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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

ECONOMIC GROWTH OF NIGERIA:

PROBLEMS AND PROSPECTS

(in ten volumes)

VOLUME IX

TOWN AND COUNTRY PLANNING

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EQUIVALENTS

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£ 1 U.S. \$2.80

Weights

1 long ton = 1.12 short tons = 1.02 metric tons

Fiscal Year

The fiscal year is April 1 to March 31

TOWN AND COUNTRY PLANNING

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TOWN AND COUNTRY PLANNING

1. Scope

1. In the parlance of the Nigerian Plan and Budgets, the term "town planning" or "town and country planning" covers the following subjects:-

- (a) land surveying;
- (b) land planning;
- (c) land acquisition (by expropriation or by negotiation);
- (d) land reclamation;
- (e) land development (the provision of roads and utilities and the forming of building plots);
- (f) industrial estates; and
- (g) supporting services like transport facilities, etc.

It also covers the construction of houses for various income groups.

2. This use of the term "town planning" is unorthodox and perhaps a little misleading because it brackets operations which should precede investment, such as surveying and planning, with others that form part of the investment itself, e.g. land acquisition, land development, etc. However, as a change of terminology would only add to the confusion, "town planning" as used in this report shall refer to the items enumerated under 1(a) to (g) above, i.e. to what may be called the economic substructure of housing, and that "public housing" shall refer to investment of public funds in the production of houses, including staff housing, low income housing, and all kinds of housing loans which are being undertaken either directly by Government or through the housing corporations.

2. Plan Allocation

3. In the sectorial breakdown of the development expenditures envisaged in the "National Development Plan, 1962-68", housing and related items represent 6.2 percent of the total. The corresponding figures for the development programs of the four governments were:

	<u>Original Plan Allocation</u> ^{1/} (in million)	<u>% of Total</u>
Federal	£ 23	5.6
North	6	6.1
East	3	3.9
West	9	10.0
Total	<u>£ 41</u>	<u>6.2</u>

^{1/} The Mid-Western Region did not exist at the time of drafting the National Plan.

These programs are exclusive of the allocation for Government staff housing. It should be noted that unlike the other sectors, town and country planning has not undergone major revisions, except for the Federal and Eastern Government program.

4. Housing expenditures appear in the Budget under several headings. The Federal Plan includes it under "Town and Country Planning". The Regions have subheadings for "Town Planning" and/or "Housing". Capital investment related to housing may also be found under Ministry of Finance (Social Sector). Government staff housing expenditures may be found under the budget for each sector.

3. Housing

5. How far has the housing policy of the National Development Plan succeeded in meeting Nigeria's requirements? This question can be answered only after determining these needs. The National Development Plan contains an estimate of the housing needs of Lagos, but those of the rest of the country are not specifically mentioned. A survey of housing needs covering the whole of Nigeria would be an ambitious undertaking and would be a long-term project. It is feasible, however, to estimate with a fair degree of exactness the number of new houses required annually to prevent housing conditions in the larger cities from deteriorating. After determining the need, the next step is to estimate the number of houses actually produced during the first three years of the planning period in order to meet the requirements.

6. The omission of hamlets, villages and small towns from the forecast is not very significant since the traditional methods of self-help housing appear to be sufficient to maintain housing and living standards at their present level ^{1/}. Exceptions are the rural housing needs resulting from dislocations created by agrarian reform or by power and irrigation projects. However, funds for the necessary re-housing are usually provided as part of the project and have only marginal effects on the general housing policy of the country. Nigerian examples include the re-housing connected with the Kainji Dam project, the Second Mainland Bridge in Lagos and the new Farm Settlements of the Eastern Region.

7. The housing needs of larger settlements, on the other hand, cannot be solved entirely by encouraging private individuals, families or small communities to help themselves. The tasks enumerated under the heading of "town planning" in paragraph 1 must be performed by governments or their agencies before private initiative can come into play. Emphasis, therefore, should be made on the urban communities when estimating housing needs and planning public investment. As it happens, large settlements are also the main targets of internal migration and therefore the points where the demand for houses is likely to grow most rapidly.

^{1/} Cf. Sample Survey of Rural Building, I.L.O. Mission, Ibadan, Nigeria, April 1965.

(a) Housing Need

8. The estimates of regional housing needs are based on Nigerian towns that had more than 75,000 inhabitants in 1963. A few smaller settlements such as Ikeja, Agege, Oshodi, Shomolu, Ajegunle and Araromi have been included because they form part of the Lagos metropolitan housing area and have some of the fastest growth rates in the country. The limit of 75,000 inhabitants must be understood as a temporary expedient. Regional governments will have to instruct each urban community to submit annually its own estimates of local population changes and of the resulting housing requirements. Such estimates would provide a sound basis for planning and budgeting. Until they are available, our calculations for towns over 75,000 will give us an idea of the order of magnitude of the problem and provide a useful scale for the assessment of past efforts.

9. The housing needs of a healthy urban community are not stationary. They are affected by the 'natural' growth of the population, by migratory population gains, by increases in the standard of living, changes in headship rate and other social and economic developments. In the absence of detailed information on these factors, it is advisable to estimate the minimum housing requirements of a town as a ratio of the average annual increase of its population and to add a percentage allowance for the replacement of obsolete houses. The number of housing units needed was calculated on the basis of the population estimates and on the sample survey of household sizes taken in 1961-62. The results of these calculations are shown in Annex I. The urban housing needs of the whole country are in the order of 47,000 to 62,000 units per annum. The lower figure represents the minimum number of new houses needed every year to prevent further deterioration of the present standards of housing. The higher figure includes an allowance for the gradual improvement of housing conditions.

