

Management of Social Services

**WEEK 7: HOUSING AS A SOCIAL
SERVICE (Nature and status)**

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Recap – previous week

Healthcare management and administration in Uganda:

- Actors in healthcare management and administration
- Key health statistics
- Comparative analysis

Actors in healthcare management and administration

❖ Governance and leadership

- Ministry of health – key actor
- Semi-autonomous agencies

❖ Management and implementation

- National and regional facilities
- District/ local government facilities



This week ...

Housing as a Social Service in Uganda

Examining Uganda's housing crisis and exploring solutions through comparative analysis with Kenya, the Netherlands, and China

Fig. 1. Housing – Gamma app

This week – Objectives

1. To analyse Uganda's housing status and nature
2. To compare Uganda's housing nature and status with other countries

The nature of Uganda's Housing

Uganda's housing sector is dualistic in nature; with formal and informal systems:

The Formal Sector involves private developers, financial institutions, and a few government initiatives. Housing is constructed using permanent materials, complies (in theory) with regulations, and is targeted at the middle and high-income earners. This sector is largely market-driven and often unaffordable for the vast majority.

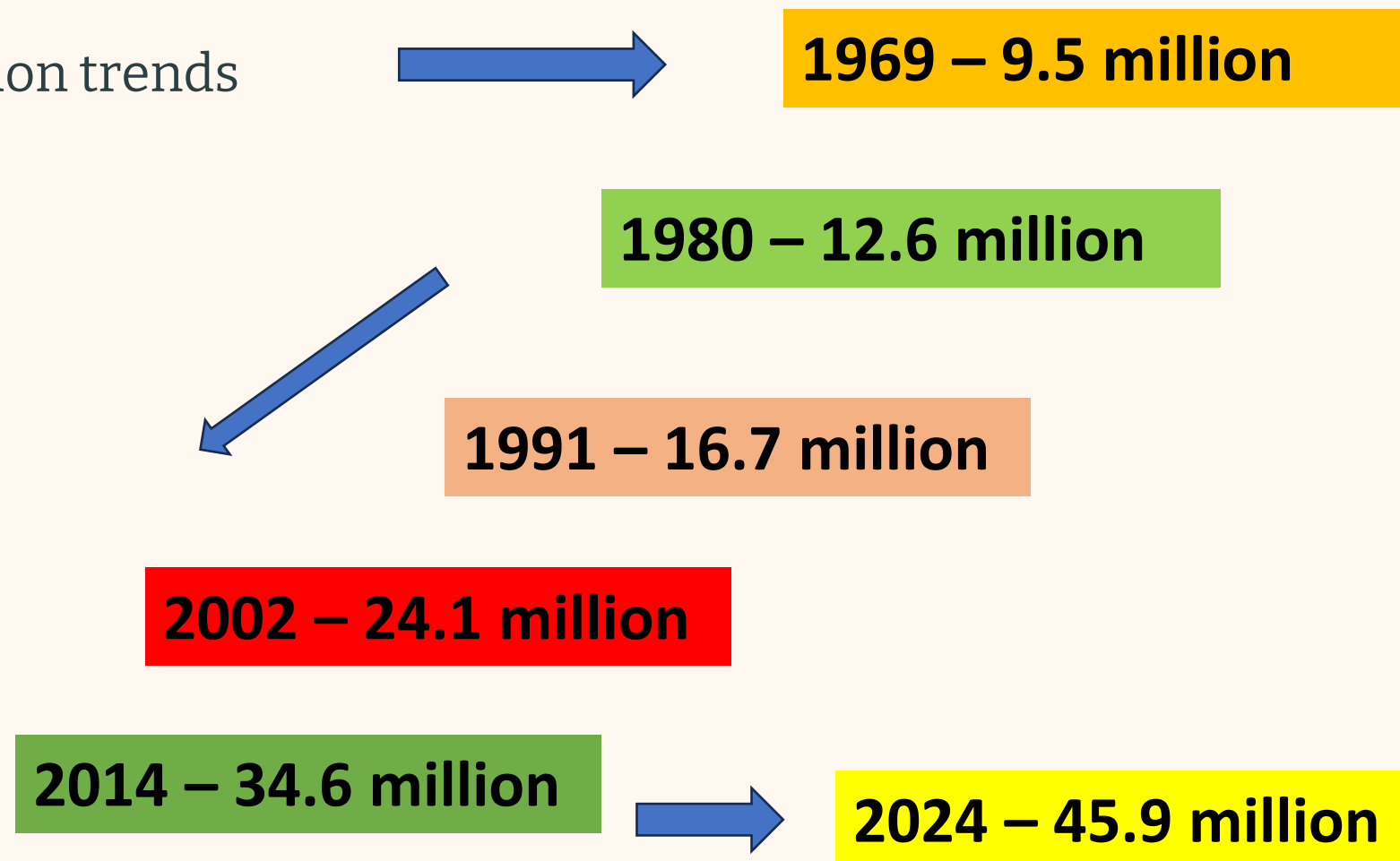
The Informal Sector is the dominant provider of housing; it accounts for over **60%** of urban housing stock. This sector is characterized by **Self-construction; Non-compliance; Slum Settlements**: A significant portion of urban housing is in informal settlements (slums) with high occupancy rates, poor sanitation, and insecure tenure.



