

Problems and Prospects of Housing Delivery in Osun State

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Abstract: *Housing delivery system in Nigeria is a combination of various inter-linkage components such as land, infrastructures, building materials, building regulations policies and more importantly the finance component. the problems of housing delivery, the fiscal and monetary policy objectives, the housing policy objectives, the existing problems militating against housing delivery, the developed strategies for the rapid delivery of housing and the challenges of housing delivery. Data for the study were collected through well-structured questionnaire directed to residents in the study area. Data collected were analyzed using frequency distribution tables and relative significance index. The problems of housing delivery revealed that the cost of land acquisition ranked first with RSI value of 0.78 and building design ranked least with RSI value of 0.60. The fiscal and monetary policy objectives revealed that fluctuations ranked first with RSI value of 0.73 and changes with the size structure of firm with the construction industry ranked least with RSI value of 0.66. The housing policy objectives showed that increase and improve overall quality of housing ranked first with RSI value of 0.82 and local provision of local building materials ranked least with RSI 0.62. The existing problems militating against housing delivery showed that land acquisition ranked first with RSI value of 0.792 and environmental suitability ranked least with RSI value of 0.58. The developed strategies for the rapid delivery of housing showed that government taxes ranked first with RSI value of 0.832 and reduction of interest rate on bank loan on completion time of project ranked least with RSI value of 0.624. The challenges of housing delivery showed that Nigerian economy ranked first with RSI value of 0.84 and autocratic boss ranked least with RSI value of 0.692. Such evidence-based housing research plays an important role in improving the quality and consistency of information contributing to housing policy and practice.*

Keywords: *problems, prospects, housing, delivery.*

I. Introduction

Housing problem is a global phenomenon confronting both developed and developing, rich and poor, nations. Housing is paramount to human existence as it ranks among the top three needs of man. Its provision has always been of great necessity to man. As a unit of the environment housing has profound influence on the health, efficiency, social behaviour, satisfaction and general welfare of the community. [1], in their review of housing delivery efforts in Nigeria, defined housing as buildings or other shelters in which people live, a place to live. It is a reflection of the cultural, social and economic values of a society and one of the best historical evidences of the civilization of a country [2].

The provision of adequate housing in any country is very vital as housing is a stimulant of the national economy. Housing is a set of durable assets, which accounts for a high proportion of a country's wealth and on which households spend a substantial part of their income. It is for these reasons that housing has become a regular feature in economic, social and political debates often with highly charged emotional contents [3]. In Nigeria, like in many other developing nations of the world housing problems are multi dimensional. The problems of population explosion, continuous influx of people from the rural to the urban centres, and the lack of basic infrastructure required for good standard of living have compounded housing problems over the years. Access to this basic need by the poor who constitute the largest percentage of the world population has remained a mirage and it needs to be critically addressed.

[4] has observed that the disparity between the price and quantity of housing on the one hand, and the number of households and the money available to them to pay these prices on the other, constitutes the central problem of housing. The cost at which houses reach the market goes a long way to determine affordability. Where the unit cost of houses is abnormally high only a few people are able to afford the houses. According to [5] the gap between income and shelter cost in Nigeria is very wide. This has almost eliminated the low-income earners from the housing market.

The overall cost of a unit of housing in any building development includes the cost of providing land, infrastructure such as roads and essential service such as water and electricity. The cost of construction materials and labour constitutes major part of the total cost. The building design process is defined as that through which

the Architect and the Builder identify space allocation, materials and techniques to be used in the construction of a building [6].

Activities of the building industry in Nigeria involve the process of land acquisition, briefing designing, production of building materials, construction, maintenance and mortgage financing. Responsibilities of these different aspects fall on different actors within the industry.

II. Literature Review

The pooled effect of high population upsurge and urbanisation in a declining economy has thrown Nigeria into serious housing problems such as land acquisition, huge cost of housing, housing finance, building material and construction cost, security of tenure, land use Decree of 1978, effect of weather, land and settlement, inflation rate, effect of population, environmental management, individual earning power, immobility of housing, race and culture, types of relationships and environmental suitability. Ironically, the low-income groups who constitute the majority in the Nigerian society are the most affected by the finance menace.

The problems of housing shortage grow worse by the day in many developing nations including Nigeria. Conceivably, a major trait of housing crisis notable in urban centres in most developing nations is that of inadequate supply relative to demand [2].

