

Land and Housing management

Week Nine

Barriers to Housing Affordability, Accessibility and Adequacy

By

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Last week: Housing Affordability, Accessibility and Adequacy

- Housing Availability
- Housing affordability
- Housing accessibility
- Housing adequacy

This week:

Barriers to Housing Affordability, Accessibility and Adequacy

- Objective
- To help the learner understand why there still gaps with Housing provision and delivery

Barriers to Housing Affordability, Accessibility and Adequacy

- Housing development and construction results into increase in housing supply, thereby feeding into housing availability
- It is not enough for housing to be only available, the available housing has to be accessible, affordable and adequate
 - Accessibility – focusses on physical reachability, affordability and social connection
 - Affordability – focuses on a positive relationship between housing costs and household incomes
 - Adequacy – safe, healthy and dignified housing

- Housing Accessibility, Affordability and Adequacy improve Housing provision and delivery, thereby Meeting the basic need – Housing
- Unfortunately, housing in many locations is still inaccessible, unaffordable and inadequate.
- In fact, not available in some places
- In Uganda for example, statistics show a housing deficit of 2.4 million housing units, a big number of which is urban areas
- Limited housing availability definitely affects housing adequacy, affordability and accessibility

Barriers to Housing Accessibility, Affordability and Adequacy

- The housing industry is constrained by several factors, mostly rotating around;
 - Funding
 - Land
 - Infrastructure and services

Economic Barriers

Poverty and low income

- Housing development and provision in Uganda is the responsibility of the citizens
- So majority of housing construction is done by individuals who own or acquire land for that specific purpose
- A big number of people have low or no income
 - UBOS reports 20.3 million people living under poverty and unable to afford housing
- Because of low incomes, many people are unable to construct their own housing within a reasonable number, and many unable to afford rent

High housing costs

- Most housing options available are highly priced due to high costs of housing construction.
- A number of people are unable to afford to buy or rent housing because of the costs
- The high housing costs are not proportionate to the incomes, making housing unaffordable

Lack of long term funding

- Financial system lacks sufficient long term liabilities – limited life insurance funds, less developed pension industry
- Commercial banks play dominant role in funding housing development through loans. BUT they provide loans not exceeding a period of time, they have short term deposits
- Not many banks are interested in lending for property development, most of the few that do fund mainly large projects of millions of dollars, hence target housing for upper and middle income groups
- Hence;
 - High-cost constructions leading to high housing prices – making housing unaffordable
 - Construction of housing targeting high and middle income – making housing inaccessible to the low income households

- Some banks condition the funds to risk assessment of projects and apply additional percentages as deemed fit.
- People then resort to other development or salary loans which are quite minimal and in most cases do not start and finish a house in one go
- Hence;
 - Incremental building – which slows the supply and vacancy rate
 - Unfinished constructions lacking facilities and utilities – which make housing inadequate
 - Low – construction and substandard construction -

Barriers related to Infrastructure provision

High cost of infrastructure provision

- In addition to providing a conducive regulatory environment for housing development, the government is responsible for providing infrastructure to aid housing development
- Government through the local government Act (1997) mandates local authorities to provide infrastructure and control development especially in urban areas
- Delivery on infrastructure however is pioneered by individual developers who can afford the costs and are in hurry to make developments attractive and available to the end user/ buyer

- Depending on location, infrastructural investments are estimated at 15 – 25 percent of the total price of the house
- This provided individually becomes quite expensive
- Hence;
 - People may shun from construction completely – leading to housing unavailability, or,
 - Constructions are made without utilities and services – resulting to inadequacy in housing, or,
 - Houses are developed at higher costs – resulting to unaffordability

Bureaucracy

- The steps and long processes involved in infrastructure provision and delivery are a challenge to housing
- Application processes, inspections, approvals and payments and the waiting can be quite long
- The government introduced the rural electrification program to support electricity provision in rural areas. However, the conditions and process involved are quite discouraging.
 - This program does not target one household, about 10 households have to come into agreement and start the application process. It is sometimes not easy to get this number of households in one location agree and prioritize the same thing
 - The waiting period can also be quite long and disheartening

- National water coverage has improved but many areas still remain with no access to water and waiting through the process
- Long processes results into;
 - Construction with no unitalities and services – housing inadequacy
 - Construction in hard to reach areas because of no access roads – housing inaccessibility

Community / individual attitudes

- Infrastructure provision requires the collaboration of communities and sometimes consent from particular individuals
- According to spatial plans, there are spaces and areas planned as roads, in some cases, people have settled and constructed in such spaces and may not be willing to comply, this will hinder the opening of such roads
- Water pipes and electricity wires mostly have to go through individuals' or family plots and spaces.
 - On many occasions some individuals hinder these; denying utility providers access through particular plots. This does not affect one household but several, and somehow the entire community

