

Private sector participation in the provision of urban services: an overview of housing supply in minna, Niger state, Nigeria

¹Musa Dalil, ²Usman, Mohammad Yamman

¹Department of Urban and Regional Planning, Federal University of Technology, Minna

²Department of Urban and Regional Planning, the Federal Polytechnic, Bida

ABSTRACT: *The importance of housing on the life of individuals, communities and even nations can never be over emphasised, thus having access to a decent and affordable housing accommodation was declared as a basic human right by the United Nations. As a result of this, various countries of the world promulgated legislations and policies that would ensure that their citizenries and residents alike have access to healthy and comfortable accommodations. But there has been of recent, a paradigm shift in the public provision of this all important component of the environment, to that of a synergy between the public and private sectors, owing to the dwindling economy of nations and the ever increasing competing needs between the various sectors of the economy of countries. This paper thus sets out to assess the role of the public- private sector in housing provision in Minna. In order to achieve this, both primary and secondary sources of data were employed in order to elicit vital data from the officials of the Public and Private housing delivery outfits as well as from documented sources i.e. journals and internet. The data collected were subsequently analyzed using simple statistical computation and presented in written and pictorial forms. The result of the analysis revealed that the Public Private Partnership (PPP) arrangements has been embraced by the State government, though the houses provided thus far are not commensurable with the housing needs of the people. Therefore, the paper recommended the establishment of an urban development bank that would enable investors have access to long-term loans with low interest rates as well as the development of a policy and regulatory framework that would ensure the availability of the enabling environment for private sector participation in housing delivery for the populace.*

Keywords: *Private Sector Participation; Public-Private Partnership; Provision of Urban Services; Housing Supply;*

I. BACKGROUND OF THE STUDY

The term “housing” has been viewed differently by various professionals; but central to each definition is its role of providing protection and comfort to its inhabitants. Therefore, the importance of housing on the life of individuals, communities and even nations can never be over emphasised. As a result of this, having access to a decent and affordable housing accommodation was declared as a basic human right by the UN Article (25) 1 of 1948, which stated that all member countries of the UN are bound to strictly adhere to the provisions of the Article (Housing Right Legislation, 2002). In other words, governments of the UN member countries should, and must ensure access to this basic human need by their citizenries either through direct provision or ensuring the availability of the enabling environment for private sector participation. The promulgation of the UN Article as well as the International Covenant on Economic, Social and Cultural Rights (1966) therefore gave rise to the enactment of various legislations and policies by the countries of the world in order to ensure that their citizenries and residents alike have access to healthy and comfortable accommodations (Leckie, 2007).

Although, ensuring the provision of affordable housing accommodation has become a major challenge for the public sector of many countries, it is more severe in the third world countries (Berner, 2007). This state of affairs according to Usman (2013) can be adduced to the level of corruption, high population growth rate (resulting in increased housing needs) and the slow rate of the countries’ economic growth and development (leading to poor standard of living and decrease in the disposable income of the populace). Thus, the residents and governments of such countries respectively, have less to spend on the provision and acquisition of this basic human need. Owing to these problems therefore, private sector participation in housing delivery is considered by professionals in the built environment as the only solution to the problem of housing stock deficit. The private sector, according to *www.investopedia* (2012) is that part of the economy which is not state controlled and is run by individuals and companies for profit purposes. This paper thus sets out to assess the roles of the

organised private sector in ensuring that the residents of Minna have access to affordable and decent housing units.

