A Model for Reactivating Abandoned Public Housing Projects in Ghana

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Abstract
In Ghana, the housing deficit is not well known. However, the root causes which are improper planning and incoherent political activities, mismanagement and consequently, abandonment of public housing projects are easily identifiable. Even projects established in the colonial period to provide shelter were abandoned. Some housing projects initiated for mere selfish politics, (face-saving purpose) only to be abandoned along the way. Worse still, others were commenced to please electorates so as to avert threats and disloyalty from them, whiles the politicians well know that, the government’s finances cannot complete those projects. This paper examines the root causes of public housing project abandonment, with the aid of “root cause analysis”, to identify the causes of public housing project abandonment in four well-documented cases of abandoned public projects drawn mainly from literature. The findings are synthesized into a Cause-Effect Summary (CES), culminating in a model for reactivating the abandoned housing projects. The findings identify three major categories of causes for public housing project abandonment, namely (1) poor project implementation, (2) negative politics practiced by the governments that culminate in abandonment of public projects (3) lack of proper structures that ensure the continuation of public projects when there is a change in government. These three major categories of causes are iteratively refined and eventually, the root causes emerge. This information is then used as a guide, with the aid of “Cause and Effect Diagram”; to generate a model that could be used to revive abandoned housing projects as well as ensure its sustenance.

The model presented three main factors that when adopted could lead to project restoration. They are (a) proper implementation of public housing project, (b) positive politics practiced by government, (c) adequate structures that ensure continuation of public housing projects when there is a change in government.

Key words: Housing Deficit, Sustainability of Public Projects.

1. Introduction

The Ghana National Housing Policy and Action Plan of 1987-1990 stated "Our housing problem is one of a national development crisis with a current annual need of 70,000 units and an accumulated delivery deficit of 250,000 units needed to decongest urban units from 10-61 to a household occupancy rate of 7. An average annual delivery of 133,000 units will be needed to provide adequate housing within the next twenty years as against the current annual delivery of 28,000 units which yields a performance rate of 21%.”

A study commissioned by FinMark Trust in 1995 into the development of housing in Africa, revealed that the high-income earners have enough resources to formally own houses while the middle class finance the construction of their own houses incrementally, often in unplanned and unapproved areas which might lack certain basic amenities such as water, electricity and access roads. These groups of people are mostly the public and civil servants who have government guarantees for quasi-mortgage available to high-net worth clients through a number of banks. The low-income group is unable to finance the construction of their own houses and therefore, resort to renting houses in shanty and unapproved areas in the urban areas. Sometimes, they also go into rural housing where there is a relatively cheap supply of land. In Ghana, only about 5% of the population can own a house through their own resources while 60% would need some form of financial assistance with the remaining 35% being classified as those who can never own a house (GREDA, 1998).

For the 60% who would need some financial assistance, mortgage financing options have been developed by most of the commercial banks and financial institutions. The other solution would be for the stakeholders in the housing sector to go into social housing (affordable housing). In Ghana, the move towards affordable housing was highlighted during the 2008 presidential candidate electoral debate, when the presidential aspirants were asked what price would an affordable housing under their regimes might be. The difficulty each of them had in answering that question underscores the complexity of defining the phenomenon of affordable housing.
The 2012 Budget Statement and Government’s Economic Policy emphasized the Government’s willingness to ensure that the objectives of the National Housing Policy are achieved to support the private sector to increase housing delivery in the country and to improve mortgage affordability through the facilitation of the following private sector companies to commence the construction and delivery of safe, decent and low income “affordable housing units” STX – 30,000; Agu Resources Housing - 10,000; Sethi Green Housing – 5,000; Ital Construction Housing 12,000 and VN’s and Sethi Reality Housing – 5,000. However, none of these initiatives has seen the light of day. According to the Times 2011, “it became evident that the government’s quest to provide additional 200,000 housing units for the security services and public workers in the country would not materialize. This followed a boardroom wrangling between the partners, STX Construction and Engineering Limited of Korea and their Ghanaian counterparts.”

