

# Community based upgrading of informal settlement for rental housing: The case of Mathare IVa, Nairobi, Kenya

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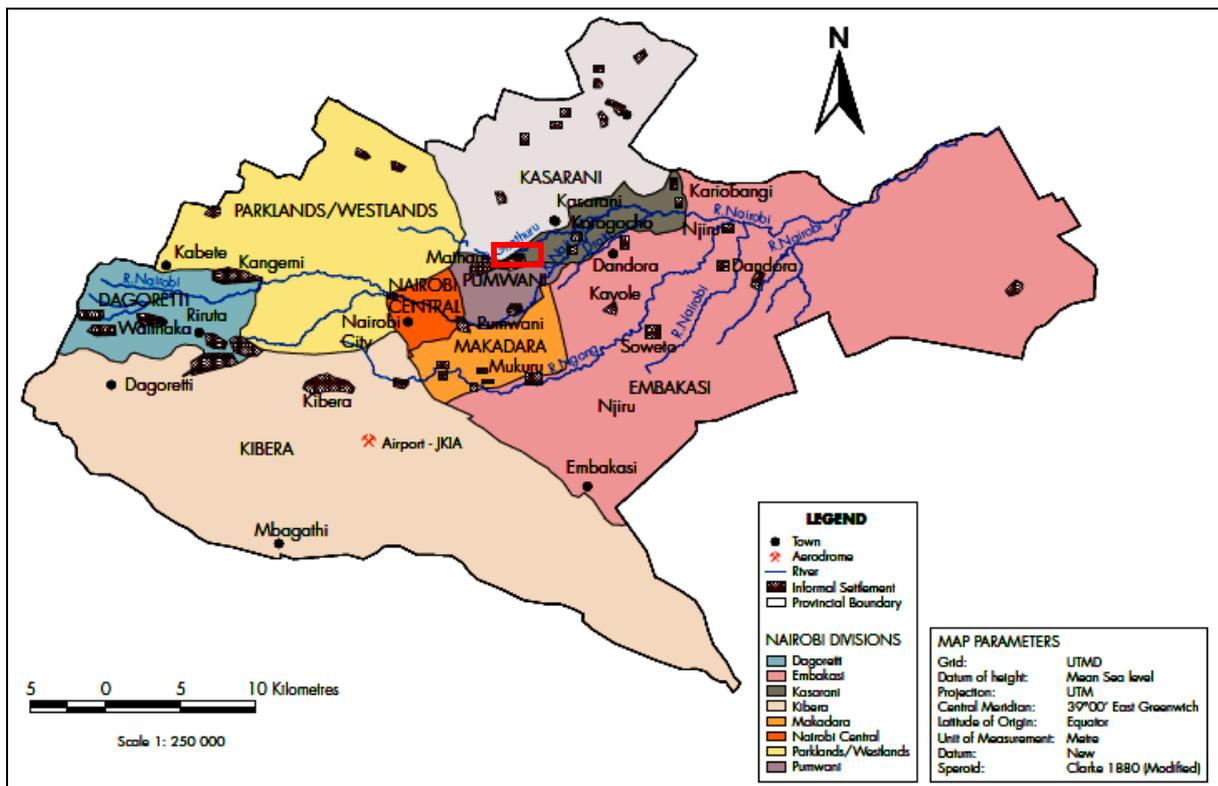
**ABSTRACT:** The provision of adequate and affordable housing for the urban poor has been a major challenge for governments and local authorities in developing countries in the past five decades. Several attempts have been made to address the inadequacies but most have remained as experiments with limited replications. Failures of these past attempts have been attributed to the top-down approaches with minimal input from the intended beneficiaries. This has led to the people-centred and holistic approach to housing solutions which emphasises community participation. The upgrading of Mathare IVa informal settlement was based on such principles with the aim of upgrading the settlement to a rental housing scheme with minimal displacement of the residents. Despite the involvement of the community, the programme experienced numerous revolts by the intended beneficiaries leading to its collapse at its final stages. This paper analyses this project with the objective of explaining reasons for its collapse. It is based on a broader study of regularization of informal settlements in the Mathare Valley informal settlements. The study applied qualitative research method involving focus group interviews of tenants, previous structure owners and the project management team. Findings indicate that the project's failure emanates from its conceptualization as a rental scheme, the assumption of community cohesion, and political manipulations.

