Capacity Building for Informal Small-Scale Building Contractors in Shelter Delivery

The Case of Arusha City

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Informal Small –Scale Building Contractors play a pivotal role in housing delivery through a self help approach. They are contracted by individuals on incremental housing, which has become the most popular architecture that works for the urban poor.

However there are inadequate initiatives at both local and national levels to address capacity building for this potential group. Yet the society and the government have failed to link this group with housing delivery system for the urban poor. Moreover, this group posse's skill despite that it is unregulated and rather unorganised.

This paper seeks to build their capacity through organised group training with an ultimate goal of seeing to it that they grow   to become a strong entity. The paper will attempt to give an insight of how to organize such groups, the importance of training, identify the socio-economic and financial implications and finally elaborates on its implementation and sustainability.

Shelter Situation Analysis

Basic General Data

Geography and Administration

The United Republic of Tanzania is found in East Africa and Arusha City, which is a case study area, is the headquarters of the East African Community. The latter comprises of Tanzania, Kenya and Uganda.

Demography and Health

Tanzania has a population: of 37,445,392 inhabitants (July 2006 est.) and an area of 945,100sq.km thus giving a population density of approx. 32 persons/ km^2

The sex age structure is divided into three categories as shown:

0-14   years 43.7%   (M 8.2ml and F 8.1ml)

15-64   years 53.6%   (M 9.9ml and F 10.2ml)

65 years and over 2.6% (M 0.42ml and F 0.55ml)

As regard to migration, the rural –urban migration is prevalent and it is attributed to search for employment and other social amenities.

As far as urbanization is concerned, Tanzania is one of the most urbanized countries with urbanization rate of between 5- 10% per annum (NHSDP)[1]. The fertility rate stands at 4.97 children born/ woman.

It was estimated in the year 2006 that the life expectancy for the total population is 45.65 years while male have 44.93 years and female have 46.37 years. Child Mortality rate for the whole population is 96.48 deaths/ 1000 live births while male account 105.65 deaths/1000 live births and female account 87.05 deaths/1000 live births (2006 est.)

Regarding household composition women headed households account for 25% (NHSDP)

Economy

According to 2005 estimates, the GNP/capita is $700 with public expenditure of $2.66 billion while revenue is $2.235 billion. Accordingly, the income distribution indicates that Tanzania has Gini Index of 38.2 (1993). The inflation rate stands at 4% (2005 est.). Tanzania has however experienced a steady growth rate since mid 1990's as per table below.

Table1: Average annual GDP growth rate, 1990 to 2004

1990-1994	1995-1999	2000-2004
2.5	4.0	5.8

Source: Poverty and Human Development Report 2005

The major challenge is how to sustain this growth rate and at the same time ensure that the benefits of the growth are equally and broadly shared.

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[1] NHSDP- National Human Settlements Development Policy

- According to Poverty and Human Development Report 2005:2, the population living below poverty line is 36%. It is one of the poorest countries in the world. Agriculture accounts for almost 50% of GDP. Because of poverty the urban poor can not afford basic services and decent housing as a result they resort into unplanned settlements characterised by poor sanitation, insecurity of tenure , health hazards etc

Table 2: Distribution of the Poor in Tanzania

	D'Salaam		Other Urban areas		Rural areas		Mainland Tanzania	
	91/92	00/01	91/92	00/01	91/92	00/01	91/92	00/01
Total pop.'000	1313	1845	3094	4405	20154	25650	24561	31900
Share of pop.'000	5.3	5.8	12.6	13.8	82.1	80.4	100.0	100.0
No. of poor:								
Food poverty '000	179	138	464	581	4656	5233	5305	5965
Basic needs '000	369	325	888	1136	8223	9926	9481	11388
% of poor								
Food Poverty	3.4	2.3	8.7	9.7	87.8	87.7	100.0	100.0
Basic Needs	3.9	2.9	9.4	10.0	86.7	87.2	100.0	100.0

Source: Household Budget Survey 2000/01:82

Regarding household expenditure, the lowest is 2.8% and the highest is 30.1% (1993)

Shelter Related Fact and Figures

Access to Shelter

According to Arusha City Environmental Profile Report 1999, the housing stock is 30355 units while yearly percentage increase in number of dwelling units is 23% or (1380 units). This gives housing deficit of 4620 units yearly both in quantitative and qualitative terms. Such a gap between demand and supply is increasing over time.

The occupancy rate is 2 persons per room. The most overcrowded cities in the country are Dar 34.4%; Mwanza 37.4% including Arusha with 37.2%.

