



Mukuru, one of the largest informal settlements in Nairobi, Kenya and the subject of a recent community-led upgrading initiative

## Affordable housing in rapidly urbanising cities in developing countries

Housing is a complex and urgent issue. It has many interconnected parts and brings land rights, security of tenure, service delivery, community participation, financing, job creation, politics, design and planning to the fore.

**For many cities in developing countries, informal housing settlements are one of the biggest challenges resulting from rapid and uncontrolled urbanisation. This development is not always accompanied by the level of per-capita economic growth or housing investment that is observed elsewhere in the world, leading to an increase in informal housing on cheaper and more vulnerable peripheral urban edges.**

Many households have very limited resources to consume or invest in housing and the formal channels through which quality housing is produced and financed are limited or do not exist. Without adequate housing residents are forced to build their homes with whatever materials they are able to acquire.

Frequently located on the urban periphery, informal settlements are often characterised as a health risk, with high rates of crime, and unregulated employment. However, they often have a strong sense of community and are resilient and self-sufficient in the face of difficult conditions.

In many developing countries, local authorities and/or the private sector have been unable to keep up with the demand for housing and shelter for newly urbanising people. The rapid growth of cities creates a greater need for the provision of adequate and affordable housing. Enabling more people to gain access decent and affordable housing will set a foundation for inclusive growth in rapidly urbanizing cities.

The construction industry, accompanied with housing finance, contribute to a large portion of potential domestic economy. It creates employment and enhances more inclusive growth.

This series of city related policy and information briefs draws on lessons learned from cities and infrastructure work carried out by Triple Line over the past five years. It is intended to contribute to more sustainable, inclusive and climate-resilient cities that generate equitable economic growth opportunities for all by identifying market-driven solutions to urbanisation challenges and strengthening democracy and decentralisation processes through capacity building of government agencies at national, regional and city levels.

Low income affordable housing must have easily accessible technologies adapted to traditional skill bases and locally sustainable materials. This value chain when developed can provide opportunities for the creation of jobs and small enterprises. Jobs can be created in the production of materials for the construction sector, as well as in the process of construction itself. For example, brick making can involve a job for one person with a mould or many more with industrial scale production machinery. Brick laying is a core construction skill that has application in the construction of housing and other buildings.

## Key considerations

### **Investment in infrastructure**

Large capital investment in infrastructure is needed to handle demand for services and land in rapidly urbanising cities.

### **Climate resilient water, sanitation and access roads**

A house alone is not sufficient to meet the needs of resilient urban affordable housing. Dwellings need services and roads with access to clean water and sanitation. Utilities and services tend to be provided by local authorities but in some cases in developing countries they are provided by the private sector.

### **Innovative housing finance**

The cost of formal housing is often out of reach for the poor. Constructing decent affordable housing is one of the biggest urban challenges in developing countries. Innovative approaches to finance are required and need to involve key stakeholders. The Multilateral development banks (MDBs) can play an important part in this regard.

### **Land rights and security of tenure**

The right to land and the security that comes with it is vital for the well-being of urban residents. This requires a well-resourced land registry.

### **Slum upgrading**

Some countries have embraced urbanisation and have recognised the rights of people living in informal settlements. Innovative programmes have been developed to upgrade and improve living standards and essential services. These usually include sanitation, refuse removal, and safe drinking water. Incremental improvements for the informal sector will reduce their distance from total formality according to different sections of the value chains.

### **Dignity**

Decent and affordable housing is a key prerequisite to urban living with a sense of belonging and dignity. Slums undermine the dignity of residents with people living with high levels of hardship and uncertainty.

## What factors affect the delivery of housing?

There are numerous factors that affect the shape, form, style, construction, cost and delivery of affordable housing. These factors are an expression of culture, of tradition and creativity. Housing is also rooted in its geographical and climatic context. Clues to these factors can be found in vernacular architecture where they have evolved and adapted to local conditions and the availability of natural and local materials and appropriate technologies. The employment of these factors is vital for the ongoing maintenance of the housing stock.

**Policies and finance** also affect the delivery of housing. Policies can either facilitate or inhibit housing provision. Many housing schemes for low income families have failed because they were not consulted, nor an understanding of their needs sought by city officials, professionals or politicians.

**Gender awareness and inclusive designs** recognise women's rights which are often neglected. Women and their rights are often forgotten, and their housing requirements ignored. In some countries women are not permitted to own property.

**Local technology** and its application to housing as well as cultural awareness in the designs and layouts provide people with a sense of ownership and pride in their homes. The use of local skills and materials enables involvement in the construction and decoration of their homes. Using local materials also opens up job creation opportunities all along the housing and service value chain.

## What should cities do?

- Understand that land, planning and construction all affect the delivery of housing.
- Update urban planning standards and regulations to improve densities and create more efficient investments in network infrastructure. These reduce the costs and time necessary to complete construction for both informal and professional developers.
- Increase capacity and training to create multi-disciplinary teams across professions concerned with planning and infrastructure development. This will help develop a holistic understanding of how sustainable ecosystems work and how the built and natural environments interact in planning urban interventions.
- Regularly monitor the changes that occur after sustainable investments in infrastructure and housing have been made.

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