Conference Theme: Sustainability and Urbanism

Keywords: Settlement upgrading, rental housing, community, land ownership

## 1. INTRODUCTION

In the past five decades there has been a broad range of housing development interventions aimed at resolving low-income housing problems in cities of developing countries ranging from forced evictions and resettlements of the 1960s, sites-and-services projects of the 1970s and 1980s, to the current pro-poor and inclusive approaches such as in-situ upgrading, enabling environment and city development strategies. Whereas these interventions have undoubtedly improved housing stocks in these cities, their low levels of replications have rendered them failed experiments (Precht 2005). Slum clearance simply led to relocation of the slums within the cities. Sites-and-services schemes led to gentrification with only 25 per cent of the beneficiaries continuing to stay in the upgraded settlements. The in-situ projects with the objective of providing security of tenure to the poor have suffered illegal and informal transfer of property including gentrification (Bassett and Jacobs 1997). It has been argued that the failure of these interventions emanate from the top-down approach applied in their implementation (Murayaby 2006). To counter this, a people-centred and holistic approach which emphasises community participation and bottom-up approach to housing development has in the recent past been advanced by a number of development agencies. In Nairobi this approach was applied to the Mathare IVa slum upgrading programme which commenced with a pilot phase on 3 Ha of the land (see Figure 3) in 1992 following an agreement reached between the Government of Kenya, the German Government through its donor agency Kreditanstalt für Wiederaufbau (KfW) and the Catholic Archdiocese of Nairobi. This was funded through a grant by KfW amounting to US\$ 1.5 million. Despite the high level of community participation, the programme faced numerous challenges that led to its collapse in its final stages of implementation in 2009. This article reviews the performance of this upgrading programme and factors that led to its collapse.



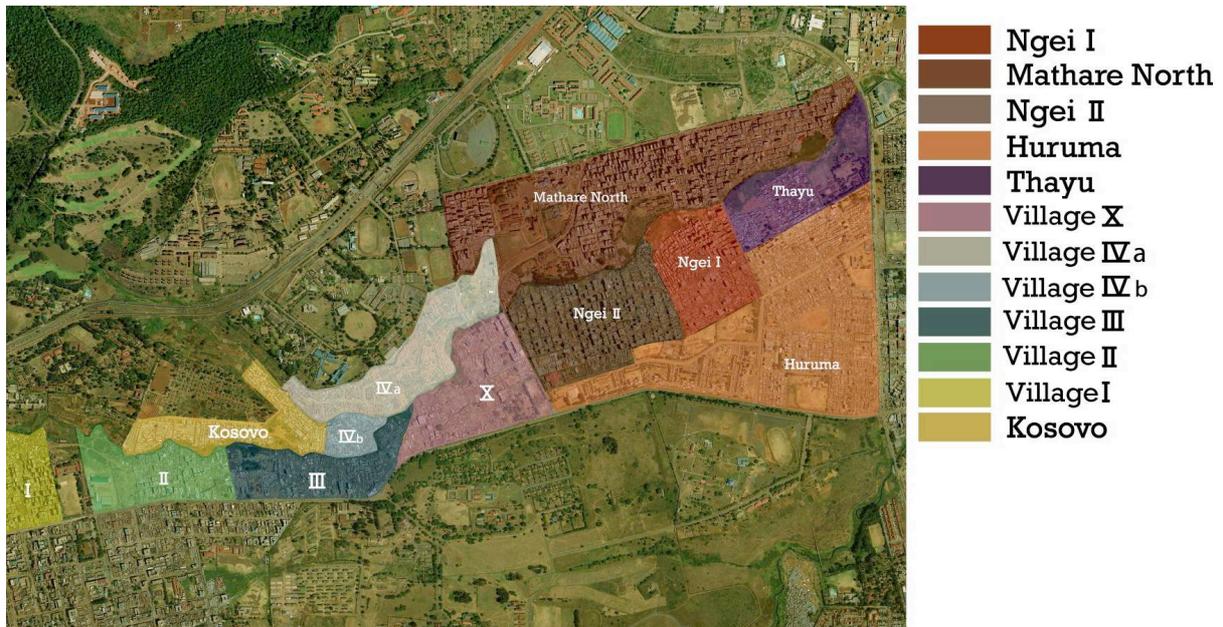
**Fig. 1: Map of Nairobi showing location of Mathare Valley and other informal settlements**