The main aim of this study is to create a model for reactivating public housing projects. The specific objectives are to identify the factors leading to the non-completion of the affordable housing projects and lessons to forge a way forward. The research examines the causes of public housing project abandonment, reasoning from detail facts to general principles of research paradigm in which a model for reactivating the abandoned public projects is developed on the basis of empirical evidence.

2. Methodology

The Case-study technique was used for this study since it is a widely accepted approach for model building research that builds on the rich empirical reality of the case data (Eisenhardt, 1989). This involved a review of relevant literature on government strategies for housing delivery in Ghana since independence as well as some private efforts. The government affordable housing project at Asokore Mampong in the Ashanti Region, Kpong and Borteman in the Greater Accra Region and Cape Coast in the Central Region of Ghana were selected as case studies. They were also chosen to establish the reasons for non-completion of the projects from the perspective of all stakeholders using an interview guide. In all, 5 contractors, 3 consultants and personnel at the Ministry of Water Resources, Works and Housing were interviewed.

2.1. Case Review Procedure

Examining the circumstantial elements, of the abandoned project, in each case. Three specific preliminary questions were asked when reviewing each case: What were the intended objectives of the housing project? How was the public housing project implemented? And what was the eventual outcome of the public housing project?

This was to help identify the causes of abandonment and find the solutions which were used to create the model - presenting the corrective layout for reactivating the abandoned projects. The use of Root-Cause-Analysis (Dew, 1991), a well-known approach for diagnosing failure, to analyze each case and the result counter-acted by the solution found which was further used to develop a model for reviving the abandoned projects.

3. Brief History of Affordable Housing in Ghana

For several years, the crisis of shelter has been a matter for serious and continuous debate in academic and policy formulation circles. In all these debates, one major solution for the provision of adequate and decent accommodation for all particularly focusing on the poor has been the provision of low cost or affordable housing schemes.

Provision of affordable housing throughout the years has been done through two main channels. One is through the encouragement of research into the production and use of local building materials such as brick and tile, landcrete blocks, adobe bricks, compressed earth bricks, pozzolana cement, bamboo, and secondary timber species. The second and most popular means is the construction of affordable or low cost houses by government and other private agencies.

Affordable housing in Ghana began in 1939 when as a result of an earthquake in Accra on the 22nd June 1939 and due to the subsequent tremors, a large number of people were rendered homeless. A Rehousing Committee was formed and government provided funds to build 1000 number, two-bedroom units at Mamprobi, Chorkor, North West Korle Gonno, Christianborg, Kanesheie and Abossey – Okai. By 1955, 1250 units were completed and up to date still exist, and are inhabited by mostly civil and public servants and members of the Armed Forces. Some of the houses were for rental and others were bought on hire-purchase. The rental units were all subsidized (BRRI, 1970)
In 1952, the Tema Development Corporation (TDC) was established with the objective of housing low income workers in a new town around the newly created Tema Port. The Schockbeton Housing Scheme was also established which targeted to provide 168 houses in Accra, Kumasi and Sekondi-Takoradi. A total of 64 units were built. Policies like the roof loan scheme and the establishment of the State Housing Corporation (SHC) are all examples of policies that were put in place to provide low cost housing during this era (Owusu and Boapeah, 2003).

After taking over the reins of government, the National Redemption Council constituted a National Low Cost Housing Committee in March 1972, under the auspices of the Ministry of Works and Housing. A sum of 10 million cedis was allocated for the construction of low cost houses in all the ten regions of Ghana (BRRI, 1972).

The Limann government also recognized the enormity of the housing problems and concentrated investment in building of 1990 rental units by State Housing Corporation (SHC) and 228 Units by TDC. They also invested in the establishment of a strong, viable materials industry to produce building materials cheaply. The rationale behind this investment was that if building materials could be supplied on the market cheaply and abundantly, the private sector could invest in housing and compliment government’s effort. This policy led to the establishment of a brick and tile factory. The housing policy by the Rawlings Government that replaced Limann’s regime in 1981 was a continuation of Limann’s policies.

From 2001–2004, the Ghana Government had planned to build about 20,000 housing units. In 2007, about 4500 affordable housing units of bed sitter, single and two bedroom apartments were to be situated at Borteyman and Kpone in Accra and Asokore Mampong in the Ashanti Region (GOG, 2007). This was part of the government’s effort to ease the housing problem in the country and was billed for completion and occupation by June 2009. The target group was civil and public servants such as teachers and nurses.