(b) Private Housing

10. How many houses have in fact been produced to meet the need? The number of houses built by private investors is difficult to assess. For the Eastern Region, estimate was based on the 'Building Enquiry 1963' prepared by the Statistics Division, Ministry of Economic Planning, in February 1964. For Federal Lagos, Ibadan and a few other cities, we have relied on the planning or building licenses and on the completion certificates. For the remaining towns, the estimate had to fall back on the Preliminary Estimates of Capital Formation in Nigeria for the years 1957 to 1962, assume the continuation of investment at the same level and calculate the share of each city proportional to its population.

11. Based on the above mentioned sources, the average annual investment in housing in 1962-63 to 1964-65 was in the following order:-

	<u>(In N£ thousand)</u>
(a) Lagos	5,420
(b) North	7,420
(c) East	3,200
(d) West	6,775
(e) Mid-West	<u>1,800</u>
Total	<u>24,615</u>

12. Taking two rooms as the average size of a housing unit, the total private investment in the towns over 75,000 inhabitants may be roughly estimated at 35,000 units per annum, representing an investment of between £ 21 and £ 24 million.

(c) Public Housing

13. The number of houses financed and constructed by the five governments and their respective housing corporations is so small as to be negligible. The total estimate is less than 500 houses per annum, and only 38 percent of these were for low income occupation. Direct investment by governments has in fact met only a little over one percent of the nation's needs.

14. The housing policy of the first three years of the Plan was unsatisfactory because it produced too few houses. It also produced the wrong kind of houses. Private investors preferred to build for high income tenants who could afford to give them a good return on their investments. This inevitably led to a bias against low income housing. Public activity was not focussed on the needs of low income groups. In the context of the Development Plan this had an undesirable effect, i.e., it made the gulf between rich and poor more obvious than it had been in the past. It also tended to increase the demand for imports.

15. The building industry of Nigeria has made great strides towards autonomy. The local manufacture of components and fittings has not progressed at the same rate. Annex II contains an analysis of the cost of a typical upper middle class house. Forty to fifty percent of the cost of materials, or about 25-30% of the total cost is due to items imported from abroad. The corresponding figure for a low income house would be in the order of five to eight percent.

(d) Housing Shortage

16. Both private and public investments in housing have fallen short of meeting the country's needs. Shortages are felt most acutely in the rapidly growing industrial towns, particularly in Lagos, the Ikeja Town Planning Area, Port Harcourt, Onitsha and Kano. The housing situation in Lagos was serious already at the time when the National Development Plan was drafted. The United Nations Housing Mission in its report on Metropolitan Lagos 1/ recorded the following characteristic symptoms of housing shortages in the capital:-

- (i) Overcrowding;
- (ii) Exorbitant rents;
- (iii) Clandestine building on the outskirts; and
- (iv) Squatting around the centre.

These symptoms have become more evident during the first three years of the Plan, so much so that, in the spring of 1964, the Morgan Salaries and Wages Review Commission was "shocked by the utter inadequacy and appalling condition of the houses inhabited by workers whose houses (they) inspected in Lagos" 2/.

4. Town Planning

17. The shortage of low income housing is aggravated by the lack of plans to guide urban growth, by shortages of building plots, inadequate municipal services and utilities and above all by lack of transport facilities. More and more families are driven to the desperate remedy of squatting on public land. In May 1965, the Medical Officer of Health estimated the number of squatters' huts in Metropolitan Lagos as well over one thousand. There must be many more in the Western Region parts of the metropolis where control is more difficult to maintain.

18. Clandestine settlements on the outskirts are growing steadily as prices for building land in the inner city increase. Unplanned outward growth of urban settlements means longer and more expensive journeys to work for the inhabitants of the suburbs and greater traffic difficulties for everybody. The cost of houses, rents, and the journey to work are major elements in the household budgets of low and middle income families. The Morgan Commission accompanied their proposal for a Lagos minimum wage of ₦ 12 per month with a breakdown of expenditure. Rent, lighting and transport together accounted for 41 percent of the total and exceed the food budget. This is a high figure by Nigerian standards and compares unfavorably with other African towns. In developed countries, industrial

1/ U.N. Comm. for Technical Assistance, Dept. of Econ. and Social Affairs Metropolitan Lagos, Report prep. for the Govt. of Nigeria, New York, April 1964, No. 65-35179.

2/ Federal Republic of Nigeria, Report of the Commission on the Review of Wages, Salary and Conditions of Service of the Junior Employees of the Government of the Federation and in Private Establishments, 1963-64, Lagos 1964, page 29, para. 78.

workers are seldom expected to spend more than 25 percent of their incomes on housing, and this contains often an element of saving for home ownership.

19. The events of June 1964 which culminated in a general strike and an increase of minimum wage levels throughout Nigeria are well known and do not require discussion in this chapter. They demonstrated the existence of a sequence of cause and effect, beginning with insufficient production of houses and leading to increases in house prices and rentals, higher costs of living, and higher wage demands.

5. Major Difficulties

20. Lack of housing and high rents are usually blamed on shortages of capital and technical manpower. Both did contribute to the present difficulties in the Nigerian cities, but neither was as important as is commonly believed.

(a) Capital

21. Provisions for public expenditures on "Housing" and "Town Planning" in the revised Plans of the Federal Government and the Regions for 1962-68 added up to almost £ 44 million. Expenditures during the period 1962-63 to 1964-65 amounted to £ 13 million, leaving a balance to complete amounting to £ 31 million. The expenditure expectations in 1965-66 to 1967-68 is estimated at £ 22 million and almost £ 9 million will be carried over to the next Plan period.