In Nairobi, informal settlements are mostly located on state-owned land and to a lesser extent on private land. Informal settlements constitute 60 per cent of Nairobi's housing provision and are spread out in the city as indicated in Figure 1. Previous interventions have attempted to allocate land to all slum dwellers irrespective of their status as landlords or tenants. This fact has since been appreciated and Mathare IVa upgrading programme attempted to upgrade the informal settlement as rental housing schemes. To this effect land is communally owned and held in trust for the community by a designated body which in this case was the Catholic Archdiocese of Nairobi through its Amani Housing Trust (AHT).

It has been widely accepted by policy makers and commentators, funding bodies and NGOs that the key to the success of low-cost housing projects in developing countries lies in community participation (Brent 2004). The question that concerns this study is why the Mathare IVa upgrading programme collapsed despite the involvement of the community right from its inception. Was the community in this upgrading programme cohesive enough to embrace the programme? Moser (1989) argues that whatever drives people to cooperate and collaborate in the first place is not quite as important in the context of community as what makes them continue to associate and that resilient connection between and among people is what is important in the formation of viable communities. Successful efforts by a mix of participants tend to attract the attention of other less connected individuals who may seek to join the group that is succeeding (World Bank 2004). Were these factors present in the Mathare IVa community? This study applies qualitative research approach involving focus group interviews of tenants, previous structure owners and members of the project management team. Mathare IVa covers an area of approximately 19.2 hectares on what was previously government land located approximately six kilometres from the city centre as highlighted in Figures 1.

## 2. MATHARE 4A UPGRADING APPROACH

Mathare IVa, just like the surrounding neighbourhoods, (see Fig. 2) was prior to the upgrading intervention characterized by structures built from rudimentary materials such as recycled metal sheets, mud and wattle, plastics sheets, etc. Access roads, sewerage system, piped water supply, and garbage disposal system were non-existent. Very high population densities of up to 1,300 inhabitants per hectare existed with very limited or hardly any public open spaces. Community facilities such as health centres, nursery and primary schools were also non-existent. Majority of the population had low or very low and unsteady income.