4. Discussions

4.1. Case 1: Asokore-Mampong Housing Project

The Affordable Housing Project was started in 2006 on a 50-acre plot at Asokore-Mampong in the Ashanti Region as in fig 1. The focus of the initiative was to provide decent and affordable houses at reasonable rates for public and civil servants who make up the middle class of the economy. Implementation of the project began with the construction of 800 flats of one, two and three bedrooms which was stalled in 2009 with some of the buildings at 90% completion stage as shown in fig 2.
Some of the houses are deteriorating at a fast rate as they have been left at the mercy of the weather. The Ministry of Water Resources, Works and Housing commissioned a diagnosis committee in 2010 to ascertain the root causes of the non-completion. Some of the findings of the committee were that the project was not handled properly as it was given to more than 400 contractors and the Ministry decided to purchase the materials for the contractors. The project was commenced with a 30 million dollar loan from the Social Security and National Insurance Trust (SSNIT) but the money got exhausted half way through. This raises some questions such as; was there a proper valuation to ascertain the cost of fully implementing the project?: Most of the materials on site such as iron rods, PVC pipes, sandcrete blocks, wooden doors, chippings, window and door frames have gone missing. According to the squatters, some foremen of the contractors working on the project, rented outs some of the rooms to people seeking accommodation.

4.2. Case 2: Kpone Housing Project-Accra

Branching off to the right at the Kpone barrier on a barely one-kilometer stretch between the Tema Motorway Roundabout and Dawenya, lay a neatly tarred road, about a kilometer long, that leads directly to the Kpone Affordable Housing project site, a beckoning reality to reduce the housing deficit in the country. The project was a partnership between the Ghana government and a private company from the United States (Global Interest LLC) as well as a private Ghanaian company (known as Goshen International Company). The Ghana government had released 150 acres of land to construct 2,500 affordable housing units made up of one bed-room and two bed-rooms flats at Kpone, with the objective of selling them out to civil servants, teachers and nurses on mortgage basis (City Business Guide, 2010). Blocks that have been roofed are now providing shelter for some of the workers of the construction companies at the site. Some people from the Kpone Township are having a field day as they occupy parts of the flats with some of the buildings at 90% completion stage as indicated in fig 4.
Investigations further revealed that the ‘early birds’ to occupy the flats have turned themselves into landlords and are taking some undisclosed amounts as rent from new comers before they are allowed into the flats. The construction of the project provided jobs for hundreds of people who would otherwise be walking without any productive activity. Their current status is unknown ever since the construction work came to a halt. According to one occupant, he once worked for one of the construction firms as carpenter but since the project came to a standstill, he had settled down hoping for the commencement of the project. “We have pitched camp here so that when the contractors are given money to continue the work, we would be the first to be engaged,” he said with a pale voice. He also revealed that other people apart from the construction workers had identified the place as their new home and concluded by saying that the late President Atta Mills, made mention directly to the ministry at a gathering that funds shall be made available to complete the project but indicated that the ministry was in talks with the Finance and Economic Planning Ministry to ensure that funds are released for the completion of the project. An inquiry at the Ministry of Water Resources, Works and Housing also revealed that they were reviewing proposals from some private sector clients who have shown interest in the project. The ministry was also in constant talks with the Finance Ministry to access funds to complete the project. Mr. Otabil a staff at Ministry, described the project as huge and financially engaging, but noted that the ministry was adhering to the President’s directive and expressed hope that they would successfully complete the project.

4.3. Case 3: Cape Coast Police Housing Project

In the 1970s, the Acheampong government began a well-thought-out housing project for the Ghana Police Service in Cape Coast, (Ghanaweb, 2008). The focus was on the provision of suitable accommodation for the Police force. The main aim was to get the police officers to reside close-by to afford them the comfort and also enhance their public image as a security institution in the Cape Coast Municipality. The objective was to create a residential facility that will help them to attend to their duties on time as well as respond promptly to emergency cases. The project was funded and commenced in 1972. The project was halted after the overthrow of President Acheampong in 1978. A visit to the Pedu Junction in Cape Coast shows that some structures are still uncompleted as shown in fig 6.
The project had reached an advanced stage before being cut short. Successive governments and Inspector Generals of Police (IGP’s) have blown hot air that they would complete such projects but everything has so far ended in smoke.

