



PUBLIC PRIVATE PARTNERSHIPS AND HOUSING DELIVERY SYSTEM IN NIGERIA

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Abstract

Nigeria is still in search of solutions to her housing challenges and Public Private Partnership has been advocated because it has succeeded in some other countries with similar challenges. The paper notes that Public private partnership is the most prominent housing policy that has emerged in the last decade in Nigeria. Housing reforms in Nigeria, under the flagship of PPP has taken the country into a different league after decades of ineffective housing policy. The paper examined the applicability of the enablement paradigm in the public-private partnership of housing delivery systems in Nigeria. It further argues that PPP could succeed in Nigeria and recommends that the highlighted challenges should be addressed to enhance the success of adopting PPP in the Nigerian housing sector. The paper concludes that Private Sector Partnership remains a veritable tool for the achievement of effective housing delivery and that Nigeria clearly needs to invest more in its infrastructure, as it is obvious that the current state of housing delivery does not meet the requirement for sustainable national development.

Keywords: *Public Private Partnership and Housing Delivery in Nigeria*

Background to the Study

Nigeria is searching for solutions to her housing challenges and Public Private Partnership (PPP) is being advocated given its success story in some other countries. Public private partnership arose as a medium for infrastructure development, i.e. to make available adequate infrastructure through public private partnership's development. Public private partnership can be said to be a crossover from the normal contracting of projects to private personnel to develop a particular project which the government will pay such private personnel for the provision of such projects and which may not later be fully completed. Here, essence of PPP is to see to the successful development of infrastructure by the contribution and collaboration of both the public and private sectors.

Private public partnership is of great importance to the development of any nation. It has important implications for the role of the state vis-à-vis the private sector as a provider of public services. It is acknowledged that because of growing pressure to find new and better ways to succeed in the innovative field of the labour market and to reach the poorest areas of the society, the public sector is looking up to the private sector for leadership, technical expertise, and innovative ways to finance vital societal projects and services (Okoye and Chijioke, 2013). PPPs aim to combine the skills, expertise, and experience of both the public and private sectors to

deliver higher standard of services to customers or citizens. The public sector contributes assurance in terms of stable governance, citizens' support, financing, and also assumes social, environmental, and political risks. The private sector brings along operational efficiencies, innovative technologies and managerial effectiveness, access to additional finances, and construction and commercial risk sharing.

Statement of the Problem

Essentially, the need for the provision of housing in any developing country cannot be overemphasized as it constitutes the backbone of the country's national economy. Considering the importance of housing, government at all levels (local, state and federal) has always borne the full responsibility of providing low cost and affordable housing via dependence on loans and credits from financial institution not recognizing the fact that the investment requirement for the housing deficit is such that cannot possibly be met by relying on the public sector to boost public investment without increasing public borrowing (Ojuola and Martin, 2012). Housing has been universally accepted as the second most important essential human need after food.

According to UN Habitat (2006), housing represents one of the most basic human needs and has a profound impact on the health, welfare, and social attitudes and economic productivity of the individual. It is also seen as one of the best indicators of a person's standard of living and of his or her place in society. Housing problem is one of the major issues normally discussed in the world fora today. This is due to the dire shortage of accommodation; the demands for it far surpass the number available for human living. This deficit in housing requirements in the view of Gbadeyan (2011:104) is a product of many factors amongst which include: increase population; rural urban migration; industrialization; emergence of commercial and mega cities; climatic change; natural disasters such as earth quakes, war, famine, drought and others. Public housing systems in Nigeria could be deemed to be in crisis, with thousands of people in each state of the federation on waiting lists for many years. Research has also shown that the effectiveness of current housing support models is limited as these programs do not address the ongoing issue of limited affordable housing stock, nor do they have the ability or the resources to help tenants facing ongoing affordability problems or other personal problems that put their tenancies at risk (Australian Housing and Urban Research Institute, 2006). Olotuah (2005) observed that the debacle of public sector intervention in housing has been linked to the inability of government to properly define its role and ascertain the real needs of the populace and the lack of political will to tackle the hydra headed housing problem.

