



REPUBLIC OF KENYA

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*Sessional Paper No. 5 of 1966/67*

**HOUSING POLICY FOR  
KENYA**

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### HOUSING POLICY FOR KENYA

#### PREAMBLE

In 1964, the Government invited a United Nations Mission to investigate the short- and long-term housing needs in Kenya and to make recommendations on policies which should be pursued within the framework of Kenya's social and economic development.

The Mission comprised Dr. Lawrence N. Bloomberg and Professor Charles Abrams, and its report was published by Government in May 1965. The Government has given very careful consideration to the report and has welcomed it as containing a useful approach to the housing problem facing the country on which a sound programme for development can be based. However, two years have passed since the Mission conducted the survey and some of the data and premise on which its recommendations were based have since changed. Furthermore, the experience gained in prosecuting the housing programme since Independence has brought to light some problems which were not identified by the Mission during the survey.

#### Main Principles:

In view of these developments and of the fact that a housing policy has been under consideration for a number of years, the Government is satisfied that the time has now come for this policy to be issued for the guidance of all concerned with housing development. Reference will be made to a number of the significant recommendations of the United Nations Mission, but the Sessional Paper must be taken as an authoritative statement by the Government on the housing problems confronting the nation and how the programme for its solution will be planned and administered. The main principles which will guide the development and control of housing in Kenya are outlined in the paper under five main headings—Urban and Rural Housing Policy; Finance for Housing; Administrative Organization; Housing Programme; Research and Education.

#### 1.—URBAN AND RURAL HOUSING POLICY

The Government is convinced that housing is a vital factor in the nation's economic and social development and that its effects have a bearing on the morale and stability of Kenya. For this reason, the provision of adequate housing must be accorded a high priority in Government's overall plan for development and all major schemes involving physical construction must include provision for sufficient housing. Government recognizes that the productive capacity of Kenya's labour force is related to the state of its health, so the importance of good housing for the workers is appreciated inasmuch as decent living environments are conducive to good health.

Kenya is a nation of well over 9,000,000 people, of whom more than 8,000,000 live in the countryside. Annual population growth is estimated at more than 3 per cent for the whole country, and 5 per cent to 6 per cent in the urban centres. There are constant migrations of people from the country into towns, mainly in search of employment, and thus the housing problem divides broadly into two—urban and rural.

#### Urban Housing

The Government accepts that the housing situation in the main towns has now reached a critical stage and that urgent measures must be taken to solve it. In addition to the lack of adequate finance, and to the problem posed by a high rate

of population growth, overcrowding is serious. More than 49 per cent of urban African households share accommodation at the rate of about three persons per room. The Government agrees with the finding of the United Nations Mission that to alleviate this hardship in the towns, at least 7,600 new housing units should be built each year as follows:—

Estimated Number of Households				<i>Estimate of additional units needed per year</i>
	1962	1970	<i>Increases 1962-70</i>	
Nairobi ..	75,600	102,600	27,000	3,400
Mombasa ..	36,200	51,500	15,300	1,900
Other towns ..	49,800	68,400	18,600	2,300
Total urban ..	161,600	222,500	60,900	7,600

These are minimum estimates only; there is need also to provide for slum clearance and obsolescence of existing stock of housing. In dealing with these problems, Government's policy is to organize, in collaboration with local authorities, a programme which seeks to develop housing projects which will provide essential housing and a healthy environment to the urban dweller at the lowest possible cost to the occupants and within the targets set out in the above table. It is also the intention of the Government to move away from the policy of bed-space for families, which was practised during the colonial era, and to provide dwellings which have all the essential amenities for a decent family life.

### Rural Housing

As the great majority of Kenya people live in the countryside, Government accepts the United Nations Mission's findings that the demand for new housing there is at least five times as great as that in the towns. The rural African has little problem of overcrowding or space restriction, but there is a great need to improve the standard of rural housing. In some districts emergency villages which were built during the period 1952/56 are now deteriorating into slums and a programme of improvement is required.

