THE SUSTAINABILITY OF HOUSING CO-OPERATIVES IN SHELTER PROVISION IN THE INFORMAL SETTLEMENTS: A CASE OF KIBERA SOWETO EAST CO-OPERATIVES.

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DECLARATION
This project paper is my original work and has not been presented in any other university

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This project has been submitted for examination with my approval as University supervisor.

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LIST OF ABBREVIATIONS

IASC: Inter - Agency Steering Committee
KAR: Kings African Rifles
KES: Kenya Shillings (Kenya Currency)
KISIP: Kenya Informal Settlement Improvement Project
KENSUP: Kenya Slum Upgrading Programme
SCC: Swedish Co-operative Centre
SEC: Settlement Executive Committee
NACHU: National Co-operative Housing Union
UNHSP: United Nations Human Settlements Programme
UNCESC: United Nations Committee on Economic, Social and Cultural Rights
ABSTRACT

This is a research on study on sustainability of the housing co-operatives in the provision of shelter in the informal settlements. The informal settlements are seen as an eyesore and embarrassment by many people in the middle and high income regions of the world. In some instances, we have seen a lot of demolition of these mud walled houses; others are made of timber, iron sheets and carton boxes.

Most of the world’s population which is about 48% live in the informal settlements and slums of the urban areas. Of these, Sub-Saharan Africa has one of the highest percentages with 61.7% of its population being slum dwellers. Indeed, the urban growth rate of this region (4.6%) is almost the same as that of slum formation (4.5%). For instance in Nairobi, the capital city of Kenya, the living conditions in informal settlements is among the worst in Africa due to extremely high population densities.

More than one million urban dwellers (Nairobi) are slum dwellers (32% of the total population). This population is spread across 200 informal settlements (Appendix IV) and concentrated on 5% of the city’s land area. To assist in tackling the rapid proliferation of slums which is often accompanied by weak urban planning and housing policies as well as poor performing government institutions, many initiatives from international agencies, national agencies and local communities have undertaken to improve the living conditions of slum dwellers in Nairobi over the last decade. One such example of slum
upgrading projects in Nairobi is the Kenya National Slum Upgrading Programme (KENSUP).

With the belief that Nairobi is the mother of all employments, it receives enormous population coming to look for jobs. These immigrants have low income (poor pay) and are faced with skyrocketing house rents coupled with high transport costs. They thus end up living in the poorly serviced part of the city: slums and informal settlements.

The poor housing conditions in the slums and informal settlements still exist despite the government putting in place policies like the National Development plan of 1966/67, sessional paper number 5 of 1965/66, and the National Housing Policy no 3 of 2004. This being the case, The Kenya Slum Upgrading Programme’s Implementation Strategy considers that it is through the Housing Co-operatives that those living in the informal settlements and slums can be housed. However the major concern is the sustainability of these housing co-operatives.

The study is organized into five chapters. Chapter one introduces the investigation, the background of the research and insight into the area of study. Chapter two reviews existing literature and co-operative movements while chapter three is on the methodology. Chapter four presents the data collected while chapter five presents analysis and recommendations.
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CHAPTER ONE

INTRODUCTION

1.0. Background of the study

Urbanization is one of the most powerful, irreversible forces in the world. UN-HABITAT estimates that 93 per cent of the future urban population growth will occur in the cities of Asia and Africa, in and to a lesser extent, Latin America and the Caribbean (UN-HABITAT, Nairobi 2010). This is attributed to poverty in most of the developing countries, rural - urban migration in search of white collar Jobs, availability of both social and physical amenities among other attraction factors. It is also projected that the world’s urban population will double to more than five billion by the year 2025 (UNSHP, 2003) which means there will be much pressure on the present housing stock; which most of the states, local authorities and private sector are unable to provide.

Kenya has a total population of about 40 Million people (2009 census) with the urban population increasing day by day. Population in informal settlements has steadily increased due to the increased joblessness. The major reason of this increase in informal settlement population is high cost of housing in areas with formalized tenure, as the ownership documents (lease or title deed) encourages them to construct permanent houses as opposed to the informal settlements which are cheaper. This rapidly growing population calls
for an increase in the supply of shelter and quick action by all participants in the society to curb the problem.