[7] observed that people that sleep in indecent houses in urban Nigeria are more than people who sleep in decent houses. Thus, it is assertive that there is inadequacy in housing to cope with the over-increasing population in Nigeria [8]. The causes of this dearth in housing are numerous. High construction cost is found to be present in all countries, albeit in varying degrees of significance [9].

There is no doubt that some of the past policies and programmes relating to housing delivery and its construction and urban development in Nigeria were contextually and practically relevant in addressing popular need. [10] undeniably, some of the policies initiated by the government at both the federal and states levels in meeting the housing requirements and needs of the people are moves in positive direction, as such actions, however minimal, have alleviated the problems of the grave inadequacies of services and facilities in housing, as well as defusing the persistent housing tension among the low-income group in the major urban areas [11] cited by [12].

Housing policy can be viewed as a component of social policy, other areas being health care, education, employment, retirement, as well as policies for the socially disadvantaged. Social policy refers to the study of the state in housing has been a matter of controversy. The housing policy objectives involved to increase and improve overall quality of housing, provision of infrastructure facilities, public and private sectors of the economy, housing investment to satisfy basic needs and local provision of local building materials.

[3] reiterated that the demand for building activities is governed by the general level; of economic activity and government policy in relation to social service and capital investment. The government orders and purchase about half the output of the industry every year. When the industry works under the pressure of increasing demand, it creates an environment favourable to change. This will help the industry by improving its structure technology and thus raise productivity. This may also lead to improvement in material and methods of production. The building industry rates high in the national economy whatever the criterion used to measure its importance. Although measures such as the proportion of the labour force employment in a given industry and the contribution an industry makes to gross national product, then importance of the building industry is best reflected by its contribution to gross fixed capital formation.

[13] identifies the strategies for the rapid housing delivery to include reduction in government taxes, provision of shelter or accommodation, credit available on building construction project, investment which yields a flow of income, availability of material in the local market, housing contributes to a physical development, waste control, provision of employment, material control and management, source of social prestige, public and private participation, material security, provides collateral security for loan, reduction of interest rate on bank loan on the cost of labour, reduction of interest rate on bank loan on building materials and reduction of interest rate on bank loan on completion time of project.

III. Methodology

About two hundred (200) questionnaires were distributed but one hundred and fifty (150) were retrieved with the intention of analyzing response from the public and private organisations toward determining the problems and prospects of housing delivery in Osun state of Nigeria. The review of related works was done first and then the opinions and view of construction professionals were taken. A well-structured questionnaire was the main research instrument used and this supplemented personal interview by the professionals that are involved in the construction industry. A survey was conducted through mail two hundred questionnaires were distributed in Government, private and public organisation out of which one hundred and fifty were given response.

The statistical tools used for this study include percentage, mean, and relative significance index RSI (also known as Index of Relative Importance, IRI or Relative Importance Index, RII) to determine which of the stated effects of rivalry is the most prevalent among the professionals in Nigerian construction industry. The relative significance index ranking (RSI) was used for ranking of the factors studied. These methods have been used in construction research by authors such as, [14],[15], [16]among others.

The responses of the items on the questionnaire were obtained on a 5-point scale ranging from 1 to 5. “Strongly Agree” were scored 5, “Agreed” were scored 4, “Undecided” were scored 3, “Disagreed” were scored 2 and “Strongly Disagreed” were scored 1. [17]gave an equation that could be useful for determining Relative Importance Index (RII) in prevalence data as:

$$RSI = \frac{\sum \mu}{AN}$$

AN

Where μ is the weighting given to each factor by respondents;

A is the highest weight (i.e. 5 in this case);

N is the total number of respondents

For this type of research work of a 5-point scale, the RSI shall be calculated via the equation:

$$RSI = \frac{5a + 4b + 3c + 2d + 1e}{jN} \quad (0 \leq \text{index} \leq 1)$$

jN

Where: a = number of responded “strongly agree”,

b = number of responded “agreed”

c = number of responded “undecided”

d = number of responded “disagreed”

e = number of responded “strongly disagreed”

N = sample size = 150

j = number of response categories = 5

IV. Data Presentation and Analysis

The data obtained are hereby presented and analysed.