It is the Government's policy to use building demonstration teams in selected centres, together with public health workers and community development staff to teach rural people to build good houses and to draw on years of traditional African experience. The emphasis will be on self-help and the use of local materials. Display centres will be organized in the districts so that rural communities may be shown improved type plans, models and high standards of housing that can be achieved by using local materials. Every encouragement will also be given to the people to form themselves into co-operatives and self-help groups and technical assistance will be provided for such groups. Where necessary, loans in the form of roofing materials will be given but good block-making machines will be demonstrated and encouraged.

The Government's rural development policy is to stimulate increased economic activity in the country as part of the plan to make rural life more stable and attractive for the people and to reduce the drift of population into the main towns. A dynamic approach towards the diversion of industry into such new centres will be encouraged. Where irrigation projects or settlement schemes have been introduced, good housing must also be planned.

## 2.—FINANCE FOR HOUSING

The raising of sufficient finance is the one primary factor on which a sound housing programme must hinge. The main task before the Government is the mobilization of sufficient capital for an adequate public housing programme, while giving every encouragement to the private sector to play a full part. Since the attainment of Independence in December 1963, the housing programme has included more than 1,500 new housing units built with loans provided to local authorities through the Central Housing Board. This is in addition to housing built by employers and other organizations. The total sum expended since 1963 from development funds loaned through the Central Housing Board is more than £973,000. In 1966/67, a new allocation from development funds has been fixed at approximately £1.4 million, of which £950,000 is being loaned to the Central Housing Board for low cost housing.

Due to the importance of housing in stimulating social and economic growth, Government accepts that substantial annual provisions will be necessary in the future in order that a more progressive housing programme may be implemented. In the revised Development Plan for 1964/70, the allocation for the National Housing Corporation will average approximately £1.25 million per annum, but the whole finance for housing will be looked into more thoroughly in order to ensure that resources available to building societies, banks and insurance companies can be used to augment Government efforts in developing new housing estates. On the whole, funds voted by the Government will be used mainly in providing low- and medium-cost housing and to support rural housing improvement. Where such funds are used in high-cost housing, it will be largely to provide basic services and to support private investment. The policy is that high-cost housing should be financed through private investment from local or overseas sources.

The Government realizes that even if the planned target averages £1.25 million voted from development funds each year, this would by no means be sufficient for the needs of a rapidly growing population. Nevertheless, if the money voted is spent wisely and quickly on properly conceived schemes, it should go a long way to alleviate acute shortages and overcrowding. In addition to the money voted by the Government, the following paragraphs set out the steps and methods by which other forms of finance will be raised to augment these allocations, but action must also be taken to ensure that local authorities have sufficient technical personnel to plan and execute housing schemes expeditiously, or that the National Housing Corporation has sufficient staff to assist them.

### Aided Self-help

In an effort to encourage low income families to acquire decent housing at prices which would otherwise be beyond their reach, use will be made of the aided self-help technique both in urban site and service schemes and also in the rural areas. An aided self-help pilot project introduced at Langata in Nairobi two years ago has proved reasonably successful and families who would not otherwise have acquired permanent housing for themselves now own houses valued at £800 to £1,000. As such schemes develop in other parts of the country the policy will be to evaluate the programme at each stage so as to avoid uneconomical use of resources and to lower the cost of this type of housing.

Government is convinced that aided self-help as a method of providing good low-cost housing has much to commend it and intends to extend it throughout the country. A Rural Housing and Aided Self-help Officer has been appointed by

the Central Housing Board to organize the programme in consultation with local authorities, Provincial Administration and with the Health and Community Development Departments. Financial assistance is being provided by the Board.

#### **External Finance**

External finance cannot satisfy more than a part of Kenya's needs for housing. An adequate housing programme must depend largely on internal sources of finance, and home-ownership housing schemes are accepted as one means whereby additional money through personal savings will be channelled into housing. It is also hoped that certain local authorities, and particularly the Nairobi City Council, will, with the assistance of the Government, be able to raise some finance for housing from external sources.

