitate a Regional study on informal /peri- urban settlement planning in collaboration with international donors and professional associations (such as FIG and UN Habitat)
- Collate and consider regional procurement of IT/ GIS systems that appropriately assists land information and urban mapping as well as land value assessment, and systems to facilitate the regularisation of informal settlements.
- Monitor and disseminate lessons arising from the upgrading programmes from the Cities without slums initiative (Blantyre and Maputo), and
- Identify and encourage COMESA country participants at the African Ministers Conference, Urban Development and housing (ZA Jan 05) to set their own improvement targets by the next conference scheduled 2007