In the same vein, Akeju (2007) noted that the Nigerian housing market has tremendous opportunities which are waiting to be tapped and Government alone cannot fill the housing gap. He further argued that Government has no business building houses but should focus on providing favourable investment climate that will bring about the desire turn around in the housing market. The problem of access to affordable housing in Nigeria for the poor are too great for any one group to solve alone. The challenge today is to fill the missing link between the mainstream financial institutions and the low income communities, together with the long-term commitments of the government and private sectors involved in housing industry to resolve massive housing problems at the same time seeking a balance between shareholder

value and social responsibility. Governments most especially in developing countries over the last three decades have tried to address the problem of adequate, affordable and sustainable housing delivery to their citizens. The Nigerian Government, more recently, has planned to increase housing delivery on a sustainable basis to a peak level for a number of years and yet the progress is slow and the problem of large informal settlements still exists and is growing. This phenomenon has become evident particularly throughout Nigeria and cities as unprecedented numbers of rural migrants move into urban centres in search of employment on daily basis.

Objectives of the Study

The objective of this paper is to examine how Nigeria can successfully adopt PPP as a policy option in the ongoing housing delivery system in Nigeria. Although PPPs have been adopted in addressing housing provision challenges in Nigeria, the extent to which government is responding to its changing role and the emphasis on collaborations in housing provisions have not been adequately addressed in the literature. This paucity of information has particularly obscured our understanding of the role of government in such PPPs and the implications for public housing delivery in Nigeria. It is against this background that this study seeks to examine the role of government agencies in PPPs for housing delivery. This paper identifies quality and adequate housing as an important indicator of economic development; and the private sector as the greatest contributor to housing delivery. It attributes the current housing crisis to ever increasing household formation and dilapidated existing stock without significant increase in new housing construction.

Methodology

The goal of the paper is to examine public private partnership and housing delivery in Nigeria. The data for this paper were drawn mainly from secondary sources. While the paper is exploratory in nature it is meant to investigate whether there has been an improvement in the quality of housing delivery through public private partnership. Statistical data were also used where appropriate as empirical evidence. To improve on the reliability and validity of the study, multiple secondary sources were used to minimize the risk of error.

Conceptual and Theoretical Framework

In this section attempt is made to conceptualise Public Private Partnership which is considered as a key variable central to this research and to situate the study within the context of Principal-Agent and Institutional theories which are relevant for its analysis.

The Concept of Public Private Partnerships (PPPs)

Public Private Partnerships (PPP) is a much contested concept. It is not only hard to define the concept, since it can take many forms, but the opinions differ whether they are a wishful development. Proponents and critics of PPPs agree on a loose concept of PPPs, namely a public and private interaction to deliver a service. Yet providing a clear definition turns out to be challenging. The term is a sort of an “umbrella notion” covering a broad range of agreements between public institutions and the private sector, aimed at operating public infrastructures or delivering public services (Education International, 2009).

The concept Public-Private-Partnership originates from USA, initially relating to joint public- and private- sector funding for educational programme, and then in the 1950s it referred to similar funding for utilities, but has come into wider use since the 1960s as it is referred to as public-private joint ventures for urban renewal. The concept also referred to as publicly-funded provision of social services by non-public sector bodies, often from the voluntary (not-for-profit) sector, as well as public funding of private sector research and development in the fields such as technology. The term “public-private partnership” describes a range of possible relationships among public and private entities in the context of infrastructure and other services. Public-Private Partnerships is a model of public procurement based on long term relationships between government or other public bodies and the private sector for the delivery of services. It is the emphasis on service provision, value for money and length of relationship that distinguishes a PPP project from a more traditional procurement, where a government may engage a private sector counterparty to construct an asset, or deliver equipment (which the relevant government would then own and manage itself) (Amobi, 2013). PPP entails an arrangement between the public and private sector entities whereby the private entity renovates, constructs, operates, maintains, and/or manages a facility in whole or in part, in accordance with specified output specifications. The private entity assumes the associated risks for a significant period of time and in return, receives benefits and financial remuneration according to agreed terms.

Thaddeaus (2013) describes Public-Private Partnership as a contractual relationship between a public entity and a private entity, whereby the private party takes part of a government organization's service delivery functions, and assumes the associated risk for a significant period of time. In the same vein, Alfen (2013) sees PPP as a long-term, contractually regulated cooperation between the public and private sector for the efficient fulfillment of public tasks in combining the necessary resources (e.g. knowhow, operational funds, capital, personnel) of the partners and distributing existing project risks appropriately according to the risk management competence of the project partners.