External finance and technical aid will also be used to support training programmes, the development of suitable financial institutions as well as housing research. Government considers that strategic injection of external capital and technical assistance in these key areas should have a marked effect on the scope and success of the nation's housing programme.

#### **Savings for Housing**

Emphasis will be placed on the need to establish conditions and attitudes which are conducive to the maximum utilization of resources. Government recognizes that in the recent past building societies in Kenya have not been making loans for housing purchase mainly because of heavy withdrawals of deposits by the public in 1961-64. The Government is reviewing the role which building societies, insurance companies and other savings and loan institutions might play in providing funds for housing. The Government has, in co-operation with the Commonwealth Development Corporation, created the Housing Finance Company of Kenya, Limited, which now offers mortgage facilities to the public for housing costing £1,500 to £7,000. However, as many citizens wanting to take advantage of these facilities find it difficult to raise the money needed for the initial deposit, the Government will examine methods of assisting would-be home owners to save for this purpose. In addition the Government is considering the introduction of legislation into Parliament to enable it and local authorities to guarantee part of the loans borrowed by citizens for house purchase. This will enable people to obtain loans with smaller initial deposits. However, as some local authorities may not be able to provide this facility due to shortage of finance or lack of adequate personnel, this is a matter which will be considered by the Government in conjunction with the relevant local authorities.

#### **Finance Through Co-operatives**

Suitable and viable co-operatives can play a significant role in the provision of decent housing for their members. A survey conducted for the Government by an expert from the Foundation for Co-operative Housing in the United States has revealed that Kenya now has a number of good co-operatives which can be used to finance housing for their members. Government welcomes this report by Mr. D. J. McVoy and will give every encouragement to housing through co-operatives. By this method groups of organized workers in industry or agriculture will be enabled to own decent housing at reasonable costs.

### **3.—ADMINISTRATIVE ORGANIZATION**

The success of a dynamic housing development to cater for the needs of a rapidly rising population requires an effective administrative organization. It is the policy that local authorities should be responsible for their own housing

development and for raising the capital needed for the programme by loans from the Central Housing Board or otherwise. Much of the money voted for housing by Government will normally be loaned to local authorities, but it is expected that they will augment these funds, as some have already done, with special loans from non-Government sources.

### Co-ordination of Development

In the state of development which Kenya has now reached the organization of housing cannot be undertaken in isolation. It must be closely integrated with successive Kenya Development Plans, particularly in respect of urban development and State policy on land. The intention is that the present housing policy and programme will be reviewed when the Government Development Plan is next revised in order to take stock of the targets which have been achieved and the shortcomings and problems yet to be surmounted. Also, at a time when Kenya is faced with an extensive unemployment problem the building programme must be so organized as to absorb a large part of the labour force. Every encouragement will therefore be given to the use of labour intensive methods in the construction schemes financed with development funds. For example, in the present state of the economy, the use of stone in building will be encouraged as this will tend to lead to greater employment than the use of other less labour intensive techniques. The Government hopes that organizations and firms engaged in the building industry will appreciate this fact and the need for the country to co-ordinate labour and housing policies.

Furthermore, it is the Government's policy that housing estates should be sited fairly close to industrial enterprises and other places of employment in order to save the workers some of the time and expense involved in travelling. In order that this policy may be observed in development planning and execution in future, the Government will ensure that close consultations exist between the Ministries of Housing, Lands, Local Government, Commerce and Industry and Economic Planning and Development, all of which are concerned with the location of industrial and housing estates. This consultation will be achieved through meetings between Ministries at the official level, or in the Cabinet or Provincial Development Committees. It is expected that this arrangement will make it possible for the Government to deal more effectively with the problems of urban development and in particular with those of the townships whose development has tended to lag behind due to lack of industries or adequate housing. The Government also realizes that high cost of services and land can have an adverse effect on the building programme. The intention in future will be to integrate housing, urban development and country planning more closely than hitherto in order to facilitate, *inter alia*, the control and acceleration of urban and peri-urban development, and to deal with the long-term problems of land for housing in existing and new towns.