22. The average annual expenditure during the first three years of the Plan period works out at a little over £ 4 million. Had it been possible to ignore overheads and spend these amounts entirely on the construction of low cost houses and on the development of small housing plots, the most urgent housing needs of the country could have been met. Assuming an average investment of £ 50 for a developed plot and £ 500 for a two-room house, the past outlay could have yielded every year about 48,000 building plots for private house builders plus 4,700 government built low income houses. These production figures are hypothetical and not intended to imply criticism. They are quoted merely to show that the Plan allocations are not completely unrelated to the needs of the country, provided such allocations are properly utilized. They demonstrate that the present housing shortage cannot be blamed on under-provision of capital, but more on the emphasis for which available funds are utilized.

(b) Manpower

23. It has been estimated that, from 1962 to 1965, public and private investment together produced about 35,000 urban housing units per annum. It is not easy to assess the numbers of professionals, supervisors and technicians, skilled artisans and unskilled laborers who were engaged on this task, nor can we say with certainty whether larger numbers could have produced more or whether the available labor force was under-employed. The Federal Ministry of Labor and the National Manpower Board have made great strides in the collection and analysis of

manpower data and in the study of future needs. Yet they have so far little to offer that could help in forecasting Nigeria's productive capacity in housing. This is due to the special situation of the Nigerian construction industry which makes statistical analysis difficult.

24. Home building in Nigeria is in a state of transition from the self-help methods of the traditional village society to the specialization of a modern urban industry. This gives it a high degree of flexibility. Until quite recently, every peasant was expected to master enough of the techniques of rural building to build his own house with the help of friends and relations. In the normal way of life, he had no need for the specialized artisan. When he moved into town he brought with him his traditional home building experience and thereby added to the reserve of semi-skilled manpower which most of the fast growing cities of the tropics seem to possess. Official statistics do not take any notice of him. They record as skilled artisans only those who have undergone formal training in a technical school or trade centre (5-year courses in Eastern Nigeria and 3 years in the other Regions) and disregard the army of first generation town dwellers and their traditional skills. Most newcomers think of themselves as "ordinary" unskilled laborers and are paid as such. Yet it is the newcomers who have produced most of the private houses in the towns of Nigeria. They are quick in picking up the arts of block making, concreting and wood working needed for urban housing and, after short apprenticeships, handle even plumbing or simple electric installations.

25. The "Report on Employment and Earnings Enquiry" of 1961 records the following figures for the construction industry of Nigeria:

4,594 brick and block layers,
7,304 carpenters and joiners,
1,750 painters and decorators,
307 electricians,
462 blacksmiths and welders, and
491 plumbers ^{1/}

Even the addition of the 1235 artisans produced annually by the Nigerian technical and vocational schools ^{2/} does not make the official labor force

^{1/} Federal Ministry of Labor, Report on Employment and Earnings Enquiry, Lagos, Dec. 1961. Table 7, Appendix p. 31.

^{2/} Federal Ministry of Education, Statistics of Education in Nigeria, 1963, Table 3, p. 12. (1235 is an estimate of the annual output derived from Table 3).

strong enough to manage without the semi-skilled newcomers from the villages. It adds a touch of irony to the Nigerian situation that the same newcomers who have contributed so much to causing the housing shortage in towns may hold the key for a solution. They form a reserve of potential working power and skill that has not been fully utilized.

26. None of the towns of Nigeria suffers from lack of unskilled labor. This subject deserves mention only in order to point out that the small house building industry forms an excellent training ground for the conversion of unskilled into skilled manpower. It should be used deliberately and systematically for this purpose in the context of manpower planning.

27. It is unfortunately not possible to take a similarly sanguine view of the high level and intermediate manpower situation. Nigeria has no store of traditional skills that would lend themselves to the rapid production of top level housing administrators, town planners, architects, engineers and quantity surveyors. Professional men of these kinds are in short supply. The position at the intermediate level of professional skills is even worse. There is no large urban middle class and, therefore, no social status from which technicians, draughtsmen, clerks of works and other supervisors could be recruited. The National Manpower Board has published target figures for the training of architects, town planners, surveyors, surveying assistants and draughtsmen and estimated the likely shortfall in 1968 and 1970 1/. The critical housing situation in the Nigerian towns makes it imperative that every effort be made to exceed these targets. Meanwhile, the available high level and intermediate personnel must be utilized more effectively by a transfer of emphasis from high to low income housing. In the production of upper middle class housing of the type built in recent years in Kaduna or S.W. Ikoyi, design and supervision take up as much as 1.5 percent and 5.5 percent respectively of the total man days needed 2/. In low income housing the man days of high and intermediate level professionals can be reduced by modern methods of operational planning and standardization.

(c) Direction

28. Lack of finance and technical manpower did contribute to the failure of the Nigerian housing policy, but were not solely responsible for it. There was a third factor perhaps of even greater importance: lack of direction. The Plan did not give any guidance for the activity of the private sector in the housing field, while public action was not based on a comprehensive scheme of influencing the private initiative and filling the gaps left by private activity. Private investors concentrated on property deals and high income housing which promised maximum returns.

1/ National Manpower Board, Nigeria's High-Level Manpower 1963-70 Lagos 1964, Tables 20 and 21.

2/ Calculated from statistics supplied to the Mission by Messrs. G.A. HANSCOMB PARTNERSHIP, Lagos and Kaduna.

They welcomed the profits and increments in the value of their property which accrued to them as a result of the general shortage of urban building land and houses. Nobody felt called upon to combat such shortages.

29. The development of this "devil takes the hindmost" attitude was not unavoidable. Governments can influence private investment directly and indirectly. The first requisite for this is a clear statement of the intentions of the Plan and the aid that is expected from the private investor. The second is the positive use of the Government's town planning and land acquisition powers to provide building land of the right kind in the right place. In times of shortage, the provision of housing plots provides authorities with a powerful handle to steer private finance in the right direction. Other means include preferential treatment for low income and lower middle class housing in the allocation of loans, help in procuring scarce materials, and the expansion of the accommodation market through sub-letting at controlled rents.