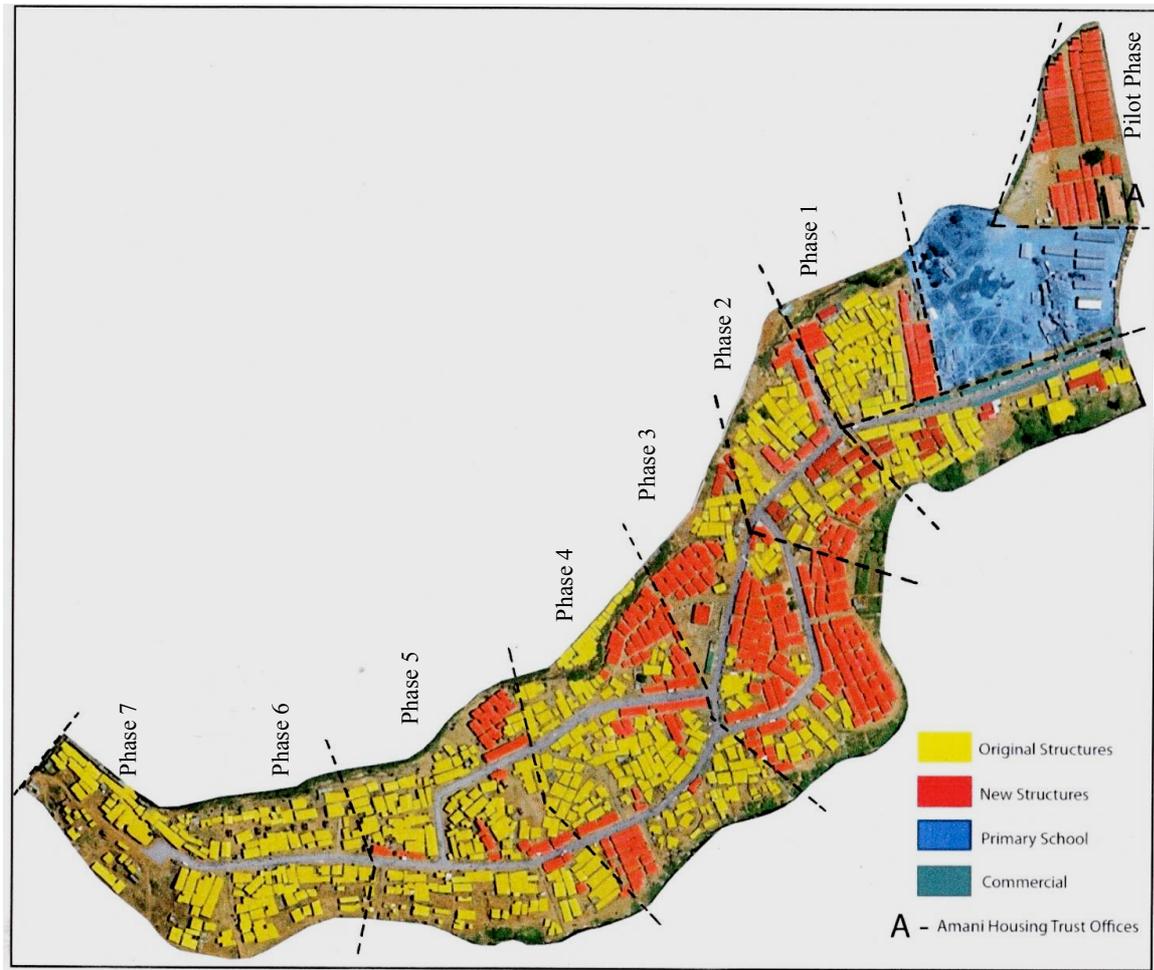


**Fig 2: Map of Mathare Valley neighbourhoods showing location of Mathare IVa**

Research and policy have long been almost entirely focused on state-aided self-help housing construction as a process towards land and home ownership. Until the 1980s, research and policy dealing with informal settlements neglected the rental sector save for the purpose of supplementing incomes of the housing beneficiaries. (UN-Habitat 2003xxii; Precht 2005). Mathare IVa programme attempted to address this anomaly by way of community participation in the provision of rental housing. This approach is analysed in this article under conceptualization of the programme, land ownership, community participation, rental scheme, and programme management.

### **2.1 Programme conceptualization**

The core consideration in the conceptualization of the programme was the improvement of living conditions in the area with minimal displacement of the residents. Thus emphasis was given to the prevailing socio-economic status of the residents including affordability of improved housing, infrastructure constraints, healthcare, education and other social constraints. Core issues addressed at the conception of the project included land ownership, community participation, infrastructure development, rental housing scheme, livelihoods, and community ownership and management. The programme was being implemented in phases as indicated in Fig. 3 before it stalled.



**Fig 3: Mathare IVa phase-out development**

## 2.2 Land ownership

A major problem affecting most Kenyan settlement improvement projects has been land sales by beneficiaries. Dandora site-and-service project for example which was a pioneer Urban Project of the World Bank in Nairobi in the 1980s, witnessed high beneficiary turnover with the net effect that the settlement has become a middle-class residential neighbourhood, with a large number of tenants and absentee landlords (Amis 1984; Alder 1995). To address the land sale trend and gentrification in upgraded settlements, Mathare IVa programme adapted Community Land trust (CLT). The roots to CLT are models drawn from the developing world, particularly Africa and India (Institute for Community Economics 1984).

Land was allocated to the Archdiocese of Nairobi to hold it in trust for the community. The approach was accepted by the community as they did not have any right to the land in the first instance. The only threat was the demand by beneficiaries that they acquire individual ownership of the dwellings upon completion as opposed to renting. This became a contentious issue throughout the programme but the programme initiators prevailed upon the beneficiaries in providing rental housing. Focus group discussion established that the residents still prefer individual home ownership which entails land ownership as well.

## 2.3 Rental housing scheme

The objective of upgrading the settlement into a rental housing scheme was a noble one considering that 90 per cent of the residents were tenants with no ability to individually own the dwellings. Those interviewed however indicated that the general opinion of the beneficiaries was that the project was being developed on a grant to address their plight in poverty and as such they were not supposed to pay any rent. This rental housing approach resulted in the following:

- Reluctance of tenants to pay rent or consider increment of their rents.
- Buy-out of original tenants who sublet their units for more than double the rent charged by AHT.
- Selling of tenancy rights as a consequence of the below market rents charged by the programme.