Uganda's Housing Status: A Nation Under Pressure

Uganda housing challenge is a significant and growing one, characterized by a severe quantitative deficit and poor qualitative standards. This situation is as a result of rapid population growth, urbanization, and inadequate public and private investment in the housing sector.

Population trends



*Fig. 2. Housing,
Uganda – Gamma
app*



Rapid Population Growth

Uganda's population exceeded 45.9 million from the 2024 census. With an urban growth rate of 5.2% annually and a national rate of 3.5%, the country, especially in cities, is experiencing unprecedented expansion.



Status of housing: Quantity

Mounting Housing Deficit

The housing backlog (according to the ministry of lands) was at 1.6 million units in 2016, comprising 211,000 in urban areas and 1.4 million in rural regions. The deficit was estimated to be 2.4 by 2022 given the growth rate and the housing development pace. This deficit continues to widen as demand outpaces the supply.

The Housing Shortage

2.4M

Total Housing Backlog

Units needed to address
the current deficit across
Uganda

710K

Housing Backlog

Units needed for new
households forming
annually

900K

Substandard Units

Existing structures unfit
for human habitation
requiring replacement

200K

Annual Demand

New housing units
needed each year to
keep pace with growth

The Supply and Demand Gap



Current Construction Rate

Only 60,000 – 80,000 reasonably good housing units are built annually: 40,000 in rural areas and 20,000 in urban centres.



Annual Deficit

This creates a shortfall of 140,000 units per year: 95,000 rural and 45,000 urban, excluding the existing backlog.



Policy Framework Goals

Government aims to replace 500,000 units and upgrade 300,000 units during the policy lifespan.

Fig. 3. Housing – Gamma app



Status of housing: Quality, and Affordability

Quality

- **Walls:** 44% of houses with walls made of unburnt brick/mud and poles.
- **Roofing:** 34% of houses with roofs made of grass/thatch or iron sheets in poor condition.
- **Flooring:** 38% with earth/sand floors.

Affordability:

Massive affordability gap. Over **90% of the population** cannot afford a mortgage from a formal financial institution. The cheapest new formal house is often beyond the reach of even middle-income Ugandans.