30. Even if all the foregoing had been done, the lowest income groups would have remained ill-housed, but conditions would have been better than they are now.

6. Recommendations

31. Redeployment of public activity and public funds are needed. The fastest growing towns should receive the largest share of available funds.

32. Direct investment of public funds in housing should be concentrated exclusively on low income housing. The aim should be to fill the gap left by private enterprise. To the extent possible, low income housing should form part of comprehensive projects which would be self-supporting and include industrial estates and business and shopping districts. Housing may be subsidized by the profits derived from industrial and commercial development. The preparatory work for comprehensive projects of this type from the initial surveys to feasibility studies should be given attention.

33. Private investment should be encouraged to meet the most pressing needs through the formulation of urban development and land use plans drawn up to guide the growth of the major cities.

34. Building societies and housing corporations have in the past provided a limited number of loans for upper income housing at commercial interest rates. This is a useful function, but not one that deserves government subsidies. Public funds should be concentrated on the promotion of savings and loan movements. These should utilize the desire to own a house as an incentive for capital formation.

35. Detailed recommendations are spelt out in Annex III. Also shown in Annex III are the past expenditures.

ANNEX I: URBAN HOUSING NEEDS

A. Cities/Towns Included (population above 75,000)

Federal	Lagos
Northern	Kano, Kaduna, Zaria, Llorin, Sokoto, Jos, and Maiduguri
Eastern	Enugu, Port Harcourt, Onitsha, Aba, and Calabar
Western	Ibadan, Ife, Abeokuta, Ogbomosho, Oshogbo, Akure, Ilesha and Ikeja town planning area
Mid-Western	Benin and Sapele

B. Average Annual Increase in Population of (A)

Federal (Lagos)	36,167
Northern	64,000
Eastern	36,730
Western	92,000
Mid-Western	<u>10,400</u>
Total	<u>239,297</u>

C. Average Household Size

Federal (Lagos)	6.0
Northern	3.5
Eastern	4.0
Western	6.0
Mid-Western	6.0

D. Housing Needs

(1) For new population

Federal	6,028
Northern	18,285
Eastern	9,183
Western	15,333
Mid-Western	<u>1,733</u>
Sub-Total	<u>50,562</u>

(2) Annual Replacement (assuming a life of 40 years of 1952 stock)

Federal (Lagos)	1,500
Northern	3,000
Eastern	1,569
Western	4,700
Mid-Western	<u>197</u>
Sub-Total	<u>10,966</u>

(3) Total Need

Federal (Lagos)	7,526
Northern	21,285
Eastern	10,752
Western	20,033
Mid-Western	<u>1,930</u>
Sub-Total	<u>61,528</u>

(4) Total Need (Minimum)

Total, as in (3) above	61,528
Less: Allowance for over-crowding (25%)	
Federal (Lagos)	1,882
Northern	5,321
Eastern	2,688
Western	5,008
Mid-Western ^{a/}	<u> </u>
Total	<u>46,629</u>

^{a/} No allowance for temporary over-crowding since the existing stock of houses are small and contain a large percentage of earth-walled houses.

ANNEX II: AN ANALYSIS OF HIGH INCOME HOUSING

A. Private investment in Nigeria has favored middle class and high income housing. A few examples of houses of this type from Lagos, Ibadan and Kaduna have been analyzed with the help of Messrs. G. A. Hanscomb Partnership, Chartered Surveyors of London, Lagos and Kaduna. Their reports are reproduced below solely for the purpose of throwing some light on the construction methods used by private investors, on the ratio of site cost to total building cost, on the manpower requirements for high income housing and on the percentage of imported materials, components and fittings. The figures illustrate the claim on resources by middle and high income housing. The requirements for low income housing, both in terms of manpower and imported materials, will be much less.

EXAMPLE 1: Middle income house in S.W. Ikoyi.

EXAMPLE 2: Middle income house in S.W. Ikoyi.

EXAMPLE 3: Upper income house, Ibadan.

EXAMPLE 4: Middle income house in Kaduna.

EXAMPLES

5 - 7 : Middle income housing in Kaduna.

EXAMPLE 1: Middle Income House in S.W. Ikoyi

Accommodation

Ground floor	Living/dining room Garage or Carport Kitchen Store Pantry Laundry Attached Boys' Quarters - 2 rooms Kitchen Shower and WC.
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First floor	3 bedrooms 2 bathrooms Linen cupboard.
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Construction	9" slab foundation 9" Block walls, render and paint Precast concrete stairs Timber roof and aluminium 8" hollow pot floor, plastic and paint Celotex to first floor ceilings Terrazzo to ground floor and toilets Vinyl tiles to first floor Good quality sanitary fittings Built-in cupboards Boys' Quarters - standard External works and drainage.
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Area: House 2/38. x 38.0. 2,888 F.S.
Cost: 15/10/64: £7,800 (includes 12% to 15% Morgan)
Cost per foot super: 55/- approximately
Cost of Land: Nigerian allocated plots by Government.
 Ground rent about £60 per annum.
 £200 acre per annum.
 70% leased from original owners on 99-year lease.
 S.W. Ikoyi £1,500 to £-2,000 plot.
 Waterside S.W. Ikoyi up to £7,000 plot.
 Victoria Island £5,000/6,000 acre.

Percentage spent on imported materials: approximately 25% to 30%.

Imported materials in typical house:

Aluminium roofing
 Celotex ceiling
 Vinyl floor tiles
 Steel reinforcement
 Metal window sections (profiles)
 "Stanley" aluminium sliding doors
 Glass
 Marble chip
 Colored cement
 Screws and nails
 Mosaic tiles
 Wall tiles
 Plumbing
 Electrical
 Ironmongery
 Fencing wire.