Whereas the programme was conceived on the basis of community ownership, the outcome was that the community spirit was abandoned for individual gains.

### 3. COMMUNITY PARTICIPATION

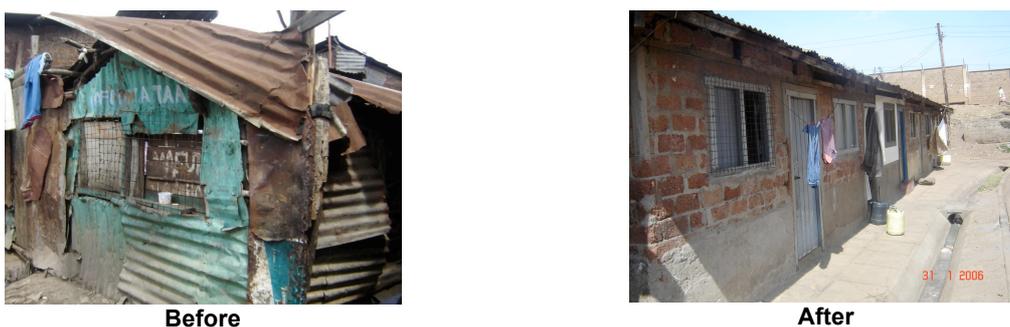
The term “Community” has been used to refer to a neighbourhood, a slum, a group of local NGOs, a group of militant leaders, the residents of a small town, a workers’ union, a group of women, etc. In this sense, the term neither denotes what this group of people really have in common nor their differences (Davidson, Johnsona et al. 2007). The term “Participation” is also randomly used to denote civil debate and communication, consultation, delegation of activities, partnership, self-help construction, communal meetings, political decentralization, etc (Davidson, Johnsona et al. 2007). The lack of clarity in the use of these terms has led to varied interpretations on the role of community participation in housing programmes.

Community participation in Mathare IVa commenced with the socio-economic survey conducted by Ministry of Public Works (MOPW) in 1992 (SUM Consult 2004). Residents were given a wide variety of development options for them to identify needs and priorities. Toilet and sewerage was ranked top followed by water reticulation. Housing improvement came in third position. Educational facilities fourth, electricity fifth while roads were ranked seventh. However in the implementation of the project, this order was not adhered to and infrastructure including roads, water, and sewerage took top priority on the basis of the objectives of the programme. The lower preference for the housing improvement or replacement was mainly caused by the fear that full housing development would increase rents to unaffordable levels and hence, force tenants out of the area (SUM Consult 2004).

Participatory discussions following a 1995-field survey made it clear, that the target group’s fear of being evicted by rent increase induced by the physical upgrading measures had to be taken very seriously. As a compromise, the following three programme components were deduced for the project:

- Immediate development of general infrastructure which entailed relocation requirements arising from the fact that a number of dwelling had to be demolished to pave the way for the installation of roads and footpaths, construction of wet core etc.
- Progressive shelter improvement entailing substantial financial resources generated internally from rent from the acquired slum housing units.
- Preservation and strengthening of the multi-functional residential and socio-economic character of the area.

The Development Approach that was recommended was the construction of low-cost housing units that utilize cheap and locally available materials entailing labour intensive building techniques. The housing units were not to differ substantially in character from those that existed then (see Fig 4). From the programme development approach, the objective was to achieve a sense of “project ownership” geared towards improvement of their well-being. Thus, the initiators of the programme came up with an offer to the target group of improving their well-being but under terms spelt by them. Certain important decisions had been made by the initiators and consultations with the target group were not going to change that. One such decision was the rental scheme of the programme. The other important decision was the consideration of infrastructure as the primary goal for the programme and housing as a secondary goal dependent on the rent income from tenants. These decisions have had considerable repercussions on the success of the programme (Diang’a 2012). According to Wilcox (1994) effective participation is most likely when the different interests involved in a project or programme are satisfied with the level at which they are involved.



**Fig 4: Dwellings before and after upgrading**

Although community participation was invoked at the inception of the programme, its role was more effectively experienced at post occupation level in the form of managing the housing clusters and the neighbourhood’s interests at large under the umbrella of AHT. Rules and regulations set centred on various organizational structures of the target group. These include the Assembly of Leaders (Muungano) and the Wet-core committees. Analysis indicates that the wet-core groups were the most active of all the organizations in the programme. Their success emanated from the scale of operation and issues addressed which are of immediate concern to the tenants.