4.4. Case 4: Borteman Housing Project

The Borteman Housing Project, which was started in 2006 by the former administration (the Kufour-led Government) near Nungua in the Greater Accra region, has also been taken over by squatters. The project has been halted after the change in government with reports form the Ministry of Water resource Works and Housing that 16 out of the 79 contractors abandoned the project before the change. The focus was to provide houses at reasonable rates for Ghanaians with the objective of selling them out to civil servants, teachers and nurses on mortgage basis. Due to the very high housing deficit that the country faces, which was estimated to be between 500,000-700,000 in 2004, the government in 2006 instituted the affordable housing project which saw the construction of 800 housing units at Borteman in the Greater Accra region. The scheme was expected to be replicated in the other regions. However, the Sector Minister said he was optimistic that some of the projects would be completed before the end of the year 2006. This would pave way for President Agyekum Kufuor to inaugurate the programme he cherished most, Alhaji Abubakar Saddique explained that as at September 2006, the Borteman housing project was on course with some of the houses at roofing level while others had their electrical cables installed. The Borteman project together with those in Kpone and Kumasi are being funded at a total cost of over $300 million.

Data on housing in the country disclose a backlog of about 600,000 housing units, while supply figures are between 25,000 and 40,000 units per annum, as against an annual requirement of 100,000 units (Yeboah, 2008).
5. **Root Causes of Public Housing Abandonment (Cause and Effect Summary)**

5.1. Poor Project Management and Implementation

A public project may become abandoned because of issues related to management and implementation of the project. In the cases analyzed, poor housing project implementation often manifested itself through excessive technology costs and project delays. Excessive technology costs are in turn caused by underestimation of the complexity of the housing project, while project delays could be attributed to the shortfall in required expertise and the lack of project support.

When a public project is conceived and endorsed at the parliament, its commencement is more complex than what was expected; a project team expends more time and effort than originally anticipated, which in turn leads to an escalation in project cost.

5.2. Negative Politics Practiced By Government

Negative and incoherent politics practiced by successive governments contribute in no small way to housing project failure and abandonment. In the cases analyzed, negative politics manifested in four main factors; bias contract awarding, new government too busy with her campaign promises, fear of completing housing projects left by the opposition past government to avert the situation where the their effort yield praises go to the opposition party and lack of plausible reason for the initiation of a project. A contract could be awarded to a contractor not because of proven competence but on political lines. This normally leads to shoddy work or inability to complete project due to ineptitude on the part of the contractor. The trend of a political party assuming incumbency only to focus on its own campaign promises contributes to project failure and abandonment.

5.3. Lack of Proper Structures to Ensure Continuation of Projects

Abandonment of public projects which is caused by lack of proper structures to ensure continuation of projects can manifest itself in the following ways; lack of effective government policies that ensure project continuation, lack of interest and participation of local beneficiaries in public projects and lack of independent bodies to serve as a check on government to ensure the smooth implementation of projects. All the cases discussed are victims of this problem. This is because the nation lacks strict laws enforcement and policies that check the government in power to continue and complete those uncompleted projects. Again, the local people, who happen to be the beneficiaries, are not allowed to participate and develop interest in the project. This lead to alienation of the project from the local beneficiaries since they are not allowed to partake and contribute their quota to the project as well as serve as an independent check on the stakeholders and contractors of the project.

6. **Recommendations for Reactivating Public Housing Projects**

6.1. **Category 1: Good Project Management and Implementation**

Good project management and implementation help to complete projects on time and reduce fluctuations.

6.1.1. Root Factor No. 1 Well Estimated Complexity

When a public project is conceived, it might expend more time and resources than originally anticipated, which in turn lead to a rise in project costs. It is therefore expedient to give allowance, in the form of extra resources set aside as a back-up plan, to counteract complex situations that could arise. The cases discussed are storey buildings involving sophisticated construction techniques and machinery. Should there be a better understanding of the true complexity or volume of work it entails, the project could have resulted in a more positive outcome. Reasonable reserve of resource allowance is necessary especially in cases when unsure of the potential complexity i.e. more than 10% contingency sum should be provided.