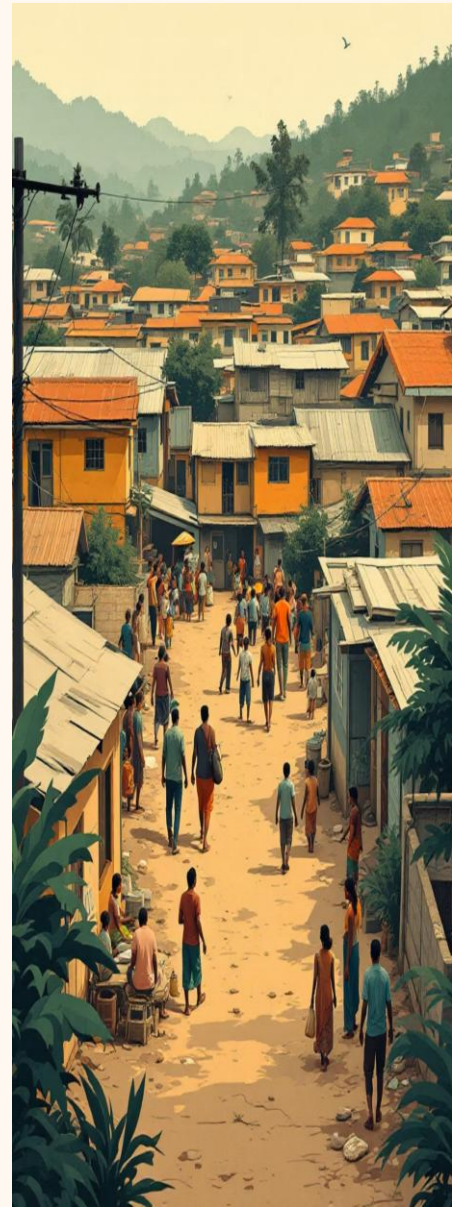
Status of housing: Tenure

Tenure: Only **20%** of urban residents have security of tenure, with the vast majority living in informal settlements with fear of eviction.

Occupancy tenure: 78% owner occupied, 18% rented / subsidized, 3% free housing

Occupancy tenure by residence:

- Rural – 89% owner occupied, 8% rented/subsidized
- Urban – 55% owner occupied, 41% rented/subsidized



Housing Development, Provision and Management in Uganda

Key actors in housing development, provision and management

Private sector

Public sector

Civil society and
cooperatives

Public sector/ Government Agencies

The government's direct role in housing provision is minimal. Its primary function is **enabling**—creating a conducive policy environment. Agencies include;

Ministry of Lands, Housing and Urban Development – Policy, standards and regulations

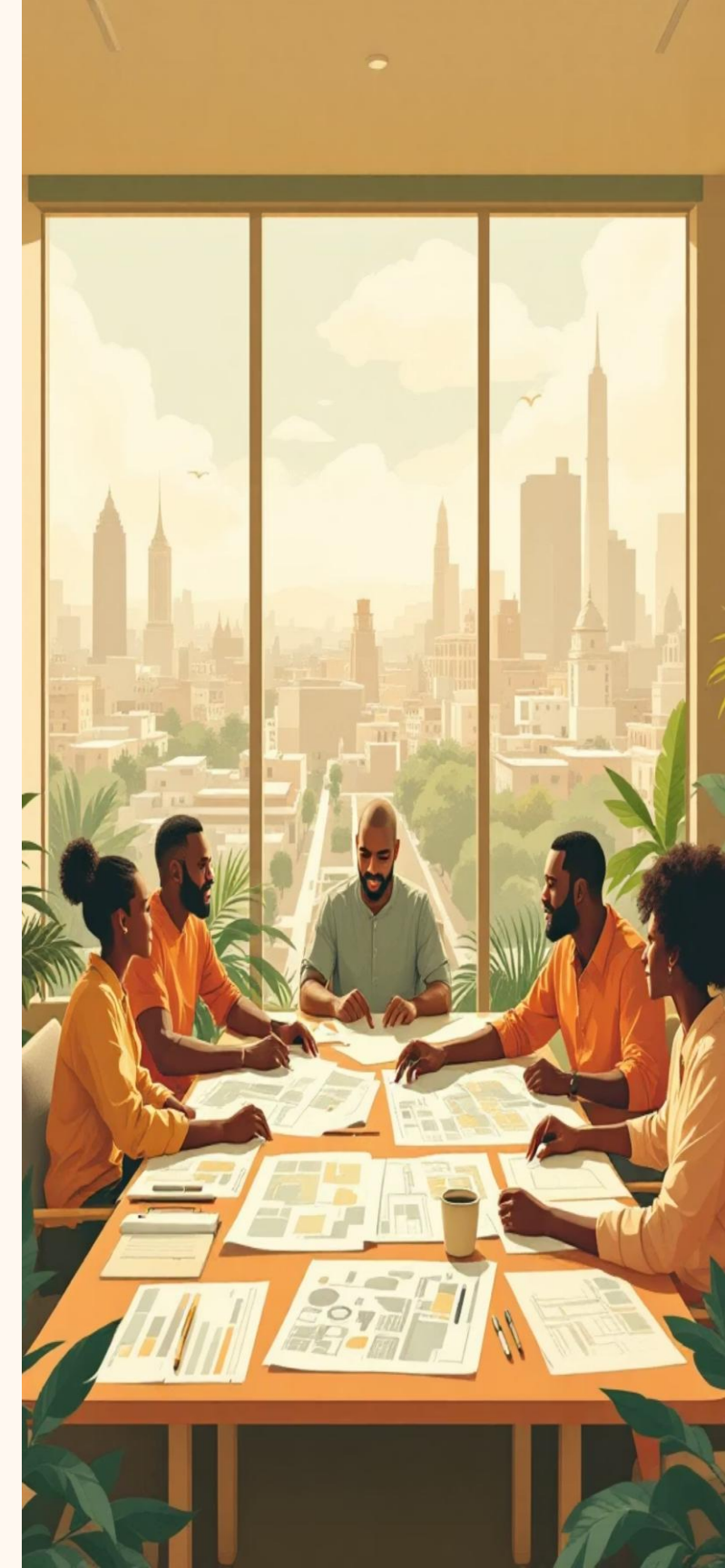
Local government authorities – policy interpretation and implementation