Contractor: Supervisor £250 per month - 8 hours, say 44 days.
 5 houses in 7 months.
 House - 7 month building period.
 20% cost - labor.
 Average wage £ 15 per month.

<u>Labor:</u>	7 masons - five months - 9 hours	840 days
(one house)	7 carpenters - ditto	840
	6 laborers - ditto	720
	2 head mason/carpenter, 4 months	
	9 hours	192
	2 ironbenders - 2 months, 9 hours	96
	5 painters - 1-1/2 months	
	9 hours	180
	1 watchnight, 7 months, 12 hours	210

Sub-Contracts:

Plumber: £160 approximately
2 plumbers, 1 month 9 hours 48 days
Electrical: £200
3 electricians, 1 month
9 hours 72
Skilled 2,268
Unskilled 930

Say 30 days in a month
Less Sunday - four days
Less Saturday - two days
Say 24 full working days/month
15% profit and overhead.

1964 Analysis

Materials	60%	<u>Imported materials</u>
Labor	25%	40% to 50% of material
Supervision	5%	cost, or 25/30% of total
Overheads	4%	cost.
Profit	6%	
	<u>100%</u>	

Method of Financing

Client	30%
Lagos Building Society	50% - 12% interest
Contractor	20% - delayed final payment + £100 - £150 interest.

Advanced rents £1,500 - £2,000: two to three years.

To qualify for Building Society Loan the following requirements must be met:

1. good site
2. architect designed
3. good contractor.

Man-days to complete one house

Architect standard drawings:	say (8-1/2 hour-day)
Design	Architect - 2 days
Working drawings	Assistant - 10 days (2)
Specification	Architect - 1/2 day
Approvals	Assistant - 1 day Secretary - 1 day
Engineer	- 1 day
Assistant	- 3 days

(say) 1 month.

No supervision

Approvals - great delay 2 to 2-1/2 months archaic by-laws (also on repeat house), lack of approving architects.

1. Lands Department - title check
2. LEDB Overall Planning, design
3. Lagos City Council. Structural, medical officer.

Fees:

Architects' scale on first house	5%
Engineer - ditto -	1-1/4%
Further houses from same plans:	
Royalty architect	£200
engineer	£ 50
Architect - approval 2-2-1/2 months	
- site plan 1 day assistant.	

EXAMPLE 2: Middle Income House in S.W. IkoyiAccommodation

Ground floor	Lounge/dining room Kitchen Toilet Cupboard
First floor	3 bedrooms - fitted cupboards 2 bathrooms Linen cupboard
Construction	Concrete strip foundations 9" block walls render and paint 8" block floors, render and paint vinyl tiles Aluminium 'Longspan' roofing Timber framing Celotex and paint Terrazzo tiles to kitchen and bathrooms Fitted cupboards Timber stairs Aluminium sliding doors and windows Boys' quarters - standard - carport.

<u>Area:</u>	23.6 x 31.0	731.6
	19.0 x 4.3	81.7
	24.0 x 36.9	885.6
		<u>1,698.9</u>

Cost: £6,300.0.0.

Cost per foot super: 75/- approximately.

Method of financing: Private completely

<u>Man-hours:</u>	Architect 1 month	24 days
	Assistant 1-1/2 months	36 days
	Typist 1 day	1 day
	Approvals -	
		<u>60 days</u> - two months.

Traditional construction

Percentage spent on imported fittings, 25/30% of cost

Design and working drawings, etc.: 2 weeks, say 11 days.

EXAMPLES 4-7 Middle Income Housing in Kaduna

a.	Total cost	£7,438
b.	Area of house only	2,206 S.F.
c.	Cost per square foot	58s. 9d.
d.	Percentage of imported materials	20%
e.	Client	Private
f.	Number of man-days in:	
	(i) professional (design)	21
	(ii) supervision (professional and contractor's)	171
	(iii) skilled labor	972
	(iv) unskilled labor	1,458
g.	Size of house	3 bedrooms, 2 bathrooms
h.	Type of tender	Competitive
i.	Contractor	Indigenous

EXAMPLE 5: Middle Income Housing in Kaduna

a.	Total cost	£7,300
b.	Area of house only	3,167 S.F.
c.	Cost per square foot	40s. 0d.
d.	Percentage of imported materials	18-1/2%
e.	Client	Private
f.	Number of man-days in:	
	(i) professional (design)	48
	(ii) supervision (professional and contractor's)	142
	(iii) skilled labor	960
	(iv) unskilled labor	1,440
g.	Size of house	3 bedrooms, 2 bathrooms
h.	Type of tender	Negotiated
i.	Contractor	Expatriate

EXAMPLE 6: Middle Income Housing in Kaduna

a.	Total cost	£8,509
b.	Area of house only	3,248 S.F.
c.	Cost per square foot	48s. 9d.
d.	Percentage of imported materials	18-1/2%
e.	Client	Private
f.	Number of man-days in:	
	(i) professional (design)	60
	(ii) supervision (professional and contractor's)	177
	(iii) skilled labor	1,200
	(iv) unskilled labor	1,800

- g. Size of house 3 bedrooms,
2 bathrooms
- h. Type of tender Negotiated
- i. Contractor Expatriate

EXAMPLE 7: Middle Income Housing in Kaduna

- a. Total cost £6,500
- b. Area of house only 2,880 S.F.
- c. Cost per square foot 38s.6d.
- d. Percentage of imported materials 18-1/2%
- e. Client Private
- f. Number of man-days in:
 - (i) professional (design) 48
 - (ii) supervision (professional and contractor's) 142
 - (iii) skilled labor 960
 - (iv) unskilled labor 1,440
- g. Size of house 3 bedrooms,
2 bathrooms
- h. Type of tender Competitive
- i. Contractor Indigenous