From the foregoing, it is appropriate to describe Public-Private Partnership as a partnership between a publically funded entity, such as the government, and a private company that pull together their resources to build or improve services typically provided solely by a public entity.

Theoretical Framework

To get a better understanding of the possibilities and shortcomings of PPP, it would be useful to base the review of the study on an analytical framework. Such a framework would also be useful when structuring the discussion of findings in the reviewed literature. A number of scholars in the public management realm have highlighted the theoretical foundations of PPPs, although there is no unified theoretical basis for PPPs. It is possible to situate this paper within the context of the Principal-Agent framework and Institutional Theory given the specific nature of risks existing in most PPP projects.

Principal-Agent Theory

Applying Principal-agent theory to PPP interventions, the principal is the state (or other “public” actors) and the agent is the private sector company, partnership or consortium that the state contracts with. The state wishes to harness the capacity (human and investment), entrepreneurship and innovation of the private sector “agent” to achieve public policy goals, but has to recognize that; private sector “agents” have their own objectives and; will only enter into deals if they think that these will in some way be furthered by implementation of the Public Private Partnership agreement. Specifically, firms will only enter into PPP agreements if their expected “utility” from concluding the deal exceeds what they could obtain from directing the same resources to alternative uses, i.e. the opportunity cost of these resources (Poulton, 2009).

Poulton (2009) further asserted that at the heart of Principal-agent theory is the problem of asymmetric information. If the state had perfect information, concerning the capability and motives of potential private sector partners (prior to signing of a contract) and the actions and motivations for these actions (during implementation of a contract), the challenge above would be fairly straightforward. However, in reality these things are at least partly hidden from everybody except the (senior management of the) firm itself.

In compliance with principal agent theory the two contract parties in PPP are named principal (the public authority) and agent (the private enterprise). Both actors are intrinsically motivated by self-interest based on rationality (Greiling, 2009). This theory is mainly interested in how the agent can be forced to act in accordance with the principal. A so-called agency problem evolves that is not only derived from the actors' egoism but from information asymmetries in favour of the agent. The principal agent theory is applied as a theoretical reference framework for the PPP partnering model and the PPP performance process model to restrict opportunistic behavior. The principal agent theory therefore constitutes the theoretical base for optimally structuring contractual incentive mechanisms to protect against opportunistic behavior (Jensen and Meckling, 1976). Principal agent theory also broaches the issue of risk-bearing. This is a central topic for Public Private Partnership because the share of risks is supposed to be one main advantage of the PPP concept for growing efficiency in public service delivery. There are several general conclusions on Principal agent theory. These include; Firstly, the risk should be allocated to the Agent to the extent he does manage the risk. Secondly, risk should be allocated to the least risk adverse partner in order to minimize the overall risk-bearing cost. In the Principal-Agent literature, the Agent is most of time supposed to be risk averse whereas the principal is supposed to be risk neutral. Thirdly, the Principal should support risk in order to minimize the overall risk-bearing cost.

Institutional Theory

Governments operate in an institutional environment which influences their actions. In this environment, the main goal of organizations is to survive not only economically, but they need to establish acceptability within the world they operate. Institutional theory (DiMaggio & Powell, 1983; Meyer & Rowan, 1977; Scott, 1995) analyzes how structures including procedures, rules, schemas, and routines, become established as guiding principles for social behavior through processes. Institutions determine how different elements are developed, diffused, adopted, and adapted over space and time (Scott, 2004; Scott, 2008). An important element of

institutional theory is conformity. While formal institutions are conscious guiding principles which prescribe or proscribe parties' behavior, it is also important to include informal rules or trust patterns as part of the institutional framework since behavioral patterns become institutionalized and informal rules become seen as given, or, informal commitments become institutionalized over time due to the repetitive execution of acts by individuals involved (Eggertsson, 1996; Winch, 2010; Ring and Van de Ven, 1994).

The institutional environment shapes political processes and the rules of the political game and vice versa. There is a link between how political institutions shape political incentives, how political behavior influences policy making processes and their capabilities. In the case of PPPs, governments are responsible for the establishment of programs and to develop the necessary capacity to ensure project success. The way a government shapes the environment for PPP development will depend on the institutional context where projects take place. The policy interventions will have an impact on the institutional capabilities of the environment to foster PPP development and provide an enabling environment (Spiller et al., 2003; Jooste et al., 2011).