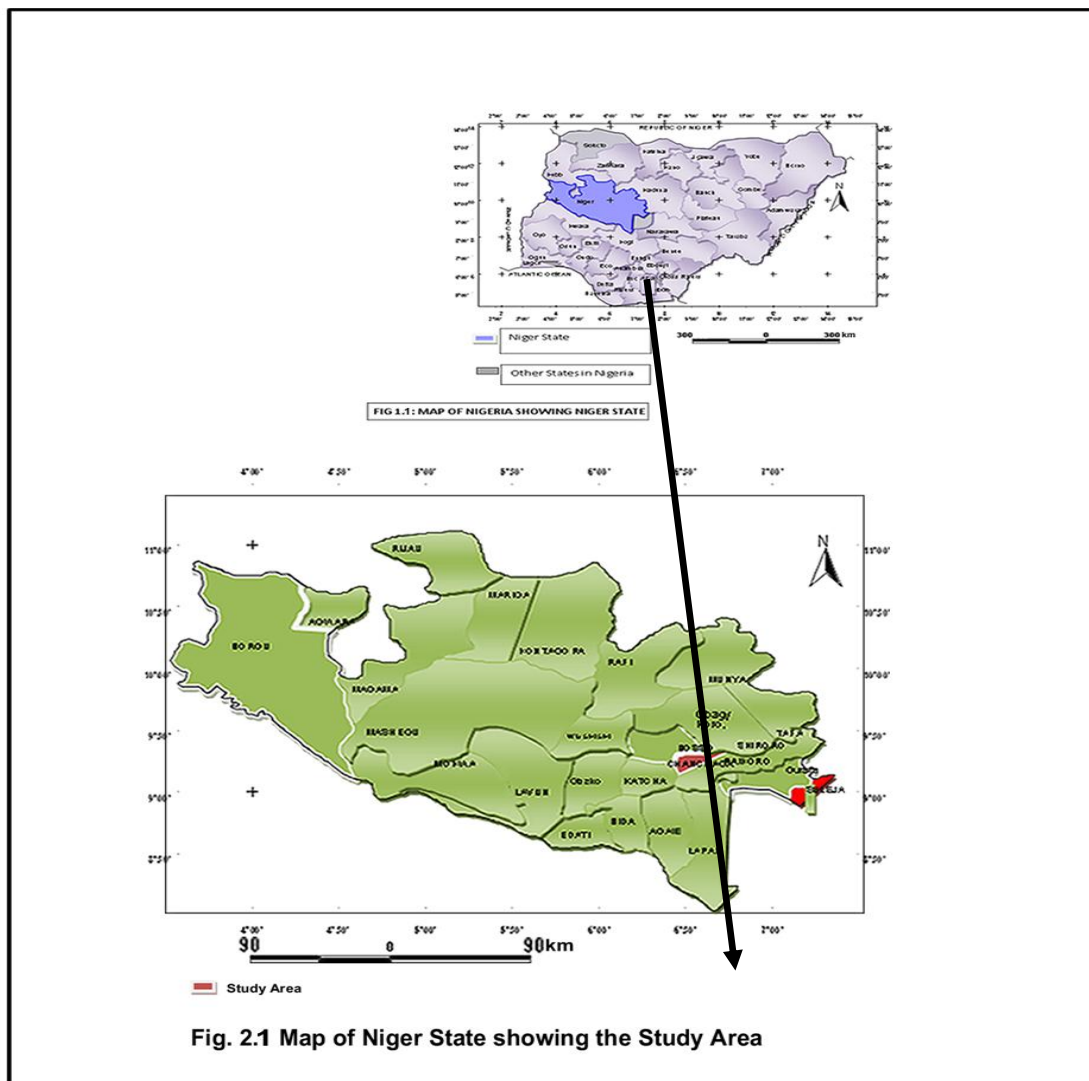
II. AIM AND OBJECTIVES

The aim of this paper is to assess the role of the Public Private Participation (PPP) in housing provision in Minna. In order to achieve the stated aim, the objectives are to:

- i. Assess the activities of the PPP in housing delivery in Minna;
- ii. Examine the (formal) private sector intervention in housing provision;
- iii. Assess the activities of the informal private sector in housing delivery and;
- iv. Examine the effectiveness and challenges of the PPP in housing delivery in Minna.

The Study Area

Minna, the capital of Niger State lies on latitude $9^{\circ}33'$ N and longitude $6^{\circ}33'$ E; the State is bordered to the North by Zamfara State, Northwest by Kebbi State, South by Kogi State, Southwest by both Kwara and Kaduna States, while the Federal Capital Territory, Abuja borders the State to both its Northeast and Southwest respectively. Minna is surrounded by Bosso Local Government Area and it lies within the central region of Nigeria known as the Middle Belt region, which is marked by the raining and dry seasons. The rainy season is brought about by the tropical marine air mass i.e. south west trade wind and it last between 190-200 days. The mean annual rainfall of Minna is 1334mm with August and September recording the highest rainfall of an average of 300mm. The highest average monthly temperature is in March at about 30°C and the lowest is in August at about 22°C . The dry (harmattan) season is brought about by tropical continental air mass (north east trade wind) and it last from October/November to March/April every year.