Generally majority of housing in the City are sub standard dwellings. There are two tenure of households namely; rental and owner -occupier. About 70% of people living in unplanned settlements have no security of tenure.

In regards to rental housing there are two major categories; formal and informal whilst formal accounts for 14% and informal about 86% (Arusha City records).

As far as housing ownership are concerned, formal accounts for 23.3% while informal about 76.7%. It is evident that the informal sector plays a key role in housing the majority of the urban poor, a notion, which is a focal point of this paper.

Land ownership can be classified in both formal and informal. Formal refers to surveyed and serviced plots and account for 30% while informal refers to ownership in un-surveyed areas including customary land ownership. Accessibility to the first case is still an emotive issue.

Housing construction is a combination of traditional, conventional and modern technology. Like wise in terms of building materials there is a combination of traditional, conventional and modern materials. Cement blocks, corrugated iron sheets, timber, sand, grass thatch, cow dung, bush poles etc are common building materials. The majority of urban poor can not afford to buy the common building materials from the hardware shops due to frequent price escalation.

Access to and cost of Basic Services/Infrastructure

Most urban areas are served with piped water although there is inequitable water supply infrastructure across the country. About 84% households have access to improved water sources in the urban areas However sanitation is still inadequately taken care of. The situation is pathetic in the unplanned areas. According to Poverty and Human Development Report 2005: 68, the overall, access to and use of improved toilets defined as flush toilets or improved ventilated pit latrines, is very low. On average, less than 5% of households have an access to an improved toilet.

Storm water drainage is still a major problem in the most urban centres.

In regard to household waste disposal this is normally one of the roles of the local governments in the urban centres. However through Public Private Partnership, the private sector is also involved.

Access to and cost of Education

Primary Education Development Programme (PEDP) has raised enrolment rates in primary school, and now Secondary Education Development Programme (SEDP) is

raising them in secondary (PHDR[2] 2005). Actual primary attendance rates are lower than enrolment, with little gender differential, though boys tend to be in school at an older age than girls. Children with disability are much less likely to be in school than other children. The overall adult literacy rate (for 15years-olds and older) is 78% for males and 62% for females. It is notable that majority of the Tanzanians have accessibility to Primary education due to the government support.

Existing Housing Policy

The 1981 Housing Development Policy had a goal to ensure that every resident is provided with a decent shelter. The policy failed because it focused only on housing and did not consider housing within the wider context of human settlements. Today the overall goals of NHSDP are:

- To promote development of human settlements that is sustainable.
- To facilitate the provisions of adequate and affordable shelter to all income groups.

Actual achievements

- Plans are underway to streamline accessibility of serviced land
- Promoted capacity building
- Improved level of infrastructure provision in surveyed areas.
- Strengthened building regulations, standards and other development controls through various regulatory bodies.

In housing market aspect there is slow delivery of housing in the market by individuals through meagre saving.

Regarding Regulatory Framework, there exist various active regulatory bodies in the construction industry namely Contractors Registration Board (CRB), Architects and Quantity Surveyors Registration Board (AQRB), Engineers Registration Board (ERB). Institutionally, the current arrangement for human settlements development, planning and management is fragmented, inconsistent and characterised by overlapping authorities, roles and lines of accountability. This is normally at the Ministerial levels.

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[2] PHDR- Poverty and Human Development Report 2005

In Tanzania there has been a number of Housing Programmes to address housing issue. These include

- Slums clearance 1960's- 1970's
- Sites and services 1980
- Sustainable Human Settlements

In line with Housing Programmes several Housing Approaches and Strategies have been in place namely

- Enabling approach
- Participatory approach
- Cost recovery mechanism and upgrading schemes.

In regard to Financing/Funding Schemes there exist no mortgage facilities in Tanzania after closure of The Tanzania Housing Bank in 1995. The urban poor build incrementally over long time saving.

Of late, gender issues were not given adequate attention as small percentage of women are involved in the construction industry in terms of planning and decision making. Moreover, many development plans are not gender sensitive.

Actors in Shelter Delivery and their Roles

There exist various stakeholders in the overall Shelter Design and Development in Tanzania, each playing a distinctive role as indicated here below:

State/Central Government: Enabler or facilitator and thus gives general guidelines

Local Government : Physical planning; Land surveying and other land development related matters; Approval of drawings (building permits); Monitoring implementation; Infrastructure provision.

NGOs: Initiate implementation of projects through donor organisations

Private Sector/Housing Producers: Build houses for rent or as owner-occupiers; Provision of labour force to the public sector; Generate un-serviced land market to the urban developers (Refer to Customary land tenure)

Community Organizations: Organise communities for group training; Initiate projects through donor agencies.