At the inception of the project, the role of the target group was to spell out their preferences and to articulate their fears and expectations on possible future developments. Although interaction and communication with the target group was very intense during this phase and decisions were made on the basis of this information, a direct

participation in the decision-making process did not take place, apart from the function of the two target groups members in the Consultative Board (Gitec Consultants 1995). Later in the development of the project, the target group was involved in decision-making with powers to accept, modify or reject the general development approach. As a result, the use of stabilised earth blocks and sisal cement roofing sheets was replaced with concrete blocks and corrugated iron sheets.

According to Brent (2004), the assumption that community brings peace, comfort and warmth is wrong. He argues that on the contrary, it creates conflict and division. This was quite evident in Mathare 4A with its diverse ethnic divisions. The former owners of dwellings interviewed stated that the upgrading programme was meant to get property from one ethnic group and give it to another. Respondents alluded to the fact that a cohesive community did not exist prior to the commencement of the programme due to the high ratio of tenants and their high mobility rate. The divergent interests of the perceived community contributed to its collapse.

#### **4. PROGRAMME FINANCE**

Funding for the project was sourced from indirect government subsidies in the form of free land allocation by the Kenya Government, direct Government monetary assistance through grants from the Federal Republic of Germany, and own programme generated resources in the form of rental income (SUM Consult 2004).

The area residents were required to contribute a nominal amount of rent to the project management, AHT based on the size and quality of the rooms they occupy. The rent revenue was to be applied by the project management for the maintenance of installed facilities and to meet the operational costs of the project management. Rents charged by AHT were below the market rate and this by itself created the problem of sub-letting or sale of tenure rights. Cases of rent default were also rampant. Rent defaulting according to the management was instigated by local leaders on the pretext that the project was formulated to assist the tenants and hence they should not pay rent. Others felt they were too poor to pay rent while an insignificant proportion was genuinely unable to afford. The end result was that financial resources were insufficient to realize the necessary repair and maintenance works let alone development of new houses. Rent was subsidized not through direct injection of funds but through loss of income AHT was foregoing by not charging market rent.

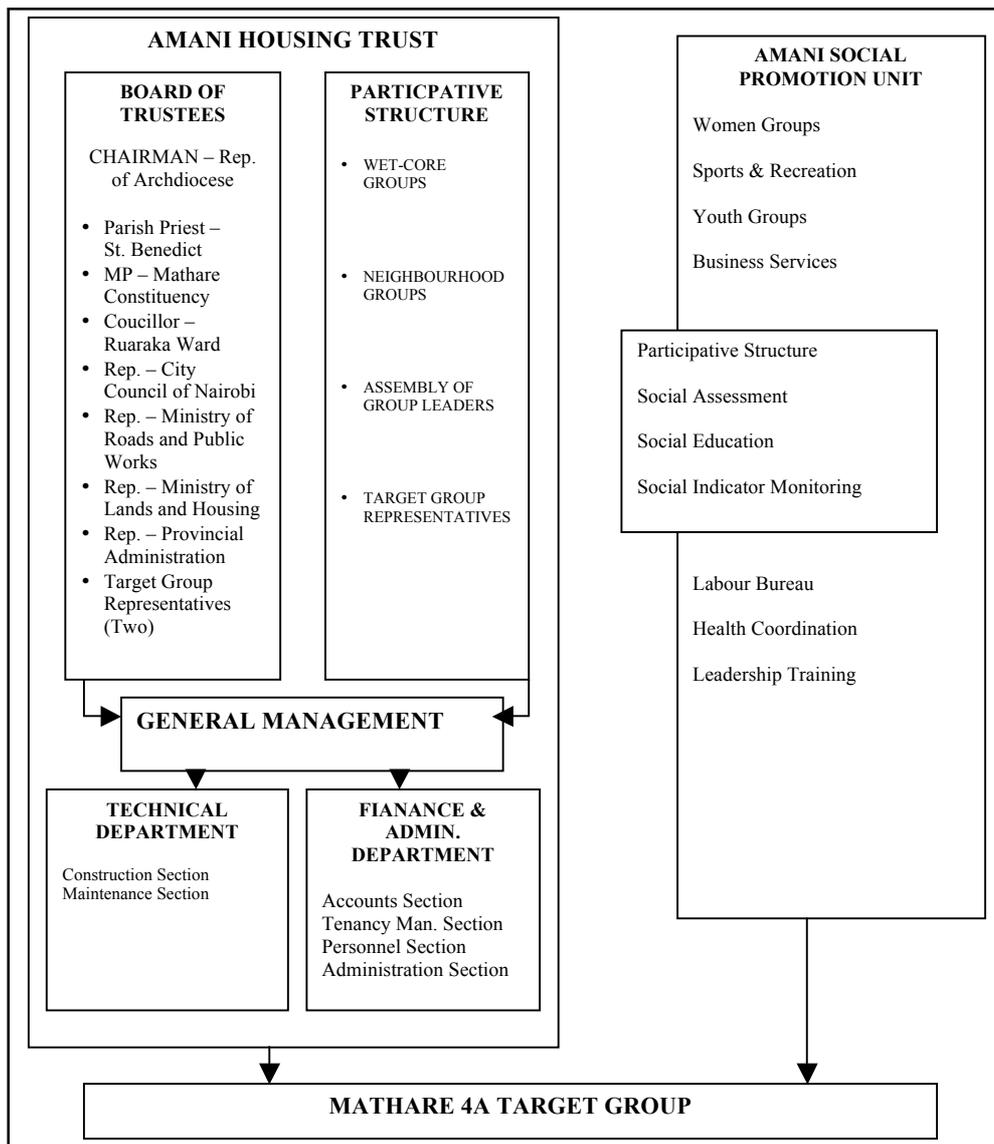
Following the 2000 violent protest by tenants, Government decided to waive rent arrears arising from the violent protest resulting in AHT losing approximately Kshs. 110,000,000 of which Kshs 41,000,000 was as a result of damages caused by arson vandalism, and claims from contractors (SUM Consult 2004). Rent waiver alone caused a loss of Kshs. 69,000,000. Lowering of rent level for residential housing caused a further Kshs 17,425,000 loss.