4.1 Respondents occupation

Table 1 shows the respondents occupation such as the contractors, consultant, housing corporation staff and other related professionals in the building industry.

Table 1: Respondents’ occupation

| | Frequency | Percent |
|---------------------------|------------|--------------|
| Contractor | 60 | 40 |
| Consultant | 57 | 38 |
| Housing corporation staff | 33 | 22 |
| Total | 150 | 100.0 |

Table 1 showed the occupation of respondents. It showed that 40 (60) percent are contractors, 38 (57) percent are consultants and 22 (33) percent are housing corporation staff.

Table 2: Respondent position in theirplace of work

| | Frequency | Percent |
|-------------------|-----------|---------|
| Senior Management | 51 | 34 |

| | | |
|-------------------|------------|--------------|
| Middle Management | 54 | 36 |
| Junior Management | 45 | 30 |
| Total | 150 | 100.0 |

Table 2 showed respondents' position in their various organizations. It revealed that 36 (54) percent are middle managers, 34 (51) percent are senior managers, and 30 (45) percent are junior managers.

Table 3: Working experience of respondents

| | Midpoint (X) | Frequency (F) | FX | Percent |
|---------------|--------------|---------------|---------------|--------------|
| 0-10years | 5 | 72 | 360 | 18 |
| 11-20years | 15.5 | 48 | 744 | 37.21 |
| 21-30years | 25.5 | 21 | 535.5 | 26.78 |
| above 40years | 40 | 9 | 360 | 18 |
| Total | | 150 | 1999.5 | 100.0 |

Mean = $\sum FX / \sum F = 13.33$

Table 3 showed the approximate number of years of respondents' working experience. It showed that 37.21 (48) have between eleven and twenty years working experience, 26.78 (21) percent have between twenty one and thirty years working experience and 18 (72) percent have between zero to ten and above forty years working experience. The mean number of working experience of respondents is 13.33 years indicating that respondents have experience about problems and prospects of housing delivery in Osun state.

Table 4: Areas of specialization of respondents

| | Frequency | Percent |
|--------------------------------|------------|--------------|
| Building only | 48 | 32 |
| Civil Engineering only | 33 | 22 |
| Building and Civil Engineering | 48 | 32 |
| Others | 21 | 14 |
| Total | 150 | 100.0 |

Table 4 showed the area of specialization of respondents' organization. It showed that 32 (48) percent specialize in building only, 32 (48) percent specialize in building and civil engineering, 22 (33) percent specialize in civil engineering, and 14 (21) percent specialize in other areas of specialization.

4.2 Analysis of the Nigeria National Housing Policy for the Housing Delivery

Table 5 identified the various housing policy objectives and the ranking of the factors through the use of Relative Significance Index (RSI).

Table 5: Housing Policy Objectives.

| HOUSING POLICY | 1 | 2 | 3 | 4 | 5 | Total | TWV | RII | Rank |
|---|----|----|----|----|----|-------|-----|------|------|
| Increase and improve overall quality of housing | 6 | 9 | 15 | 57 | 63 | 150 | 612 | 0.82 | 1 |
| Mobilise housing finance from the public and private sectors of the economy | 9 | 15 | 30 | 54 | 42 | 150 | 555 | 0.74 | 3 |
| Provision of infrastructure facilities | 12 | 9 | 15 | 48 | 66 | 150 | 597 | 0.80 | 2 |
| Provision of local building materials | 18 | 24 | 45 | 48 | 15 | 150 | 468 | 0.62 | 5 |
| Housing investment to satisfy basic needs | 9 | 15 | 33 | 63 | 30 | 150 | 540 | 0.72 | 4 |

Housing policy objectives in Osun State revealed that Increase and improve overall quality of housing ranked first with RSI value of 0.82, provision of infrastructure facilities ranked second with RSI value of 0.80, public and private sectors of the economy ranked third with RSI value of 0.74, followed by housing investment to satisfy basic needs and local provision of local building materials respectively. Though the housing policy objectives are clearly stated but could not be achieved due to lack of adequate fund resulting in low quality of housing stock in Osun state while there are still mix feelings on local building materials due to quality, durability and maintenance.

4.3 Existing Problems Militating Against Housing Delivery in Osun State

Table 6 identified the existing problems that are militating against housing delivery in Osun state and the ranking of the factors through the use of Relative Significance Index (RSI).