Research Institutions: Provide technical information; Conduct researches; Offer training; Offer consultancy services.

Others: Donors/ Financiers for funding projects and provision of expertise.

Design

This section describes various design parameters, which are considered or should be considered in design of a shelter with specific attention to the Arusha City.

Physical Planning: Governed by Town and Country Planning Ordinance Cap of 1956 revised both in 1961 and 1993. Master plans (descriptive in nature) are presently being replaced by Strategic Urban Development Plans, which are performance –oriented.

Land Use: There are proper zoning of land for various uses such as for residential, commercial, recreational, open spaces, social, religious etc

Population Density: A single household is considered to have 5-7 family members (Arusha City)

Shelter Quality: Poor design and majority do not meet quality criteria such as durability, aesthetic values, social context, thermal comfort , privacy etc

Function: Most dwellings meet the functional requirements. Social/cultural context has a big influence on design.

Safety: Safety factors are only enforced in surveyed areas.

Comfort: This item mainly rests on the shoulders of an architect to consider all aspects in order to meet both physical and thermal comfort.

Social Inclusion: Vulnerable groups are disregarded in design e.g. ramps normally miss on many public buildings for disabled people.

Gender Issues. A few women are involved in the design field.

Sustainable Development: Today a few designs take into consideration of sustainability aspect whereby for instance selection of building materials, which are locally available for ease of maintenance. On other hand, designs tend to overlook socio-cultural values and leading to low acceptability levels by the beneficiaries.

Norms and Codes: Norms and ethics and not fully adhered to by the professionals resulting into poor designs in terms of durability, aesthetics and functionalism. In the events that these norms and codes are adhered to, enforcement becomes an issue.

Identification of Critical Shelter Problem/problems

Capacity Building for Informal Small-Scale Building Contractors in the Context of Shelter Delivery in Tanzania; A Case of Arusha City

Housing situation in the Arusha city like other urban centres in Tanzania is an emotive issue. However, according to the Arusha City Council (formerly Arusha Municipal Council) Environment Profile (1999) report; about 76.7% of the existing housing stock in the Arusha city is a product of individual's efforts. This is through a self-help approach on **incremental** basis with the assistance of local skilled and unskilled labourers hereby referred to as informal <u>small-scale building contractors</u> who are the key players. Nevertheless it is evident that there is lack of adequate initiatives at both local and national levels to address capacity building for this potential group adequately.

The key issue is the fact that these small scale contractors are directly contracted on self-help housing projects, but quite often encounter a number of challenges in the process of delivering the desired products in terms of the cost, time and quality due to lack of capacity building. More often they lack negotiation skills, better knowledge of the drawings and at times they can be exploited. In most cases, they work on individual basis and thus not organized.

Analysis of Critical Shelter Problem/problems

Incremental housing has been the only major approach for the individual home ownership. It has been proven to be one of the workable solutions for the urban poor due to scarce resources. It is manifested through self-help housing approach. Moreover, different studies and literature put much emphasis on the self help housing as being the architecture that works for the poor. The major section of the society that undertakes incremental housing through self help approach is the informal small scale building contractors. See Fig 1 below.

Fig I: Analysis of the problem
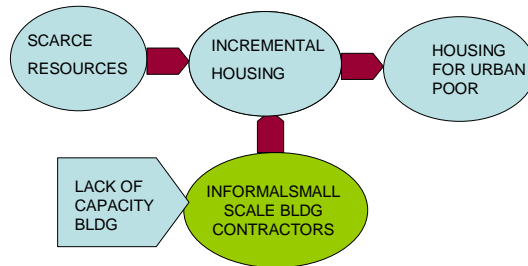
Source: By author

On the other hand of the spectrum, these small scale building contractors form strong ingredients to formal registered contractors, yet they are systematically faced with hiring and firing especially after completion of the projects in question. Therefore this paper takes its departure point of analysing the housing condition of the urban poor by analysing critically the performance of this sector. This is by understanding that enabling and innovative approaches are absolutely necessary with a notion that most measures to improve urban housing conditions are not a matter of housing provision, construction or supply but rather recognition of inappropriateness of most policies, rules and regulations for the urban poor.

From the foregoing, it is clear that in order to promote an individual home ownership through self help approach, it is imperative to build capacity of these key players. It is worthy mentioning that these contractors posses skills as already been pointed out before. Everyone is regarded to be a specialist or an expert in his/her own field or trade but their mode of operations lacks coordination and organisation. The fact that this group posses skills is a very positive aspect that this paper builds on its initiatives. See Photo 1 below, which illustrates their skills.