6.1.2. Root Factor No. 2 Adequacy in Required Expertise

The importance of attracting and maintaining key personnel on public projects is well recognized (Curtis, Krasner & Iscoe 1988). In the cases discussed most of the labour used lack relevant expertise and knowledge as most of them were Junior High School leavers and school drop-outs with no relevant certificates. This was
evident in the programme of works and on their labour charts. It is therefore necessary to include experienced experts as well as local expertise to man the key aspects to ensure a successful project implementation.

6.1.3. Root Factor No. 3 Provision of Project Support
Senior management support is not only required at the start of the project, but also throughout the lifecycle of a project. In Case 3 of Cape Coast Police Housing Project, for example, management support was evident at the start of the project. However, when the political climate changed, the project was viewed as optional and ‘nice-to-have’ rather than an integral part of the national development. The partial withdrawal of support was sufficient to put the project into uncertainty, causing the project to be abandoned.

6.2. Category 2: Positive Politics Practiced by governments
The public housing project could be reactivated when the right kind of politics is practiced by successive governments.

6.2.1. Root Factor No. 1 Contract Award Based On Competence
There are a number of cases related to abandoned projects as a result of the contractors not employing professionals in execution of the projects. This is normally as a result of awarding contract to “brief-case contractors” with a political motive of probably fleecing the economy. For instance, the use of the Public Procurement Act 663 will ensure that the contract is awarded to a competent contractor who has the requisite professionals to execute such projects.

6.2.2. Root Factor No. 2 New Government to Complete Unfinished Projects
It is very sad that it has become a trend that every government climbs onto the throne to pursue its own campaign promises while neglecting the unfinished existing projects. The most painful aspect of this is the huge public funds which have been invested into such projects. Neglecting the projects means wasting of public funds since the part of the project already built will suffer deterioration. This is a complete negation of the national development everyone desires.

6.2.3. Root Factor No. 3; Shared commendation between the Initiating and Implementing Government
The problem of new government unwilling to complete existing housing projects is all about where the commendation will go. To achieve this, there should be the prevalence of oneness and understanding to help reduce the housing deficit in the country.

6.2.4. Root Factor No. 4 Projects Should Be Initiated Based On Acceptable Reasons.
There are a whole lot of reasons for initiating a project. “Usually, an electioneering campaign promise which the disgruntled communities latch on to hold the government to ransom”, Bokor (2011). This is evident in the timing of its initiation (getting to the close of an administration. It is therefore expedient to avert this habit of initiating a project for a reason other than to meet genuine needs of the people.

6.3. Category 3; Adequate Structures That Ensure Continuation of Public Projects
Adequate structures that ensure continuation of public projects is manifested in the following: effective government policies in place to regulate government activities in favour of abandoned development projects, stimulation of interest and participation of local beneficiaries and the existence of independent bodies to serve as a check on the government.

6.3.1. Root Factor No. 1 Effective government policies should be in place.
According to Marcou, (1995), “the purpose of law is neither knowledge nor understanding but to shape actuality by regulating relations between subjects; it is not to achieve goals, but rather to set out specific conditions or constraints that have to be complied within pursuing the goals or in gaining access to the rights established by law”. Such laws when passed will streamline the government’s activities to favour economic growth by paying attention to the smooth running and working of public projects (building blocks of the economy). In Case 3: Cape Coast Housing project for example, because there is no policy or laws in place to revive abandoned projects, this housing project has been lying idle for over 30years without any attention at all.

6.3.2. Root Factor No. 2 Stimulation of Interest and Participation of Local Beneficiaries in Government Projects
It is important that platforms be given the youth to take part in local government decision-making activities particularly ones pertaining to development projects in their locality. According to Stone (1989) “people's participation in development projects brings effective social change rather than impose an external culture on a society”.

6.3.3. Root Factor No. 3 Establishment of effective Independent Regulatory Bodies to serve as a Check on the Government

An independent regulatory agency should be established to have an authority over some area of public activity in a regulatory or supervisory capacity. These bodies check the government through effective monitoring, evaluation and audit system.