### Decisions of Policy

One of the main recommendations made by the United Nations Mission in its report was that a National Housing Authority should be created to be the main instrument for the prosecution of Government housing policy and the supervision of the housing programme for the country as a whole must rest with the Government through the Minister responsible for Housing. The Government will ensure that he has sufficient staff in his Ministry to process the policy papers, to deal with housing legislation, rent policy and administration, and with housing and social surveys. It will be the responsibility of the Ministry to ensure that close liaison exists with the Ministry of Local Government and other departments concerned with development planning at both national and

provincial level. So far as the provinces are concerned, this liaison will necessitate the delegation of authority so that as the programme for housing becomes complex with the decentralization of industries into urban centres throughout the country much of the planning and execution of development in the provinces can be carried out at the local level. Government policy is to establish Provincial Development Planning Committees whose function will include consideration of housing requirements and priorities in consultation with local authorities and the Ministry of Housing.

### **National Housing Corporation**

At the national level, the Central Housing Board is to be changed into the National Housing Corporation, whose function will include management of the housing fund at present operated by the Board. It will be the Government's chief agency through which public funds intended for low-cost housing will be channelled to local authorities, housing co-operatives and other housing development organizations. The Corporation will maintain direct communication with local authorities and will also keep close links with non-governmental organizations with a view to fostering and encouraging housing development in the private sector of the economy. The Corporation will demonstrate building techniques, and will take a close interest in the development of the building industry. It will build and manage estates itself in areas where local authorities are unable to do so. It will have power to raise loans, and to set up subsidiary organizations to develop housing in new towns or to deal with special problems in consultation with provincial development committees and local authorities. Thus, the National Housing Corporation will be concerned with both urban and rural housing development, including the financing of housing estates in support of industry or agriculture, whenever such development has been approved by local authorities and provincial development committees. Government proposes to introduce legislation into Parliament to amend the Housing Act under which the Central Housing Board was established, in order that the National Housing Corporation may be enabled to play a dynamic role in providing funds and technical assistance for a progressive low-cost housing programme for the whole country.

### **House Rents**

The Government recognizes that an unsound rents policy can be harmful to investment in housing, and that rent levels should be determined mainly by forces of supply and demand. In the final analysis, the answer to high charges lies in getting more houses built. However, even when a shortage of housing exists, no enlightened administration can tolerate the exploitation of citizens through unjustified evictions and extortionate charges. The policy is to keep rent levels in Kenya under review and to impose some measure of control to prevent these abuses whilst ensuring that capital invested in housing yields profitable returns. To this end, the Government will introduce a new Bill into Parliament to amend the existing Rent Restriction Act and to provide for the establishment of Rent Tribunals for residential properties to deal with complaints by tenants and landlords, as the courts are overburdened with normal work. Appeals will lie to the courts from the decisions of the Tribunals.

## **4.—THE HOUSING PROGRAMME**

In dealing with the housing situation, Government is keen that a good programme should be defined and has welcomed the recommendation by the United Nations Mission that the following categories of housing should be included in the programme for Kenya. The determination of priorities as between

these various categories will however require careful judgment if the best use is to be made of the resources available. It will be the task of the Ministry and the National Housing Corporation, in consultation with Provincial Development Committees, to assess requirements in each Province and to recommend how finance should be obtained for each of the categories detailed below:—

*(a) Industrial Housing*

For the future development of the economy of Kenya, it is essential that a high priority be given to housing needed for industrial expansion. Lack of housing for the workers can be a serious impediment in setting up new industries, or expanding existing ones. It will be the responsibility of the National Housing Corporation, subject to the finance available, to provide loan funds needed for low-cost industrial housing and it is hoped that large labour-employing organizations will collaborate with the Corporation, where necessary, in financing schemes designed to provide housing for the workers.