Photo1: Different skills

Photo2: Typical Houses by this group

Building their capacity will certainly improve housing situation in both qualitative and quantitative terms.

This paper further emphasises that the informal small -scale building contractors referred here to as the key players of self help housing and they are for long time been overlooked by the politicians and other decision makers in their mode of operations. They operate in the absence of legal framework as they are unregistered until very recently when the Contractors Registration Board of Tanzania (CRB) has started to recognize them. Yet the society and government leaders have failed to link them with housing system for the urban poor. The whole scenario jeopardises the initiatives of attaining sustainable human settlements.

Being unregulated and lack of capacity building have resulted into conflicts, misunderstandings and disputes with their employers or clients. Such situation is attributed to failure to take into consideration some of the contractual aspects that would ensure a smooth delivery of the <u>desired</u> product within budget and any given time frame.

Other major problems faced by the sector include but not limited to:

- Shortage of capital

- Obtaining sources of funds

- Strong competition

- Difficulties in understanding the industry trends

- Difficulties in understanding financial issues

- Lack of leadership skills

- Lack of ability to identify and focus on markets niche

- Lack of negotiation skills

- Operation in the absence of simple written documents or contracts.

- Lack of basic knowledge on cost estimates leading to failure to give realistic quotes.

- Lack of adequate knowledge to interpret construction drawings and specification leading to taking considerable amount of time for close supervision.

Despite of all these problems, there are various stakeholders, who can take part in overcoming their problems. One is the local authority that should recognize the potential of this group and create some partnership. Secondly, professionals have a big role to play in providing necessary technical information in order to raise awareness of the contractors. The CRB should continue to recognize the already formed groups and possibly formulate some strategies to have a special category of registration of this group and at the same time support initiatives of other individual stakeholders (volunteers) who are committed to promote the informal small scale contractors. Similarly the small scale contractors themselves should recognize and accept the essence of capacity building to be able to achieve true transformation.

This paper also looks at the effects of failure to address the above mentioned problems adequately as being:

- Incomplete projects

- Reduced quality in terms of workmanship and failure to meet other quality aspects such as durability, functionalism, physical and mental comfort.

- Breaking of social ties and relationships among families and friends due to inconsistence in planning and implementation.

- Delays of the projects

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- Cost overruns

Proposal for Change and Improvement

In order to overcome the above challenges, it is necessary to have combined and well coordinated efforts of the stakeholders. The entry point of capacity building will be through organisation of their group training. In this aspect TRIPLE "A" office will be used as a hub for training. All staff members of TRIPLE A LTD will be involved in the training program. The first step will be to identify not more than 10 skilled labourers in the locality that have worked with TRIPLE "A" LTD before. The group will consist of at least one member from each field or trade. This training will first emerge as a pilot project. Training will be 1hour per day. The author will take the lead especially for subject related to his field of work.

   Areas to be focused on in the training programme are:

- Leadership skills
- Bargaining and negotiation skills
- Basic book-keeping
- Simple cost estimates
- Simple written agreements
- Basic knowledge of reading and interpretation of the construction documents
- Project planning (elementary)

It is worthy to point out that the project management cycle will be used as a tool in the training of stages.

Strengths

- Ability to make fair and realistic negotiations
- Ability to make fair and realistic cost estimates
- Ability to lead other colleagues in the process
- Creation of good working conditions with a clients and a contactor so as to ensure best output
- Ability to enhance entrepreneurs skills
- Opportunity to utilise their skills.
- Ability to identify and focus on a market niche (Assurance of markets)

- Committed, supportive strong management team of TRIPLE "A" LTD

Weaknesses

- Illiteracy
- Motivation and remunerations to attend the course.
- Adequate time to attend the course as there are always searching for jobs
- Time for fellow staff to offer training
- Remuneration of staff especially outside the office
- Support from their families
- Lack of funds to meet their training needs
- Lack of teaching manuals.

Opportunities

- Support from the Contractors Registration Board: This is the major driving force. It is the Board's interest to see that Capacity Building is focusing on the group training with ultimate goal of transforming such groups into strong entities.
- Support from local authority if the idea is presented
- Availability of human resources in the locality
- Ability to sustain and use existing knowledge
- Ability to create a good network system and thus good working relationship among themselves
- Possibility to expand size of the business
- Existence of such organised group referred to as 'construction brigades'. According to the CRB at least two of such groups are known officially to-date
- Possibility to form synergy with some CBO's and NGO's such as the Women Advancement Trust (WAT), whereby organised groups can be hired to undertake construction work for these organisations.