Kampala Capital City Authority (KCCA) and other Municipal Councils - Physical planning, development control, and infrastructure provision.

Uganda National Housing Corporation
– property management and rental collection

National Housing and Construction Company (NHCC) - tasked with building housing, but its output very low relative to national need and its units are often unaffordable for the target population

Fig. 4. Housing development – Gamma app



Private Sector

Formal Property developers and construction companies – construction, high-end apartments and gated communities

Financial institutions providing mortgages – support developments through loans

Informal developers - The main engine of housing production. Families build incrementally on land they own or have purchased, often without technical drawings or approved plans.

Real estate investment firms
– real estate development



NGOs, cooperatives and Partners

Habitat for Humanity Uganda - support low-income families with innovative, affordable construction technologies and microfinance

Housing cooperatives - help members save for and access land and housing finance.

International development organizations – policy guidance, financial assistance



Challenges Facing Uganda's Housing Sector

Inadequate Infrastructure

Limited access to essential services such as roads, electricity, water, and sanitation in many residential areas, particularly informal settlements.

Limited Financing Access

Low-income families struggle to secure housing loans due to high interest rates, strict requirements, and underdeveloped financial products.

High Construction Costs

Expensive building materials and labour drive up housing prices, making it difficult for developers to construct affordable units profitably.

Poor Maintenance Culture

Inadequate repair and maintenance practices lead to rapid deterioration of existing housing stock, requiring frequent upgrades or replacement.

Challenges Facing Uganda's Housing Sector

Access to land

Accessing land for housing development is not easy especially with particular tenure systems, and given the competition for land

Rental housing

Many people have access to a housing unit through renting, especially in urban areas. However, there is limited regulation on costs and housing management. This makes access difficult for some income groups

Comparative analysis: status of housing in Kenya, China and the Netherlands

Nature and status of housing in Kenya

Kenya's housing sector is characterized by a **massive informal sector**, a thriving but exclusive formal private market, and a minimal direct role of the state in housing provision.

The situation reveals rapid urbanization which is outpacing planning and investment.

Fig. 5. Housing, Kenya – Gamma app



Kenya's Housing status

Housing stock ...

Kenya has over 2 million units housing deficit.

Annual demand – 250,000 units

Annual production – less than 50,000 units

Housing quality

Informal settlements – 56% of Nairobi's population in informal

- Tenure insecurity
- No basic services
- Self-built shelters

Housing affordability

Affordability gap

- 90% unable to afford housing loan/ mortgage
- Formal housing market caters for high income earners



Kenya's Housing Approach

Housing Programs

Affordable housing: Kenya launched the Affordable Housing Programme (AHP) targeting 500,000 units by 2022 through public-private partnerships, and use of public land

Tenure & Upgrading: A major focus is on slum upgrading and providing title deeds to enhance security of tenure through programs like the **Kenya Informal Settlements Improvement Project (KISIP)**.



Housing provision and financing

Formal provision

Structured, regulated and professionally driven.

- Large-scale private developers – Companies; develop apartments and gated communities, target high and middle-income groups
- Owner-occupier builders – individual formal purchase of land, approval processes, building using contractors

Informal provision

Primary housing provider for majority of citizens

- Land subdivisions
- Self construction
- Informal rental markets

Government

Direct provision minimal historically, but now...;

- Affordable housing program
- National Housing Corporation



Nature and status of the Housing Sector in the Netherland

The Dutch housing system is a **highly regulated, mature, and rental-friendly market** with a uniquely large and robust **social housing sector**. It is a depiction of a "negotiated" housing model where the government, housing associations, and market actors work in a structured partnership.

