Public Private Partnerships as a Means of Developing Affordable Housing
A Case Study of the Civil Servants Housing Scheme Fund Kenya

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SUMMARY

Kenya is faced with a serious shortage of housing with each year having a deficit of 200,000 housing units. The deficit derives from low level of investment in the housing sector by both public agencies and the formal private sector, with housing units produced by both sectors representing only an estimated 20 percent of the total number of new urban households.

The implementation of the National Housing Policy 2004 gave birth to the establishment of the Civil Servants Housing Scheme Fund (CSHSF), which is a tenant purchase scheme where the Government committed itself to facilitating both the public and private sector to assist their employees to acquire housing.

However, it can be noted that over the years the development of the housing units by CSHSF has been very slow and this is mainly attributed to the lack of adequate budgetary allocation and other resource constraints needed to execute the projects. The demand tends to be high and hence the need to have model that can increase the supply of the housing units within a shorter time frame. To achieve this goal the public private partnership (PPP) model has been identified as one of the modes to be used to deliver some of the housing units.

This paper is concerned with establishing ways of promoting capacity building in the management of housing projects through PPPs, identifying ways to mobilise funds and to find out ways of increasing the number of houses to civil servants across the country.

The main development contribution of the paper is to create awareness of the PPP process in the
housing sector, as little information is available; develop a capacity building framework for the implementation of PPPs; identification of the most suitable financing; successful implementation of the housing units and the transfer of knowledge on the PPP model and how it works in relation to housing projects.

In conclusion it can be noted that PPP projects are very important in the delivery of infrastructure and in so doing they contribute to the general improvement of the economy, create employment opportunities and enhance the provision of decent and affordable housing which is a constitutional requirement and also is in line with the development goals of the Country.