7. Model Development

Below is the developed Model for Reactivating Abandoned Public Housing Projects.

In order to foster and encourage local innovation, we will create an unprecedented partnership across federal agencies and provide resources and tools to help communities realize their own visions for building more livable, walkable, environmentally sustainable regions.

In addition, the office will help contribute to building a new clean energy economy by working with other federal agencies, states and local communities, and industry partners to catalyze innovation and develop strategies to reduce energy consumption in the residential sector. These innovations will help create new green jobs, spur economic growth, and assist regions to become more competitive on a national and global scale. There are two main areas of operation that work together to comprise the Office of Sustainable Housing and Communities: the Sustainable Communities Initiative and the Energy Innovation Fund.

The objective of the Sustainable Communities Initiative is to stimulate more integrated and sophisticated regional planning to guide state, metropolitan, and local investments in land use, transportation and housing, as well as to challenge localities to undertake zoning and land use reforms. This Initiative has four main tasks.

First, the office partners with our counterparts in the Department of Transportation (DOT) and the Environmental Protection Agency (EPA) to offer Sustainable Communities Planning Grants. Through this partnership we seek to catalyze a new generation of integrated metropolitan transportation, housing, land use and energy planning, using state of the art data, analytic tools and Geographic Information Systems. Second, the Initiative funds Sustainable Communities Challenge Grants to provide a local complement to the regional planning initiative, enabling multi-jurisdictional partnerships to establish policies, codes, tools and critical capital investments needed to achieve sustainable and inclusive development. Third, the Initiative supports capacity-building and a clearinghouse designed to support both grant recipients, as well as other communities interested in implementing sustainable community strategies. Finally, the Initiative provides funding for a joint HUD-DOT-EPA research effort designed to advance transportation and housing linkages on a number of levels.

The objective of the Energy Innovation Fund is to catalyze innovations in the residential energy efficiency sector that have promise of replicability and help create a standardized home energy efficient retrofit market. The office partners with the Federal Housing Administration (FHA) to test, and where feasible bring to scale, new and innovative products such as energy efficient and location efficient mortgages. A Multifamily Energy Pilot will increase energy efficiency in the multifamily housing market. An Energy Efficient Mortgage Innovation pilot program is intended to make it easier and less expensive for homebuyers and existing homeowners to finance energy improvements, as well as to utilize improved home energy rating tools that will provide better information on home energy costs for consumers when buying or renting a home, or refinancing an existing mortgage.

In addition, the office collaborates with HUD program offices, DOE and EPA to develop strategies to reduce energy consumption in public and assisted housing some 5 million units of affordable housing nation-wide whose energy costs approach $6 billion annually. Significant opportunities exist for lowering these costs; the Office will play a key role in working with HUD partners and programs to develop strategies, identify incentives, increase capacity, and lower barriers to implementing energy efficiency programs and installing clean energy systems in these properties.
Fig 8 Reactivation Model for Abandoned Public Housing Projects.

8. Conclusion

This paper analyses the root causes of public housing project abandonment and addresses the problem with the use of a model. Figure 8 is a model developed to present the layout for reactivating abandoned public housing projects in Ghana. The model provides factors which when adopted, will systematically lead to a successful revival of abandoned housing projects as well as sustain existing ones. Four cases of abandoned public housing projects from the literature and other sources were examined and root-cause analysis was used to develop cause-and-effect summaries. A model for reactivating public housing projects; the main contribution of the paper, was generated from the analysis. The findings of the research revealed three main categories of causes of public housing project abandonment, namely poor project implementation, negative politics practiced by government and inadequate structures to ensure continuation of housing projects. The above listed causes of abandonment were reciprocated to derive the model. The solutions for the root causes were provided in the model as a guide to achieving the projects’ holistic goal. However, the factors leading to negative politics, such as: Bias contract awarding; New government too busy with its campaign promises; Fear of completing projects without gaining commendation; Lack of plausible reasons for the initiating projects are factors characteristic to public projects abandonment.
In terms of practical application, the reactivation model for public housing projects can be used as a risk management tool to facilitate public project planning or as a framework for reviewing and steering ongoing projects.

References
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