ANNEX III: TOWN AND COUNTRY PLANNING

	Plan Allocation 1962-1968		Expenditures <u>1962-63/1964-65</u>	Balance to Complete	Official Expectations <u>1965-66/1967-68</u>	Spill- over	Missions Recommendations <u>1965-66/1967-68</u>
	<u>Original</u>	<u>Revised</u>					
Federal	10,769	13,405	2,663	10,742	6,543	4,199	5,632 ^{a/}
Statutory (LEDB)	15,028	8,979	3,334	5,645	5,645	-	5,645
North	5,828	5,830	963	4,867	425	4,442	1,000
East	3,306	5,523	1,970	3,553	3,553	-	2,500
West	9,280	9,280	4,240	5,040	5,040	-	3,048
Mid-West	910	910	-	910	824	86	620
Total	<u>45,121</u>	<u>43,927</u>	<u>13,170</u>	<u>30,757</u>	<u>22,030</u>	<u>8,727</u>	<u>18,445</u>

a/ Exclusive of transfer to LEDB.

1. Federal Government

(in N_o Thousand)

	<u>Plan Allocation</u> 1962-1968		<u>Expenditures</u>				<u>Spill- over</u>
	<u>Original</u>	<u>Revised</u>	<u>Actual</u> 1962-63	<u>Actual</u> 1963-64	<u>Estimates</u> 1964-65	<u>Expectations</u> 1965-66/1967-68	
(a) Plan Allocation and Expenditures							
HEAD 631 TOWN AND COUNTRY							
PLANNING	<u>10,769</u>	<u>13,405</u>	<u>680</u>	<u>919</u>	<u>1,064</u>	<u>6,543</u>	<u>4,199</u>
61 African Staff Housing	1,830	1,830	305	-	-	1,000	525
102 Nigerian Building Society	1,500	1,500	-	-	-	-	1,500
103 Metropolitan Area Housing Development	1,344	1,344	-	-	-	1,000	344
Lagos City Council							
105 Loans for Development	1,260	1,260	-	-	100	-	1,160
201 Grants for Development	584	584	15	67	81	421	-
Victoria Island							
151 Phase IV	2,520	5,032	343	724	967	2,998	-
152 Site Development	126	238	10	19	12	197	-
153 Ikoyi Development	35	47	3	9	4	31	-
154 National Hall	5	5	4	...	-	1	-
155 Central Lagos Sewerage Scheme	1,565	1,565	-	-	-	895	670

2. Output of Houses

1. The total number of houses built by the LEDB with Government funds was 534. Prices ranged from £1,850 to £5,500. There were no low-cost houses. Private investors built 2,104 middle-class houses at an average cost of £6,000 each, plus 2,800 low-cost units costing in the order of £650 each. Most of these units are not self-contained. Several families share cooking and lavatory facilities. The total private production of houses comes to about 3,400 units.

3. Sources of Capital

2. The houses built by the LEDB were financed from Federal Government grants, but most of the investment was recouped through the sale of houses. The financing of private housing depended on the income group for which the house was intended. Low income housing was mainly instalment built, financed through individual or family saving or from very high rents paid by tenants of individual rooms or groups of rooms. Middle and upper income housing was financed in three ways:

(i) contractor credits repaid in three or four years from rents demanded in advance of expatriate tenants (international agencies, commercial firms or diplomats),

(ii) advances from prospective tenants,

(iii) loans from the Nigeria Building Society.

3. In April 1965 the Nigeria Building Society held mortgage assets of £5,617,392, of which £2,172,562 was secured in Lagos. The sources of the loan fund were mainly the equity shares of the Nigeria Building Society held by the Government of Nigeria and by the Commonwealth Development Corporation in London, and loans from the CDC amounting to £175,000 raised in the City of London.

4. These figures refer to the total mortgage assets of the Society and not only to the three years of the development plan, but must be taken as indicative that about half the capital invested in building houses through the Society comes from abroad. The Nigeria Building Society has also attempted to collect deposits from small savers, but the total of these has not quite reached £200,000.

4. Critical Assessment of Investment Policies

5. The total annual production of houses resulting from public and private investment together was 4,000 houses per annum, which is far below the minimum housing needs of 6,000 to 7,000 houses per annum. The most striking feature of the official record is the complete failure to produce any low income houses since 1962/63.

6. Private housing has concentrated on the provision of high income group housing, as is to be expected. The low-cost houses produced by private investors were not low-rent houses, again not unexpectedly, private investors took advantage of the shortage to charge high rents for often quite inadequate accommodation. The consequences of this imbalance in the provision of housing have already been discussed.

5. Recommendations

7. In view of the shortage of available funds, the re-deployment of resources is recommended. Emphasis should be on a public effort to produce enough low income housing to counter the worst shortages and extreme hardships, on the development of land, roads and utilities to make private house building possible, and on the building up of a savings and loan movement to encourage private saving for housing.