III. RESEARCH AND MATERIALS

Research Methodology

This section of the paper consists of the scientific nature of the research work and therefore deals with sources of data, procedure for data collection, analysis and presentation.

Sources of Data

For the primary source of data, a field survey was conducted and a set of questionnaire was administered each on the six private sector housing delivery outfits in Minna as well as on a designated official of the following Government Agencies: the Federal Ministry of Works (Minna office); Ministry of Lands and Housing; Ministry of Works; Urban Development Board; Housing Corporation and the Works department of both the Chanchaga and Bosso Local Government areas. While the secondary data used for the purpose of this paper were sourced from journals and internet.

Method of Analysis and Presentation

The data collected for this study was analyzed using simple descriptive statistical analysis and thus presented graphically.

DATA ANALYSIS AND PRESENTATION

The Public-Private Partnership in Housing Developments in Minna- Minna has for some years witnessed the development of some residential housing units through the PPP arrangement. The following are the PPP housing sector interventions in Minna to date:

i. **M. I. Wushishi Housing Project by Legend Konsults and Concept Ltd**

The M. I. Wushishi Housing Estate is among the first known PPP projects in Niger State which was conceived through an arrangement between the Niger State Government (represented by the Ministry of Lands and Housing) and Legend Konsults and Concept Limited (Developer). The major component of the arrangement was to design and build five hundred units of houses, including the cost of infrastructure at Kafin Tella, Minna, at the cost of one billion, five hundred and sixty-seven million, four hundred and ten thousand, two hundred and fourteen Naira only (₦1, 567,410,214.00).



Figure I: A Google Earth image of M. I Wushishi Housing Estate located along



Plate I: M.I. Wushishi Estate Minna Eastern bye-pass road, Minna

The estate is made up of 400 units of 2 bedroom semi detached and 100 units of 3 bedroom detached, with a shopping centre, nursery and primary school, recreational and sport centre, police post, fire station, a worship centre each for the Christians and Muslims, an estate office, PHCN office and tarred access roads with three (3) bridges. The provision of basic infrastructures, which included electricity, water supply, erosion control drainages, bridges (to allow for movement across the river Gora that passed through the estate) and access road network within the Estate, was carried out by the Niger State Government, while the developer funded the construction of the 500 housing units.

II. TALBA HOUSING ESTATE BY PUZZY CONSTRUCTION ENGR. LIMITED

The Talba Housing Estate was also conceived through an arrangement between the Niger State Government represented by the Ministry of Lands and Housing and Puzzy Construction Engineering Limited (Developer) in order to design and build another five hundred housing units along Bida road, Minna, at the cost of one billion, nine hundred and seven million, eight hundred and fifty thousand naira only (₦1,907,850,000.00) including the cost of infrastructure. The project consist of 250 units of 3 bedroom detached, 100 units of 2 bedroom detached and 150 units of 1 bedroom detached. Other ancillary services such as electricity, roads, shopping, recreational, police post etc were also included in the layout. Presently, work has been completed in the estate and it is now ready for habitation.



Figure II: Talba Housing Estates by Puzzy Construction Engineering Limited.
Source: Google Earth 2009

ii. Penil Estate opposite Legislative Quarters, Minna by CE-DEV Global Ltd

This project was initiated and conceived in September 2009 by the Niger State Housing Corporation and CE-DEV Global Limited (Developer). It consists of 200 housing units located at Pasu village opposite legislative quarters, Minna. The developer had commenced work on about 30 units of 2 bedroom semi-detached but later abandoned the work at substructure stage (Plate II) due to lack of funds and inability of the developer to make a commitment of at least 30% of the project cost, which would have qualified him to access the balance of 70% as mortgage loan from Aso Savings and Loans Limited. So also, the Niger State government had failed on her part to provide the necessary support that would have guaranteed the developer access to the mortgage loan.



Figure III: Penil Housing Estate by CE-DEV Global Ltd



Plate II: Abandoned Penil Estate by CE-DEV Global Ltd
Source: Google Earth, 2009.