Table 6: Problems militating against housing delivery.

| PROBLEMS | 1 | 2 | 3 | 4 | 5 | Total | TWV | RII | Rank |
|---|----|----|----|----|----|-------|-----|-------|------|
| Land acquisition | 12 | 12 | 15 | 42 | 69 | 150 | 594 | 0.792 | 1 |
| Building material and construction cost | 11 | 16 | 12 | 72 | 39 | 150 | 562 | 0.749 | 4 |
| Housing finance | 12 | 9 | 27 | 48 | 54 | 150 | 573 | 0.764 | 3 |
| Land use Decree of 1978 | 12 | 27 | 30 | 36 | 45 | 150 | 525 | 0.700 | 6 |
| Land and settlement | 21 | 24 | 27 | 42 | 36 | 150 | 498 | 0.664 | 8 |
| Security of tenure | 9 | 30 | 21 | 42 | 48 | 150 | 540 | 0.720 | 5 |
| Individual earning power | 18 | 45 | 18 | 42 | 27 | 150 | 459 | 0.612 | 12 |
| Inflation rate | 27 | 21 | 24 | 48 | 30 | 150 | 483 | 0.644 | 9 |
| Environmental management | 33 | 18 | 18 | 51 | 30 | 150 | 471 | 0.628 | 11 |
| Environmental suitability | 21 | 42 | 39 | 27 | 21 | 150 | 435 | 0.580 | 15 |
| Immobility of housing | 27 | 36 | 21 | 39 | 27 | 150 | 453 | 0.604 | 13 |
| Huge cost of housing | 6 | 9 | 33 | 45 | 57 | 150 | 588 | 0.784 | 2 |
| Race and culture | 24 | 33 | 39 | 30 | 24 | 150 | 447 | 0.596 | 14 |
| Types of relationship | 24 | 42 | 18 | 39 | 27 | 150 | 447 | 0.596 | 14 |
| Effect of weather | 12 | 39 | 18 | 24 | 57 | 150 | 519 | 0.692 | 7 |
| Effect of population | 15 | 39 | 24 | 45 | 27 | 150 | 480 | 0.640 | 10 |

It showed that land acquisition ranked first with RSI value of 0.792, huge cost of housing ranked second with RSI value of 0.784, housing finance ranked third with RSI value of 0.764, followed by building material and construction cost, security of tenure, land use Decree of 1978, effect of weather, land and settlement, inflation rate, effect of population, environmental management, individual earning power, immobility of housing, race and culture, types of relationships and environmental suitability. The acquisition of land in Osun state is still very difficult in most towns due to cost, transparency of land sellers and complexities on the implementation of Land Use Act due to lack of political will of Government.

4.4 Strategies for the Rapid Delivery of Housing in Osun State

Table 7 revealed the various strategies for rapid housing delivery and the ranking of the factors through the use of Relative Significance Index (RSI).

Table 7: Strategies for rapid housing delivery

| PROSPECTS | 1 | 2 | 3 | 4 | 5 | Total | TWV | RII | Rank |
|---|----|----|----|----|----|-------|-----|-------|------|
| Provision of shelter/accommodation | 6 | 9 | 12 | 54 | 69 | 150 | 621 | 0.828 | 2 |
| Investment which yields a flow of income | 9 | 15 | 36 | 48 | 42 | 150 | 549 | 0.732 | 4 |
| Source of social prestige | 15 | 21 | 24 | 60 | 30 | 150 | 519 | 0.692 | 9 |
| Provision of employment | 15 | 21 | 18 | 60 | 36 | 150 | 531 | 0.708 | 7 |
| Provision of collateral security for loan | 21 | 27 | 24 | 36 | 42 | 150 | 501 | 0.668 | 11 |
| Housing contributes to a physical development | 21 | 18 | 15 | 39 | 57 | 150 | 543 | 0.724 | 6 |
| Reduction of interest rate on housing loan | 27 | 21 | 15 | 48 | 39 | 150 | 501 | 0.668 | 11 |
| Government taxes | 6 | 9 | 12 | 51 | 72 | 150 | 624 | 0.832 | 1 |
| Credit available on building construction project | 9 | 18 | 15 | 57 | 51 | 150 | 573 | 0.764 | 3 |
| Public and private participation | 18 | 21 | 30 | 42 | 39 | 150 | 513 | 0.684 | 10 |
| Material control and management | 15 | 24 | 18 | 54 | 39 | 150 | 528 | 0.704 | 8 |
| Availability of material in the local market | 12 | 18 | 24 | 54 | 42 | 150 | 546 | 0.728 | 5 |
| Material security | 15 | 24 | 36 | 33 | 42 | 150 | 513 | 0.684 | 10 |