Institutional theory is used to analyze the influence of the institutional environment on PPP projects with the intention of refining it and proposing it for further research to study the interplay between the institutional and project outcomes. The categorization proposed by Mahalingam et al. (2011) serves as a means to delimit the institutional environment and characterize the institutional capabilities needed for PPP development so then we can compare different institutional environments. The institutional environment has a contract structure, the duration of negotiations for planning and procurement, and the emergence of public opposition. Projects' outcomes result in lessons learnt. The influence of the institutional environment on project outcomes and context specific factors shape the evolution of the institutional environment in different ways in different arenas, thereby leading to diverse project outcomes over time, even when the initial set of institutional logics surrounding PPPs are the same across these arenas.

The State of Public Housing Delivery in Nigeria

Housing delivery is a highly contentious and politicised issue that is of great concern to administrators, scholars and the public in Nigeria. In the last few decades, the influx of people into urban areas, the natural population increase and inadequate responses by the government have contributed to the worsening housing situation in the country, to the extent that economic development and the welfare of the citizens are adversely affected (Federal Republic of Nigeria, 1991; Akinmoladun and Oluwoye, 2007; Ademiluyi and Raji, 2008). These problems have become more critical in the cities, where huge housing supply deficits, dilapidated housing conditions, high cost of housing as well as proliferation of slums and squatter settlements exist (Eziyi, 2010)

A study of housing situation in Nigeria put existing housing stock at 23 per 1000 inhabitant. Housing deficit is put at 15 million houses while N12 trillion will be required to finance the deficit. This is about 4 times the annual national budget of Nigeria (Mabogunje 2007; FHA, 2007). The National Rolling Plan of 1990 – 92 estimated housing deficit at 4.8 million. The 1991 housing policy estimated that 700,000 housing units are to be built each year if housing deficit is

to be cancelled. The documents indicated that not less than 60% of the new houses are to be built in urban centres. Between 1975 and 1980, there were plans of deliver 202,000 housing units to the public but only 28,500 units, representing 14.1% was achieved. Also, out of 200,000 housing units planned to be delivered between 1981 and 1985, only 47,200 (23.6%) was constructed. Under the National Housing Fund (NHF) programme initiated in 1994, to produce 121,000 housing units, it was believed that less than 5% was achieved. In spite of a series of government policies towards housing delivery, one thing that is clear is that; there exist a gap between housing supply and demand.

Table 1: Estimated Housing needs Nigeria (2001-2012)

	Urban areas	Rural areas	Total
Housing stock 1991 ('000 units)	3,373	11,848	15,221
Estimated no of households 2001	7,289	15,295	22,584
Required output 2001 -2011 ('000)	3,916	3,447	7,363
Required annual output, 2001-2011	391.6	344.7	736.3

Source: UN - Habitat, 2012.

The table above shows that an estimate of 1,126,000 units housing needs is required to maintain a state of equilibrium in the housing sector in Nigeria. The annual housing needed between 1991 and 2001 is 392,000 units in urban areas, and 345,000 units in rural areas. The housing deficit was calculated at 25 per cent in urban areas. The housing deficit is about 5,623,000 units, of which two thirds is in rural areas. If these are to be replaced or upgraded during the 2001 - 2011 period, it implies an additional annual need of 70,000 units in urban areas and 380,000 units in rural areas (UN-HABITAT, 2012).

In 2006, the Ministry of Housing and Urban Development declared that the country needs about 10 million housing units before all Nigerians can be sheltered (Olomolaiye, 1999; Agbola, 1998). Daramola (2005) gave a total estimate of 1.4 Million housing units as annual requirement for Nigeria. The current housing deficit in Nigeria as at 2014 is given at 12 million homes; this no doubt presents a gloomy situation of the housing requirement in Nigeria (Gbadeyan, 2011: 104). The challenges of poor funding, bureaucracy, the politicisation of housing programmes and the lack of proper organisation and transparency in the management of housing programmes accounted for the minimal successes recorded by the housing schemes (Onibokun, 1985; Mustapha, 2002).