*(b) Low-income Rural Housing, Including Housing for Settlement, Land Consolidation and Irrigation Schemes*

Housing is an important part of such schemes, and must be taken into account in allocating priorities. Because of the stringency of funds and the skills already acquired by the people of Kenya in the use of local materials, the major part of rural housing must continue to be built, as in the past, by the efforts of the rural communities themselves, mainly with local materials.

The Government will ensure that adequate personnel are appointed to the Provinces to plan the rural housing programme in collaboration with the National Housing Corporation. It will be the responsibility of the Corporation to organize technical assistance, the demonstration, in collaboration with community development and public health workers, of improved techniques and methods of building. It will also continue the present Central Housing Board function of giving loans were necessary to aided self-help groups. Use will also be made of organizations such as co-operatives to assist rural communities in financing improved housing, but the emphasis will be on self-help and mutual assistance as part of the contribution of the people to the raising of their own standards of housing.

*(c) Low-income Urban Housing and Slum Clearance*

If towns are not to develop into slums, and centres of ill-health and of evil social conditions, low-income urban housing and slum clearance must continue to form the major part of the nation's housing programme. The policy is to use a high percentage of development funds loaned to the National Housing Corporation to finance rental housing for families who cannot afford the cost of owning high- or medium-cost housing. But as the funds likely to be available for housing will continue to be inadequate for the country's total needs, it will not be possible to envisage the construction by the National Housing Corporation or local authorities of sufficient permanent housing to meet the estimated low-cost housing needs. In these circumstances, the mobilization of private capital for low-cost housing will be encouraged and site and service projects will be a significant part of the housing programme in urban areas. It will be the responsibility of local authorities, under their by-laws, as well as of the Corporation to ensure close supervision of such projects so that buildings are erected according to approved plans and specifications, and to avoid the creation of slums.



*(d) Improvement of Existing Low-income Housing*

In order to avoid a reduction in the nation's stock of housing a programme of repairs will be organized and if necessary a Rehabilitation Fund will be created by the National Housing Corporation to assist people wanting loans for home repairs. It is the policy of the Government to ensure that house owners and tenants maintain premises in a good state of cleanliness.

*(e) Government Staff Housing*

The Government will continue to provide institutional housing for staff working in essential institutions such as schools, hospitals and at remote stations, and also for personnel liable to frequent transfers. It is hoped, nevertheless, that the majority of civil servants will rent or buy their own houses, either independently or under rental and home-ownership schemes introduced in the towns.

**5.—RESEARCH AND EDUCATION**

The Government is convinced that in its determination to get the greatest number of houses built at the cheapest cost possible, research into building techniques and construction costs is of the utmost importance. The need is to support housing research in Kenya and to make provision for training and education in the technical and managerial skills to enable the results obtained from such research to be applied successfully in the country's housing programme.

To this end the Government is collaborating with the University College of Nairobi in order to establish and maintain adequate housing research personnel, and will also make the fullest use of the experience and facilities available at other reputable housing institutions within and outside Kenya. Consultations with other Governments in the field of housing education, finance and research will also be encouraged.

But housing research and education must not be restricted to the laboratory or classroom. They should be seen as part of the wide effort to examine comparative costs of materials and skills and how these can be lowered. The policy is that housing education in Kenya must aim to enable the citizens to acquire the skills and experience which will make them participate to a greater extent than before in the building and supervision of housing schemes. In some cases, particularly when undertaking modest projects in the rural areas, the small builders can construct more cheaply than the larger and more heavily equipped building concerns. The Government expects that in future indigenous builders in Kenya will take up a large proportion of the construction programme financed with public funds.

8th December 1966.

MINISTRY OF HOUSING,  
NAIROBI