

Challenges facing application of Public Private Partnerships in low cost urban housing in Kenya for a resilient housing sector

Daniel Mutegi Giti, Akumu Owiti Abiero & Edwin Oyaro

State Department for Housing and Urban Development, Nairobi, Kenya

mutegigiti@gmail.com

Abstract

Many countries, Kenya included are signatories to many international conventions and treaties which call for the protection of the right to adequate and affordable housing to citizens. Despite these obligations, countries have faced challenges in providing housing, such that in Kenya, the demand for housing is estimated to stand at almost 2 million housing units. Annual demand for housing is 250,000 units against supply of 50,000, a situation which affects mostly the low income urban households, hence threatening their resilience to many shocks including COVID 19. To address the housing deficits, it has been proposed that Public Private Partnerships (PPPs) models be applied in the housing development, but the concept has faced many challenges. This paper used Delphi method of forecasting the challenges facing application of PPPs in low cost housing, after which it was found out that solutions for the identified. Three Delphi panels of housing developers (contractors); Housing financiers and Housing practitioners (officers in the State Department of Housing and Nairobi City County employees in Housing department) were utilized. It was found out that despite the law being in place, there exist challenges in the application of PPPs, which should be addressed to make the concept amenable to housing development. Recommendations made included the need to address the key challenges, review of PPP legal and regulatory frameworks to make them address unique low cost housing development characteristics, and thereby reduce the likely shocks and build the resilience of such households. It was concluded that PPPs are applicable in down market urban housing if the challenges identified are addressed.

Keywords: Public Private Partnerships; Public sector/government; Private sector/private parties; low cost urban housing; low income urban households.