8. The following are detailed recommendations for projects in Lagos:

		Balance (In Thousand)	Suggestion	(In thousand)
631/61	African Staff Housing	£1,525	Discontinue and merge into new mortgage finance scheme	£500
631/101	Loans to LEDB industrial estates	£1,163	Utilize for low-cost housing only	£500
631/151	Victoria Island IV	£2,998	Discontinue if contractual obligations permit	(£2,998)
631/152	Victoria Island site development	£197	Must be carried on so that sites can be sold	£197
631/153	SW - Ikoyi	£16	Continue to complete	£16
631/154	National Hall	£1		£1
631/105	Loans to Lagos City Council	£1,160	Discontinue	
631/201	Lagos City Council Grants	£420	To continue	£420
111 (3)	Central Lagos sewerage scheme		To continue	£895

6. Housing

	<u>Balance</u> <u>(In thousand)</u>	<u>Suggestion</u>	<u>(In thousand)</u>
Low-cost housing 631/101 (LEDB) + 631/103 (B), (Metropolitan Housing Development)		Merge into one low-cost housing project	£2,000
Mortgage finance:			
631/61 African Staff Housing			£1,525
631/102 (B) Nigeria Building Society		Merge into new mortgage finance pro- ject and ear- mark for the encouragement of deposit saving	£1,300 £2,825
			£1,000

2. Northern Nigeria

(in Nk Thousand)

<u>Heads</u>	<u>Section No.</u>	<u>Projects</u>	<u>Plan Allocation 1962-1968</u>		<u>Expenditures</u>				
			<u>Original</u>	<u>Revised</u>	<u>Actual 1962-63</u>	<u>Actual 1963-64</u>	<u>Revised Estimates 1964-65</u>	<u>Estimates 1965-1968</u>	<u>Spill-over</u>
(a) Plan Allocation and Expenditures									
566/567		Land and Survey							
	1	Survey Division: Survey Buildings and Records	6	8		3	5	-	-
	2	Town Planning							
		Town Planning Offices	1	1	1	-	-	-	-
		Greater Kano Town Plan	3,000	3,000	29	131	70	116	2,624
	3	Equipment: Survey Division	15	15	7	5	1	-	2
570/571		Social Welfare							
	1	Housing							
		Housing Estates	850	850	-	-	-	-	850
		Staff Quarters: Election and Purchase	1,686	1,686	99	157	185	279	966
578		Ministry of Finance (Social Sector Projects)							
	3	Housing							
		Housing Corporation Projects	150	150	-	109	41	-	-
		Other Housing	120	120	75	45	-	-	-
		Total Town and Country Planning	<u>5,828</u>	<u>5,830</u>	<u>211</u>	<u>150</u>	<u>302</u>	<u>425</u>	<u>4,442</u>

7. Output

9. Government funds were invested mainly in housing for officials and in staff housing for hospitals and similar projects. During the first three years of the Plan the total came to 77 houses, or 26 per annum. None of these could be described as low income housing.

10. Few complaints can be heard in the Northern cities of acute housing shortage, except for Kano, where industrial development has led to a certain amount of in-migration. It must be assumed, therefore, that the bulk of the increased population of the Region has been housed by private effort - an assumption of a private output of houses of about 15,000 units, which is only a little short of the minimum need (the shortage occurring mainly in Kano), seems reasonable under these circumstances.

8. Recommendations

11. A review of the housing policies of the Northern Region is recommended. The industrial development is proceeding in Kano and Kaduna, and the housing needs which are bound to arise from such development should be assessed and plans prepared to meet them. A preliminary provision of £500,000 under the heading of "Housing" is recommended, and a further £500,000 under the heading of "Town Planning", to get the new policy under way during the remaining years of the Development Plan.

3. Eastern Nigeria

(in N~~l~~ Thousand)

	Plan Allocation 1962-1968		Expenditures				Spill- over
	<u>Original</u>	<u>Revised</u>	Actual	Actual	Estimate	Expectations	
			<u>1962-63</u>	<u>1963-64</u>	<u>1964-65</u>	<u>1965-66/1967-68</u>	
(a) Plan Allocation and Expenditures							
HEAD 814 and 820 TOWN AND COUNTRY PLANNING	<u>3,306</u>	<u>5,523</u>	<u>724</u>	<u>436</u>	<u>810</u>	<u>3,523</u>	-
66 Land Acquisition and Development	950	2,864	438	108	264	2,054	-
67 Town Planning	81	249	-	92	73	84	-
68 Survey Division	25	182	-	11	18	153	-
✓ 69 Housing Corporation	2,000	2,000	262	158	485	1,095	-
✓ 70 Government Staff Housing Scheme	250	228	24	67	-	137	-

(b) Output

Expected Output:

- Projects 66 to 69 are closely coordinated to produce industrial estates and housing layouts of un-specified number and size.
- Project 70 was for low-, ~~medium-~~ and high-income housing.

Actual Output:

- Acquisition of land for industrial and housing development at Diobn and Trans-Amadi in Port Harcourt; extension of "Independence Layout" and a few smaller projects in Enugu and other towns.
- Houses built by ENHC:
 - 400 low-cost @ £505/house
 - 115 lower medium-cost @ £850/house
 - 65 high-cost - 30 @ £9,000/house
 - 30 @ £5,000/house
 - 5 @ £8,200 house
 - 60 medium low-cost @ £1,000/house

9. Critical Assessment of Investment Policies

(a) Past

12. Policies must be judged in relation to the needs they are supposed to meet. The urban housing needs of the Eastern Region are in the order of 8,000 to 11,000 units per annum. This is a minimum required to keep standards at their present low level.

13. The past policy of investing the available public funds to produce 220 units per annum cannot be said to have made a noticeable impact on the situation. Nevertheless, the construction of low-cost houses by the ENHC can be justified as a pilot project and attempt to establish a better pattern of urban housing. As such it has been moderately successful. It has shown that, given the subsidy of free land and interest-free capital, a two-room house with single kitchen, bath, water, electricity, sewerage disposal and access to an all-weather road can be produced at a cost not exceeding three times the annual income of a skilled worker, and therefore within the economic reach of an important low-income group.

14. Past housing policies of the Eastern Region have failed to solve the problems of urban sprawl and expensive journeys to work. This could have been done through the development of narrow frontage housing and through better planning.

(b) Future

15. Re-thinking of the Plan is necessary. At the present state of the Nigerian economy, the main investment must come from private investors. The role of Government must be re-defined as:

- (i) construction of a limited number of houses for industrial workers;
- (ii) encouragement of private investment in housing;
- (iii) removing of obstacles which make such investment difficult - if not impossible, and

16. Public investment should be concentrated on three major and four subsidiary projects.

The major projects:

(i) The acquisition and development of 11,000 housing plots per annum (including roads, drainage and utilities).