Threats

- Legal matters for being a training institution (Legalize and institutionalize)

The programme must be sustainable such that there must be also a follow up evaluation and feedback. In order to ensure its sustainability it is of paramount importance to do the following three things:

- Lobby from the CRB for registration of the organised groups under special category. This will enable participants to obtain certificates that will be recognized by the society. Those who have certificates should first be considered to be offered the jobs. This arrangement will create a clear distinction between organised group members and those who have not attended the training.

- Negotiate with formal building contractors to absorb them. On one hand this approach can provide them with an opportunity to practice and hence move from theory to practice should not be there any projects going on in the informal set up. On the other hand the approach if not well worked out can undermine the efforts of working together as a strong group since everyone will tend to work on individual basis to make ends meet and thus become vulnerable for firing after that specific work has been completed.

- Work closely with other CBO's and NGO's of the same mission as already been pointed out above.

Note that the above mentioned strategies are also to be used as motivation or incentives for attending the training.

Below is a proposal to achieve the desired objectives whereby restraining forces are weighed out against opportunities.

ANALYSIS OF RESTAINING FORCES AND OPPORTUNITIES

No	Restraining Forces	Opportunities to TRIPLE "A" LTD
1	Illiteracy	Put more emphasis on practical skills (Learning by doing); Encourage teamwork.
2	Motivation and remunerations to attend the course.	Give stable job prospects; Issue Certificates of attendance for recognition; Identify and focus on market niche.
3	Motivation of fellow staff to offer training	Look for avenue to compensate them at the early stages of the training program[3] Prepare project write –up for financial support.
4	Lack of funds to meet their training needs.	Prepare a project write – up in order to get the training off the ground; Look for means to get seed capital.
5	Legal matters for being a training institution (legalization and institutionalization)	Liaise with the CRB on the certificate of candidates; Notify and seek advise from the Architects Board on the new acquired roles.
6	Sustainability of the program.	Create stable job opportunities through formation of the stable entities (construction brigades); Form synergy with

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[3] It is anticipated that the programme will be self sustainable in the long run. Participants should be able to pay for the training.

		other organizations such as Women Advancement Trust (WAT).
7	Lack of teaching manuals.	Formulate simple manuals focusing on specific needs; Adopt relevant components from the Vocational Training Centre in the new program.
8	Lack of practical placements/projects	Liaise with formal building contractors in the locality to offer practical training on the on - going projects.

Annex: Action Plan

The following steps must be followed in order to realise the project:

1 Identify a group of skilled labour in the locality familiar to you (Not more than 10). Each trade must be represented.

2 Contact the CRB in order to both seek advice and the selling the idea.

3 Prepare the project write –up for the financial support and identify existing and potential funding sources.

4 Identify the staff to facilitate the training.

5 Prepare training manual with the staff members to correlate with the training duration.

6 Identify and form synergies or partnerships with CBO's and NGO's of the same mission.

These plans of action or strategic objectives are put into two major categories. One are those objectives that can be achieved within short and medium terms basically in the year 2006 /2007 and secondly are for those that can be realised on the long term of about five years and above. See the table below:

Strategic objectives	Short term	Long term	Actions or tasks involved	Actors
Identify a group of skilled labour in the locality	*		List them in their respective fields to make sure all trades are represented.	TRIPLE 'A' LTD; Trainees
Contact CRB and AQRB	*		Seek advice and guidelines. Introduce the idea for recognition in that category.	TRIPLE 'A LTD, CRB
Prepare a project write up	*		Give insight on financial and technical implications during take off. Search for teaching aids	TRIPLE "A' LTD
Identify the staff to facilitate the training	*		Ascertain their training needs; identify staff remunerations. Determine their capabilities.	TRIPLE 'A'LTD
Prepare teaching manual	*		Prepare sequence of topics with corresponding hours	TRIPLE 'A' LTD/ Other facilitators
Form synergies or partnerships with CBO's and NGO 's		*	Identify some organisations with the same mission. Study their mode of operations. Find ways of how to work together	TRIPLE 'A' LTD, CBO's , NGO's

However, according to Tibaijuka 1999:16, the true realism of set up objectives depend mainly on:

- The ways in which scarce resources is located and used.
- The ways in which efforts of various stakeholders are coordinated.
- The ways in which resources are continued to be mobilised.
- The ways in which decisions are made and responsibility exercised and likely hood in acquiring new changing roles.

It is in this spirit that coordination and combined efforts are two aspects of vital importance to make this programme a success.

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