The (Formal) Private Sector Housing Schemes in Minna

i. Danya Housing Estate behind White Heart, Kpakungu, Minna by Kaka Danya Nigeria Ltd

This estate comprised of 25 semi-detached 2-bedrooms and 20 detached 3 bedrooms, located behind White Heart Furniture in Kpakungu, Minna. All the flats in the estate have been completed and occupied. The entire compound has been fenced, while the floor area was finished with interlocking tiles and the landscaping of the compound has also been completed. A borehole was drilled and connected to a 27 cubic meter overhead tank to provide water for the estate. This project was initiated by KAKA DANYA LIMITED in 2007.



Plate III: Front view of Danya Estate located behind White heart limited, Kpakungu.

ii. Yaman Housing Estate behind Simeon Oduoye Quarters, Minna by Yaman Holdings Company

The Yaman Housing Estate covers about 1.8 hectares of land and is located behind Simeon Oduoye quarters, Minna. It consists of 7 and 6 bungalows of 3 bedrooms and 2 bedrooms respectively. The entire estate has been provided with some basic services such as roads, electricity, drainages, water supply and sanitation facilities.



Figure IV: Yaman Housing Estate, Minna by Yaman Holdings Company.
Source: Google Earth 2009

iii. BNTI Housing Estate beside Federal Secretariat Minna, By BNTI Property Developers and

III. CONSULTANT

BNTI Housing estate is located on a land area of about 1.2 hectares beside the Federal Secretariat, Minna. The land which was initially proposed for the official residence of the Federal comptroller and officer in charge of the secretariat was later converted for the proposed development by the BNTI Consult limited. It is made up of 3 blocks of 3 bedroom flats (high rise buildings) and 3 blocks of 4 bedroom duplex. However, the developer had only completed 1 block of 3 bedroom flat and abandoned site due to lack of funds to continue with the work.



Plate V: BNTI Housing estate, Minna by BNTI Property Developers & Consultants



**Plate IV: Completed block of 3 bedroom flats at BNTI E Housing Estate Minna
Source: Google Earth, 2009**

The Activities of the Informal Private Sector in Housing Delivery

The informal private housing sector is basically dominated by the self-built housing units; where a developer builds his own housing unit. This sector is the oldest and dominant in the Nigerian housing industry and still plays a critical role in the housing market. This role of it has been necessitated by the inability of the public sector to meet its housing provision obligations to the people. The self-built housing units are either built in the formal or informal neighbourhoods. The formal neighbourhoods are those areas that have been acquired, designed, subdivided and sold out by any of the three tiers of the government or their representative to the members of the public (with or without the necessary neighbourhood and sanitation facilities), whereas the informal neighbourhoods are those areas under non-formal authorities. Such types of neighbourhoods (i.e. the informal neighbourhoods) generally lack neighbourhood and sanitation facilities, and are usually developed haphazardly, this is because the traditional institutions or the locals who are in-charge of the neighbourhoods do not wield the necessary power to order the effective use of the parcel of land. According to Usman (2013), both types of neighbourhoods in Minna generally lack the facilities and services needed for human comfort and well being. As a result of this therefore, it is believed that as much as the informal housing sector has succeeded in bridging the housing need gap, the houses it provides are generally deficient in the facilities and services required to enhance human comfort and development.



Plate V: A residential house in a formal neighbourhood of Minna along Okada rd made inaccessible by flooding



Plate VI: An erosion-threatened access road filled with stones and solid tar materials at an Informal neighbourhood along Top Medical Rd

Effectiveness and Challenges of the PPP in Housing delivery

The PPP in housing sector development in Niger State can be said to be ineffective. This is because of the fact that Minna, just like other cities of the developing countries is witnessing an unprecedented population growth. Therefore, with an ever-increasing population growth rate leading to more housing needs, there has not been any commensurate effort at housing provision through the PPP. This, according to the respondents are largely as a result of some problems thus: 54% of them stated that poor policy support from the government is to blame for this state of affairs, 31% complained of lack of sufficient finance at their disposal to execute such projects, while the remaining 15% of the respondents opined that late completion of projects and the general lack of awareness on the activities of the PPP in housing provision hinders its effectiveness in Niger State.