Government taxes ranked first with RSI value of 0.832, provision of shelter/accommodation ranked second with RSI value of 0.828 and credit available on building construction project ranked third with RSI value of 0.764 followed by investment which yields a flow of income, availability of material in the local market, housing contributes to a physical development, provision of employment, material control and management, source of social prestige, public and private participation, material security, provisions of collateral security for loan, reduction of interest rate on housing loan respectively.

4.5 Perception of Major Stakeholders on the Challenges of Housing Delivery

Table 8 identified the challenges of housing delivery and the ranking of the factors through the use of Relative Significance Index (RSI).

Table 8: Challenges of housing delivery in Osun State

| CHALLENGES | 1 | 2 | 3 | 4 | 5 | Total | TWV | RII | Rank |
|-----------------------------------|----|----|----|----|----|-------|-----|-------|------|
| Nigerian Economy | 12 | 3 | 9 | 45 | 81 | 150 | 630 | 0.840 | 1 |
| Non availability of professionals | 15 | 12 | 24 | 51 | 48 | 150 | 555 | 0.740 | 3 |
| Inadequate Personnel Welfare | 12 | 30 | 27 | 30 | 51 | 150 | 528 | 0.704 | 5 |
| Environmental Changes | 18 | 12 | 18 | 54 | 48 | 150 | 546 | 0.728 | 4 |

| | | | | | | | | | |
|-------------------------|----|----|----|----|----|-----|-----|-------|---|
| Bad Professional Ethics | 12 | 16 | 26 | 42 | 54 | 150 | 560 | 0.747 | 2 |
| Time factor | 15 | 24 | 24 | 45 | 42 | 150 | 525 | 0.700 | 6 |

Table 8 showed that Nigerian economy ranked first with RSI value of 0.840, bad professional ethics ranked second with RSI value of 0.747 and non-availability of professionals ranked third with RSI value of 0.74, followed by environmental changes, inadequate personnel welfare and time factor respectively.

V. Discussion of findings

Housing policy objectives from the findings identified the increase and improve overall quality of housing, provision of infrastructure facilities, public and private sectors of the economy, followed by housing investment to satisfy basic needs and local provision of local building materials.

The findings showed the existing problems militating against housing delivery and revealed that land acquisition, huge cost of housing, housing finance, followed by building material and construction cost, security of tenure, land use Decree of 1978, effect of weather, land and settlement, inflation rate, effect of population, environmental management, individual earning power, immobility of housing, race and culture, types of relationships and environmental suitability.

The strategies for the rapid housing delivery from the findings shall include reduction in government taxes, provision of shelter or accommodation and credit available on building construction project.

The challenges of housing delivery includes nations economy, bad professional ethics and unused of the professionals among others.

VI. Conclusion

Based on the results of research and discussion, it is concluded several things: 1) The problems of housing delivery includes that cost of land acquisition, construction cost, technology, cost of plant and equipment, space allocation, cost of labour, finance base of firm, construction techniques, size of firm, purpose and use, age of firm, environmental issues, management, building style, climate and building design. 2) The monetary and fiscal policies of the government are not in favour of the building construction industry. 3) It also concludes that Land Use Decree has failed to harmonize various land tenure systems in existence before 1978 in Osun state and it identifies high cost of building materials, lack of finance, problem of land acquisition, lack of research and manpower training.

Recommendations

From the conclusions of this project the following recommendations are made:

1. The local authorities should embark on follow up action by promulgation of supplementary legislation for effective implementation of the Land Use Decree.
2. Training of manpower for the building industry should be restructured to consist of more practical experience.
3. There is must be various housing legislation that will enhance high quality housing production to improve building industry, reduce housing shortage with improved standard..
4. Adequate research should be carried out on existing local materials to be developed into building materials.
5. Activities of National Housing Fund need to improve.

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