(ii) The development of a savings and loan system capable of financing 11,000 low-cost urban houses per annum.

(iii) The construction of low-income housing at centers of industrial and trading employment.

The subsidiary projects:

(i) Town Planning. The preparation of appropriate development plans for the five major towns in preparation for land acquisition and development.

(ii) The establishment of a Technical Advisory Service to make plans and technical advice available to private investors.

(iii) The provision and control of a suitable public transport system.

(iv) The training of technical and professional manpower.

10. Recommendations

17. The following financial adjustments are recommended for the remainder of the planning period:

		<u>Plan Provision</u>	<u>Revised Estimate</u>
(In Thousand)			
Project 66	<u>Land Acquisition and Development</u>	£2,053	£ 900
	A sum of about £900,000 to be set aside as revolving fund for the development of housing plots. Part of this money (about one-third) to be used for industrial estates.		
Project 67	<u>Town Planning</u>	£ 84	
Project 68	<u>Surveys</u>	£ 153 £ 237	
	These two items may be combined into a Special Fund project and reduced to the 20% required as counterpart fund plus a provision to maintain services until Special Fund aid becomes available.		£ 100

		<u>Plan</u> <u>Provision</u>	<u>Revised</u> <u>Estimate</u>
		(In Thousand)	
Project 69	<u>Housing Corporation</u>	£1,095	
Project 70	<u>Government Staff Housing</u>	£ 137	
		£1,232	£1,500

These two projects should be combined into a loan fund of £1,000,000 to start a region-wide savings and loan movement for the low- and medium-income housing. The fund should provide low-interest mortgage loans to long-term depositors. £500,000 to be spent on industrial workers' housing near existing centers of employment.

4. Western Nigeria

11. The Output of Houses between 1962/63 and 1964/65

18. Between 1962/63 and 1964/65 the Western Nigeria Housing Corporation built 245 houses, none of them for low-income occupiers.

19. A system of building permits is in operation in Ibadan and in the Ikeja Town Planning District. According to the Chief Officer of the Ibadan Town Planning Authority, about 85% of the licensed building actually got built. The number of unlicensed constructions is alleged to be about 10% to 15% of the legal ones in Ibadan and somewhat higher in and around Ikeja.

20. Private house building in the other cities of the Western Region is assumed to be roughly proportional to population figures. On this basis, and making allowances for illegal construction, the annual average of private house construction is estimated to be about 5,860, about 60% for low-income groups.

21. Housing conditions in the Yoruba cities of the Western Region seem to be better than in the rest of Nigeria. The only exception is the Ikeja Town Planning Area where the annual output of houses falls short of requirements by about 2,000 units.

22. 2,500 workers are employed in the Ikeja Industrial Estate. Industrialists have built houses nearby for their executives and managerial staff, but not a single working class house has been built at Ikeja by industrialists or authorities.

12. Critical Assessment

23. The housing policy of the Western Region is socially unbalanced. Low-income housing has been neglected. Public investment has benefitted exclusively the higher income groups.

24. With the exception of the Ikeja Town Planning Area (Ikeja, Agege, Mushin, Shomolu, Oshodo, Isolo, Itire, Ajegunle and Araromi), the towns of the West are old and well-established. They have not grown as fast as some of the centers in the East and North, but signs of tensions have begun to appear even in the Yoruba towns. The situation in the Ikeja Town Planning Area (which is in fact the Western Region part of Metropolitan Lagos) is critical and drastic action is needed to fight a severe housing shortage.

13. Recommendations

25. The investment projects under the heading of "Town Planning" (vide section 5 above) are essential to make private house building possible. The provision of £30,000 for an "Ibadan Slum Clearance Scheme" should be eliminated. The remaining projects must continue, and the provision of £1,537,650 retained for investment in the remaining years of the Development Plan.

26. The provisions under the heading of "Housing" should be replaced by two projects designed to redress at least partially the imbalance of earlier policies.

(i) A project of 1,800 low-income houses for the Ikeja Industrial Estate (possibly subsidized by the industries of Ikeja) amounting to £1,260,000, and

(ii) A provision of £250,000 to assist in the launching of a savings and loan movement for middle- and low-income housing.

5. Mid-Western Nigeria

(In N_£ Thousand)

	Plan Allocation 1964-1968		Expenditures		
	<u>Original</u>	<u>Revised</u>	<u>Actual</u>	<u>Expectations</u>	<u>Spill-</u> <u>over</u>
			<u>1964-65</u>	<u>1965-66/1967-68</u>	
(a) Plan Allocation and Expenditures					
TOWN AND COUNTRY PLANNING	<u>910</u>	<u>910</u>	<u>-</u>	<u>824</u>	<u>86</u>
1. Catering Rest Homes (Improvements)	50	50	-	-	50
2. Housing and Estate Mortgage Scheme	552	552	-	552	-
3. Low-cost housing for school leavers (Pilot)	16	16	-	-	16
4. Mapping	272	272	-	272	-
5. Loans to Local Government Councils	20	20	-	-	20

14. Critical Assessment

27. The urban areas of the Mid-Western Region, particularly the capital Benin, are short of all types of accommodation. There is lack of office space and lack of housing for the employees of the new government. The investment policies envisaged are not likely to cope with this situation.

15. Recommendations

28. The provision of housing plots should be accelerated to encourage private house building, and there should be a small provision of capital for direct investment in low-income housing for those government servants and others who cannot pay an economic rent. A provision of £470,000 under the heading of "Town Planning" and £150,000 under the heading of "Housing" is suggested for the remainder of the planning period.