The problem of qualitative housing has been a concern for both the government and individuals. Appreciating these problems, both public and private sector developers make effort through various activities to bridge the gap between housing supply and demand, but the cost of building materials, deficiency of housing finance arrangement, stringent loan conditions from mortgage banks, government policies amongst other problems have significantly affected housing delivery in Nigeria (Raji, 2008). However, in the last few decades, the Nigerian government agencies have provided an insufficient number of low-quality and expensive housing units for few middle- and high-income earners and, thus, did not benefit a good proportion of the low-income earners in the country (Oruwari, 2006).

Public Private Partnership Approach as a catalyst for Effective Housing Delivery

The introduction of private and public intensive roles in the housing market was greatly influenced by the global market open trade known as the world trade organization (WTO). The process of globalization, which creates multiplicity of linkages and interconnectivities across the global space, brought about this arrangement. International organizations like the World Bank and International Monetary Fund and WTO have constantly exerted increasing measure of influences on inter-state relations. There are increasing inter boundary influences through the socio-political governance institutions of most nations.

Public private partnership has been widely recognized as a natural response to meet the colossal demand for housing in the context of government's dwindling budgetary capacity. The need for it is also accelerated by the massive market demand for better quality of housing delivery. PPPs in housing provisions, therefore, imply a change in the role of the government from a provider of housing to an enabler. This is particularly important in enhancing the performance of the housing market by encouraging public institutions, private developers and Non-Governmental Organisations (NGOs) to be involved in joint decision-making and management of housing provisions which can contribute to sustainable housing development (Erguden, 2001; Sengupta and Ganesan, 2004; Sengupta and Tipple, 2007). PPP has helped governments to execute a lot of housing projects that otherwise would not have been executed. PPP increased efficiency, expertise, and innovation from the private sector contribute to better infrastructure and greater cost and time savings across the construction and operation phases, increasing the value for money equation of a project. It provides the private sector with access to reduced risk, secure, long-term investment opportunities that are underwritten by government contracts. Such agreements ensure private capital flows, provide investment opportunities, and stimulate local industry and job markets.

The main types of Public-Private Partnerships are:

- 1 Build-Own-Operate (BOO): The private business builds and operates a public facility and retains legal ownership
- 2 Build-Operate-Transfer (BOT): The private business builds and operates the public facility for a significant time period. At the end of the time period, the facility ownership transfers to the public
- 3 Buy-Build-Operate (BBO): The government sells the facility to the private business. The private business refurbishes and operates the facility
- 4 Design-Build-Operate (DBO): A single contract is awarded to a private business which designs, builds, and operates the public facility, but the public retains legal ownership
- 5 Build-Develop-Operate (BDO): The private business buys the public facility, refurbishes it with its own resources, and then operates it through a government contract (USGAO, 2002)

PPPs have helped governments to execute a lot of projects that otherwise would not have been executed. The main purpose of PPP in development is that financial, technical and management risks should be allocated to the party that is best placed to manage it at the least cost, acceptable quality and reasonable time. With PPP, governments are now achieving

greater provision of infrastructure. PPPs gives local authorities access to new sources of capital investment and management skills for new or improved facilities and create new opportunities for the private sector to combine facility management, finance and operation skills. As a result, it helps the state to afford to engage in more capital investment than it would by following conventional procurement methods.

An Appraisal of PPP intervention in Housing Delivery in Nigeria

The Public-Private Partnership is the collaboration between the public and private sector for the purpose of delivering a project or service which was traditionally provided by the public sector. For a very long time, until recently the government has been saddled with the enormous responsibility of providing housing for its citizens. The basic approach to development explains that the state is the primary agent of development with little or no role assigned to the private sector in the development process. This model endowed the public sector with a commanding role in the regime of developmentalism which dominated the political economy of post colonial Nigeria (Mabogunje, 2007; Olukoshi, 2003). However, it is tragic that state enterprises thrown up by state-led development approach could make significant contributions to the economy in spite of huge investment in their operations. As a result, the Nigerian state witnessed a decline in its capacity for social and infrastructure provision and this led to increased legitimacy crisis of the state (Jega, 2000; Amin, 1996).