The underlying financial problem of Mathare IVa upgrading programme emanated from its rental concept. Attempts by the management to increase rent to sustain maintenance and operations were met by stiff resistance by the residents. Local politicians were not of much help as they took advantage of such confrontations to gain political mileage by agitating for either rent boycott or rent reduction. Some local leaders advocated for a populist change in project concept from a rental scheme to a tenant Purchase scheme whilst fully aware of the risk of economic eviction of the resident population by speculators and people from higher income groups.

#### **5. PROGRAMME MANAGEMENT**

The management structure set at the inception of the project gave Amani Housing Trust the responsibility of executing and managing the programme through a board of trustees which also incorporated a community participative structure. While the general administrative wing of this structure worked efficiently, its role as a social setup made it ineffective when it came to dealing with issues such as rent defaulting and forceful eviction of defaulters.

An elaborate participatory management structure was set up by AHT as shown in Fig 5. The focus discussion group indicated that AHT Board of Trustees and the General Management worked satisfactorily. However, lack of finance from rent income made its operations impossible leading to the collapse of the programme. The participatory structure collapsed at the Assembly of Leaders and thus Target Group Representatives. Wetcore and neighbourhood groups are still functioning arising from common goals on keeping toilets clean and providing security at the cluster of houses levels.



**Fig 5: Organizational structure of Amani Housing Trust**  
**Source: (Gitec Consultants 1995)**

## 6. CONCLUSION

The objective of the Mathare IVa housing programme of providing improved and affordable housing was partially achieved. Infrastructure was greatly improved although the project did not run its full course. However, community ownership and management of a rental housing scheme failed. Findings indicate that a wholly rental housing scheme for the urban poor is not viable. Whereas the community participated in the formulation of the programme, the concept of rental housing, housing typology, and building materials used in the earlier phases of the programme were imposed upon the community by AHT. Housing typology developed was below the expectations of the beneficiaries.

The assumption that the Mathare IVa was a homogenous group was wrong. The differences between the former dwelling owners, the tenants and the large ethnic groups polarised the community resulting in frequent conflicts of interest which impacted negatively on the implementation of the programme.

The study recommends that the views of community participants be taken more seriously and incorporated into future housing development programmes if they have to successfully address the plight of the urban poor.

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