*Fig. 6. Housing, Netherlands
– Gamma app*



The Netherlands' housing status

Housing tenure

The tenure is a balance mix of Social housing, rental housing and owner occupied housing;

Social Rental - **33%**

Private Rental - **37%**

Owner-Occupied housing - **30%**

Housing affordability

- A significant affordability crisis, particularly in major cities
- A shortage of 390,000 homes – driven prices high and increased waiting time for social housing

Housing quality

High quality housing –
Country ranks high in international living standards index



The Netherlands' housing approach / interventions

Social housing

Housing associations are private, non-profit entities that own and manage the social housing stock. They are the cornerstone of the housing system.

Comprehensive Regulation

Strict quality standards, tenant protection laws, and long-term planning ensure sustainable, well-maintained housing stock. The government also provides subsidies while maintaining rigorous oversight.

- **Strong Tenant Rights** - Extensive legal protections for renters
- **Rent Control & Regulation:** A points-based system determines the maximum rent for about 75% of the rental market



The Netherlands' housing provision

Housing Associations - Lead the Way

Around 30% of Dutch housing is social housing, managed by independent housing associations that receive government support but operate autonomously. These non-profit organisations own and manage affordable rental properties for low- and middle-income households.

Government

National Government Sets national planning frameworks, provides subsidies for social housing, and incentivizes new construction targets. The current government has a goal of building **900,000 new homes by 2030**



The nature and status of Housing in China

China has undergone the **most rapid and massive urbanization and housing transformation in human history**. Their housing system is characterized by **state control of land, massive private development, and a recent push for a "Housing for All" policy**.

Homeownership is deeply embedded as a social and financial goal.

Fig. 7. Housing, China – Gamma app



China's housing status

Housing stock

Housing boom – housing built on over 10 billion square meters of housing space

Urban **home ownership** rate – over 90%

Housing Affordability

Since 2008, China built millions of subsidised rental units and low-cost ownership housing, focusing on urban workers and migrants.

Housing quality

Modern quality improvements

- Strict national codes
- Star-rating system for green buildings
- Housing with amenities
- However, rural-urban divide



China's housing approach / interventions

Mass privatization

- Housing reform of 1998 – selling housing stock to tenants
- Aimed to create a private housing market
- Led to massive home ownership

Market control

To handle speculation;

- Purchase restrictions – limit on number of properties
- Price caps – maximum selling price on new developments

Social Housing

To ensure housing for low-middle-income groups

- Public Rental Housing – state-owned, subsidized
- Shantytown redevelopment – demolition and relocation
- Price-capped housing – developers construct on particular plots, conditioned to sell at a government-capped price – below market price



China's housing provision

State-Led Development

Government at all levels drives housing policy through state-owned enterprises and direct investment in public housing projects.

- Central government – policies, standards, codes
- Local government – land owners, and implementers

Housing developers

- Private developers – they bid for land, finance construction, then sell housing units
- State-owned enterprise developers -



Lessons for Uganda's Housing Future

Addressing Uganda's housing crisis requires comprehensive policy reform, increased investment, and learning from global best practices to create inclusive housing markets that serve all citizens.

Strengthen Partnerships

Foster collaboration amongst government, private developers, NGOs, and communities to increase housing supply and innovation.

Innovative Financing

Develop accessible mortgage products, housing funds, and subsidies modelled on successful international examples.

Sustainable Solutions

Embrace eco-friendly materials, energy-efficient designs, and long-term maintenance practices to create lasting housing stock.

Conclusions

From this comparison, housing crises are global, but their manifestations differ drastically:

Kenya represents the **developing world crisis**; In this, informality is the default housing solution for the majority due to a failure of formal markets and state capacity.

The Netherlands represents the **advanced economy crisis**, where a historically successful model is strained by supply constraints and high demand, leading to affordability issues even within a well-regulated system.

China represents the **state-capitalist crisis**, where a top-down, debt-fuelled construction boom has reached its limits, threatening financial stability.

From all these cases, it is clear that resolving housing challenges requires sustained, strategic government intervention, whether through providing secure tenure like in the case of Kenya, ensuring an adequate supply of affordable rental units like the Netherlands, or managing a transition away from a speculative growth model like China.

Practical assignment

Conduct a housing status analysis in your own community

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- Ministry of the Interior and Kingdom Relations, the Netherlands. (2021). *Housing Deal: National Housing and Construction Agenda.* | OECD. (2021). *Housing in the Netherlands: Tackling the Affordability Crisis.*
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Next week

Housing as a Social Service:

- The housing policy
- Housing situation analysis