Private sector participation in housing delivery in Nigeria dates back to the early 1990s when the 1991 National housing policy (NHP) was produced (FRN, 1991). Government pursued a two-pronged strategy of encouraging direct public housing provision and simultaneous stimulation of the private sector housing to improve housing delivery. Recently, the private sector has been showing considerable interest in the provision of housing, not as a social service to the people but with the intension to make profits (Taiwo and Adedeji, 2013). Ikekpeazu (2004), noted that the expediency of the increased adoption of the Public-Private Partnership for housing delivery in the present socio-economic circumstances of shortage of housing in Nigeria is now even more glaring.

Nigeria has had several housing programmes and policies geared towards the provision of housing her citizens since colonial era to the post-colonial period. The Nigerian Government had always been directly involved in the provision of housing for the public servants and with the advent of the public-private partnership initiative (Abraham, 2013). Ikekpeazu (2004) noted that the expediency of the increased adoption of the Public-Private Partnership for housing delivery in the present socio-economic circumstances of shortage of housing in Nigeria is now even more glaring. With the increasing demand of the population on the national economy and the government's propensity for enlarging the multi-sectorial allocations in terms of finance, it is becoming more obvious that government alone can no longer provide adequate housing for all categories of her citizens. Thus, the public-private partnership will facilitate the provision of housing delivery (Abraham, 2013) There is no doubt that some of the past policies and programmes relating to housing and urban development in Nigeria were contextually and practically relevant in addressing popular needs. Undeniably, some of the policies initiated by the government at both the federal and states levels in meeting the housing needs of the people

are moves in the positive direction, as such actions, however minimal, have alleviated the problems of the grave inadequacies of services and facilities in housing, as well as defusing the persistent housing tension among the low-income group in the major urban areas (Adesoji, 2011). However, considering the scope and magnitude of the housing problems necessitated the intervention in housing delivery in Nigeria.

There is no doubt that the magnitude of the quantitative housing needs of Nigerians is enormous considering the rapid increase in population, and the rate at which urbanization is occurring in the country. It is pertinent to observe that in the past years the importance of the PPP has been harped on by researches. For instance, Akintoye et al, (2006) and UNCHS (1997) observed that PPP is more efficient to deliver adequate housing through a properly functioning housing market than through the public agencies or the non-profit nongovernmental agencies.

In recent years, Public-Private Partnership approaches are embraced and employed in housing schemes across the country. Cities all over the world developed through both the efforts of government organizations and private individual efforts and initiatives. Abuja cannot therefore be an exception. In recognition of the above challenges, the Federal Capital Territory Administration (FCTA) and the Federal Capital Development Authority (FCDA) decided in the year 2000 to embark on a new approach in order to meet the challenges. Private Public Partnership concept was introduced in housing delivery.

The Mass Housing Scheme in Abuja was organized to enable the Organized Private Sector produce housing for sale at affordable prices to low and medium-income groups in the city (Ukoje, 2014). The mass housing scheme in Abuja was initiated in 2000 to utilize the PPP strategy, with the main objective to provide adequate and affordable housing accommodation for the growing population in the territory. Based on the policy, the Federal Capital Territory Administration (FCTA) launched its guidelines for Mass Housing Development (MHD) which provides the background for mass housing under the PPP approach (FRN, 2009). The guideline allows for large parcels of land to be granted to private sector real estate developers at low prices. These developers were to then construct estates of affordable housing and tertiary infrastructure, linking these communities to the government provided primary infrastructure. The FCTA allocated the mass housing districts within parts of phases II, and III of the city of Abuja where private organizations are required to develop large scale residential apartments and sell to the public. There are 360 private developers who were allocated 12,691 hectares of land within the 22 districts in the mass housing zones (Ukoje and Kanu, 2014).

Lagos State currently has an estimated population of 22.5 million (LBS 2011), projected to grow to 24.5 million by 2015. It is the fastest growing mega city in the world. There is a daily influx of people whose purpose is to stay permanently to make a living, with the attendant need for social infrastructure, facilities and services including power, food, and transportation but especially housing. With a population of 140 million, it is estimated that Nigeria has a housing deficit of 17 million units (NPC 2013) requiring addition of 780,000 units annually (NHF 2014) to bridge the gap in the long term. A Public-Private Partnership Unit has been established under the Lagos State Ministry of Finance, with the mandate of implementing PPP projects in

Lagos State. It is a one: stop PPP business office for prospective investors on PPP project initiatives. It would also facilitate the coordination between Project Initiative Ministries, Agencies of Government and the Private Sector.