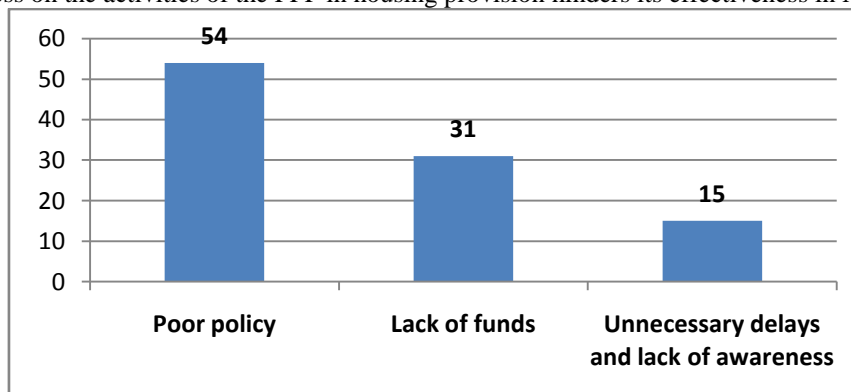


Figure VI: Problems encountered by the PPP in housing delivery (%)

IV. CONCLUSION

The private sector in Niger State can be said to have contributed very little to the development of urban projects in the State. However, even this insignificant level of participation has been seriously challenged by poor funding and lack of policy framework to regulate its activities. Therefore, it is of paramount importance that the State should develop a regulatory framework and partner with the private sector in this regard so as to ensure that the residents of Minna have access to this important component of the human environment.

V. RECOMMENDATIONS

In order to ensure the effective participation of the private sector in housing delivery in Niger State in general and Minna in particular, the following recommendations have been put forward:

1. The development of the legal and policy framework to facilitate the participation of private developers in the provision of housing units on a sustainable basis;
2. The establishment of an urban development bank that would guarantee investors access to the loans and other facilities needed for mass housing development;
3. Strengthening the activities of the Niger State Ministry of Lands and Housing in order to ensure that both the formal and informal neighbourhoods are provided with sanitation and neighbourhood facilities and;
4. The establishment of a PPP steering committee in the State that would be responsible for the general oversight of State's PPP arrangements.

REFERENCES

- [1]. Berner, E. (2007). Of Slums and Gated Communities: Failures of Formal and Informal Land Markets in Developing Cities. Retrieved from <http://www.urbanres.net/docs/Berner.pdf>
- [2]. Housing Rights Legislation (2002). United Nations Housing Right Programmes, Report No. 1 A Review of International and National Legal Instruments. Retrieved from <http://www.unhabitat.org/unhrp/pub>
- [3]. Leckie, S. (2007). Occasional Paper 21 - Human Development and Shelter: A Human Rights Perspective. Retrieved from http://hdr.undp.org/external/HDR_papers/oc21c.htm
- [4]. Usman, Y. M. (2013). A Comparative Analysis of the Relationship between Housing Quality and Neighbourhood Type in Selected Formal and Informal Residential Neighbourhoods of Minna, Niger State. An unpublished Master thesis submitted to the Geography department, Federal University of Technology, Minna
- [5]. www.investopedia.com/terms/private_sector (2012). Private Sector. Retrieved from: www.investopedia.com/terms/private_sector

Appendix I: Summary of projects executed by some private housing developers in Minna

S/N	Firms	Projects	Location	Year of Execution	Total cost	Financier
1.	Legend Konsult Ltd	M.I Wushishi Estate (500 units of 2&3B/rooms)	Eastern bye pass Minna	2009	N1.56b	Union Bank, Royal Service
2.	Fuzzy Constr. and Engineering Ltd	Tabla Estate (500units 1,2&3 Bedrooms)	Minna –Bida Road	2010	N1.907b	Solid Homes Ltd
3.	CE-DEV Ltd	Penil Housing Estate	Opp. Leg. Qtrs	2009	-	Aso Savings
4.	Kaka Danya Nig. Ltd	Danya Estate	Kpakungu	2007	N268.7m	Union Homes Ltd
5.	Yaman Holding Co.	Yaman Estate I Yaman Estate II Yaman Estate III	Oduoye Qtrs Off Okada Rd Off Okada Rd	2007 2008 2009	N67.5m N59.22m N50.35m	FMBN FMBN FMBN
7.	BNTI property Dev. and Consultants	BNTI Estate I BNTI Estate II	Fed. Sect. Road Fed. Sect Road	2009 2010	N32.0m N52.0m	Aso Loans and Saving Ltd