Barriers related to Land provision

Land tenure

- Land tenure systems are a big challenge descent housing supply
- The constitution and later the Land Act affirm that land belongs to the people, and is held under four tenure systems; Customary, Mailo, Freehold and Leasehold
- Changes in urbanization however are not adequately responded to in the terms under which these tenure systems are exercised

- The multiple ownership nature in the Mailo tenure system for example
 - Separation of ownership from occupancy – title holder owns the land but the occupant as a lawful occupant owns the development constructed and occupied
 - This then limits the land owner – can't do direct improvements on the land or easily sell off the land
- System has also locked up potential areas for development due to physical planning and infrastructure development challenges
- Customary land with its communal ownership nature also limits housing development and adequacy.
 - Some users are unable to put up permanent constructions due to restrictions and approvals required for land development

Land costs and prices

- High costs of housing are significantly affecting the supply of affordable housing
- Land costs keep increasing, and actually doubling in some places over the years
- One needs tens of millions to access land in cities and other urban areas
- Land acquisition for housing development constitutes about 20 percent of the total housing unit.
- This, coupled with the lack of long term funding and the incomes of majority of the citizen, housing development is stalled, thereby affecting housing availability, affordability, accessibility and adequacy

Approaches to improve Housing Affordability, Accessibility and Adequacy

Increase housing availability

- First things first, housing has to be there before it becomes adequate, accessible and affordable
- Housing availability is the result of housing development, which also takes different shapes and approaches.
- There is therefore need to increase and support housing development either through;

- New constructions.
 - This can be done by individuals, communities, agencies or the government.
 - New constructions done by individuals usually are inclined on the incremental building approach. Support – regulatory and financial – through this process can help make it shorter
 - New constructions also require land, hence there's need to make land accessible and available for housing development

- Regeneration and renovation.
 - Housing availability can be increased through regeneration. This approach works especially for informal areas and slums.
 - Uganda has a big percentage of informal settlements in particular areas like slums, but also there are pockets of informality all over towns and cities.
 - These can be used to increase housing availability through improving these settlements and bringing them up to acceptable and adequate standards
 - Renovation and rehabilitation also preserves the existing affordable housing
 - Through regeneration, housing availability is increased hence feeding into accessibility and adequacy of housing

Government intervention

- Government has a huge role to play in housing affordability, accessibility and adequacy. Government can influence housing access, affordability and adequacy through;
 - Regulations and
 - Incentives and subsidies

- Regulations. The biggest role government plays is creating a conducive regulatory environment. This can be done through policies, standards and regulations that support housing development and construction. Through regulation government can reduce barriers to, and delays in the housing development process
- Incentives and subsidies. To attract more investment into housing development, the government can also offer for example tax incentives, and subsidies to investors and other developers. This can promote the development of affordable housing

Collaborations and partnerships

- Collaborations and partnerships among government agencies, non-government organizations, housing providers, community and other stakeholders can greatly improve the housing sector
- Government can create and enter into partnerships with the public sector or other actors in housing development.
 - Public-private partnerships are an effective way to bring services (including housing) to those who need them most
- Partnerships and collaborations foster coordinated efforts to leverage resources and implement holistic solutions to the challenges of housing

Universal design

- Universal designing of housing ensures inclusive supply of housing units
- Housing development processes need to target designs that meet the needs of all groups and categories of society – age, abilities or social status
- Universal designs make housing more accessible and inclusive

Address structural inequalities

- Uganda's housing outcomes are marred with historical structural inequalities. The disparities rely a lot on the previous planning and systems.
- It is important to pay attention to these systemic inequalities by focusing on marginalized communities
- Policies and practices should support and promote equitable development to wipe out the inequalities
- It is also important to consider community voices and opinions during decision making

Conclusion

- Housing accessibility, affordability and Adequacy are vital to a functioning and satisfying housing sector
- The Adequacy, Affordability and Access hindered by several factors encompassing economic, structural and systemic
- Common for Uganda's case is the inequality in housing outcomes due to history, income inequalities and the tenure systems.
- These among other factors have affected, and are still affecting the housing sector

- But Housing is a Human right, and this shouldn't be violated or denied to any person regardless of economic status, gender or any other stratifications
- The right to housing can only be realized if the barriers to housing
Affordability, Accessibility and Adequacy are addressed sustainably and inclusively
- Addressing barriers through government interventions, increased housing options availability and inclusionary practices will boost the housing sector

Next week

Low-cost housing

- Concepts
- Approaches to low cost housing

References

- Nasasira, R.D and Mushoborozi, T. (2023). Unpacking Uganda's critical housing shortage. Monitor ePaper. Retrieved from [Unpacking Uganda's critical housing shortage | Monitor](#)