Over the years, the Lagos State Government had made efforts to tackle the housing challenge by establishing institutions, encouraging the private sector and directly creating housing estates. It established the Lagos State Property and Development Corporation, Lagos Building Investment Corporation, Lands Bureau, Ministry of Physical Planning and Urban Development, Ministry of Housing, Office of Public-Private Partnerships and very recently the Lagos Mortgage Board. The government also introduced the Private Estates Developers Scheme, sites and services, and built housing estates in different parts of the state for sale to the public usually at subsidised costs. Between 1999 and 2011 the government built 3786 family units of medium & low income in 17 housing estates averaging 316 units annually (Olatunji, 2014).

In Ogun state, it has been very difficult to equate housing supply with its demand in many countries, including Nigeria. This is because housing development involves different stages of planning and construction. The study has shown that the role of government in PPP in housing in Ogun State focuses on those areas that usually contribute to increasing cost of housing and most often cause delays in the execution of housing projects. Therefore, government's role in PPP in housing in Ogun State is seen as a deliberate strategy to speed up the process of executing housing projects, increasing the productivity of public-sector housing and making the cost of housing affordable to low-income people. Ogun State Government was using land as a key incentive to encourage private sector participation in PPP in housing, developable land in choice areas is not readily available for PPP housing schemes.

Table II: PPP Housing Schemes in Ogun State (2003 - 2013)

Housing Scheme	Nos of Units	Housing Typology	Unit price N(million)
OGD-Sparklight, Ibafo	340 housing units for low, middle, High income earners	2-Bedroom Terraced Bungalow	3.45
Havilah Villas, Isheri	100 housing units for high income class	Detached 2-bedroom	4.38
		Semi-Detached 3-bedroom	5.52
		Detached 3-bedroom	6.5
		3-Bedroom Luxury flat	15.5
Ibarra Housing Estate , Abeokuta	112 housing units for high income Class	4-Bedroom Bungalow	15.0
		4-Bedroom Terraced House	17.5
		4-Bedroom Twin Duplex	25.5
		5-Bedroom Detached house	35.7
		4-Bedroom Detached Bungalow	25.0
Total	552 housing units		

Source: Eziyi and Egidario, 2013

Unfortunately, the issue of adequate implementation and affordability of the housing units and the contributions of PPP to addressing urban housing challenges of the low-income earners appear to have received little attention from Nigerian researchers. From available literature on housing in Nigeria, the organized private sector are recognized to have interest on housing the upper- and medium-income groups (Ikeojifor, 1997) and a general tendency of profit maximization (Keivani & Werna, 2001). In particular, the capacity of the private sector towards providing housing at affordable costs to the low-income earners has not elicited serious investigation. As Nigeria has adopted the PPP approach there is the need to appraise this partnership (Ukoje, 2014).

Conclusion and Recommendations

The importance of public private partnership in housing delivery cannot be overemphasized thus government must commit itself making provision of those materials that can facilitate an orderly development of PPPs for example providing a strong framework for the private sector in order to build their confidence in the scheme. Public opinion should be properly managed and assurance should be made to enlightening and educating the public as an important stakeholder by constantly disseminating information to the public at large. This study has shown that PPP has been employed by the government in Nigeria as a means of providing affordable housing for the citizens. This paper has highlighted the PPP approach in reforming the Nigerian housing sector. The opportunities of the PPP application to Nigeria as well as the challenges have been identified. The finding has highlighted important issues in PPP approach to housing development in Nigeria. The findings from this study have indicated that PPP housing provisions in Nigeria are basically aimed at reducing the level of public sector involvement in the design, implementation, funding and management of public housing provisions. This is in view of the declining government resources (Eziyi, 2010).

Government should as a matter of urgency collaborate with the private sector to reposition the housing sector for improved and efficient housing delivery to the majority of Nigerians, especially the low-income public servants. It must resist the urge of involving itself in direct housing construction but rather encourage the private sector to do it by providing the necessary incentives. The Government must provide leadership in creating conducive economic environment in order to encourage the active involvement of the private sector in housing delivery. It is hoped that the PPP in the housing sector will lead to a competitive housing delivery, improve the quality of housing supply, improve cost recovery, increase the availability of investment capital, as well as provide jobs for the unemployed

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