Shelter is one of the basic necessities of life beside food, clothing basic health care and education as enshrined in Article 43 of Kenya’s Constitution 2010 (GOK 2010). Nabutola (2004) notes that shelter is a physiological human need and is like food – so much, that even those who cannot afford it still need it, which means that every individual must be housed regardless of the standard. As recommended by Ungai (2004), there is need for further studies on possibility on forming a link between housing co-operatives and external sources of housing finance. He further suggests that the government can come up with housing policy in relation to housing co-operatives. Others include Centre for Housing Research by Grant Thornton – Thornton (2009) who researched on the strategic review of the Capital Funding Schemes for Voluntary and Co-operative Housing, and Kenya’s NACHU.

The issue of housing in the slum areas has been researched for long and still on going. Various aspects have been discussed touching on different policies that have been applied in different countries. Although slums by definition have similar characteristics, solutions to problems facing such slums vary. This therefore calls for a case by case study to come up with specific solutions that will better the lives of the dwellers.

All factors of production, including financial capital, human capital, and land, need to be mobilized to improve the lives of the urban poor. Financial
investment alone implies an economy that creates jobs and wealth for those within it but does little to spread beneficial impacts to the larger population.

The need for ascertaining whether it is really viable to market housing co-operatives as a sustainable way of shelter acquisition in the slum areas is thus necessary. A case study of Kibera Soweto East Housing Co-operatives is necessary because it is one of the slums that co-operative is being advocated by the Kenya Slum Upgrading Programme. National Co-operatives Housing Union (NACHU) has been focussing also on the co-operatives in Kibera because of the amount they have contributed towards shelter.

The aim of this paper was to ascertain whether the co-operatives are sustainable in sheltering the slum dwellers taking into consideration their low income and the harsh economic conditions.

1.1 Statement of the problem

The increased urban population from rural urban migration, natural growth rate and immigration of foreigners on white collar jobs, coupled with high rent rates, leads to more demand for housing in the urban areas. This pushes the low income communities into the informal settlements and slums as the middle income occupy the house which should have been designated for the low income. Thus accessibility of good housing by the low income category becomes a big challenge in the urban areas.

These same houses in the informal settlements are either rented or are built by the slum dwellers on either absentee tenure plots or land designated for public
use; such as police posts, schools, dispensaries or for land Banking (Land reserved for future use). This however does not meet the required standards of adequate housing as they are either semi-permanent, carton houses, mud walled or even made of papers. To improve on these, they need to be facilitated to own or build for themselves good houses which thus may be through purchasing or through own build or cooperative.

A concerted effort thus needs to be done to facilitate them own houses and even invest in income generating activities to facilitate them to pay school fees for their children and meet their day to day requirements. On the Global Strategy on shelter for the year 2000, it is clear that concerted action by all participants to help achieve the adequate shelter for all - goal is required (UNHSP 1990).

Kenya is currently facing the problem of house shortage despite the government and other agencies (such as Housing Finance, company of Kenya, National Housing Corporation, commercial Banks, and Insurance Companies) efforts to provide standard houses at reasonable prices. To improve on the issue of housing and to reduce the slum proliferation, there is need to facilitate people in the slum areas to own houses and reduce on the insecurity associated with tenancy.

One of the ways of owning homes is through housing co-operatives besides cash purchase, tenant purchase, mortgage among others. The biggest question is how sustainable is it having in mind that some of the slum dwellers earn low wages? Many countries have taken the direction of using the Housing co-
operative as a vehicle for house ownership like Tanzania, New Delhi, Zimbabwe and Kenya. This has been also the point of focus by Swedish Co-operative Centre working in Kenya and Zimbabwe (Ruwa, a suburb outside the Zimbabwean capital Harare).

This study aimed at finding out the other available ways of acquiring shelter, their sustainability, effects of KENSUP’s sensitization on co-operatives, challenges in the contribution towards the house ownership and finally recommends the other alternatives to housing co-operatives.

1.2 Study Hypothesis

Housing co-operatives forms the main mode of providing shelter in informal settlements.

1.3 Study Objectives

The main objective of the study is to find out how sustainable housing co-operatives are in the provision of shelter to slum dwellers and with the purpose of proposing certain policy recommendations that would help improve housing conditions in the slum areas. The specific objectives are;

1. To establish the number of households living in the slum area
2. To establish the level of membership of the housing co-operatives
3. To establish the effectiveness of the housing co-operatives in the provision of housing
4. To recommend policies that will render Housing Co-operatives an effective vehicle for facilitating home ownership.
1.4 Research Questions

1. How sustainable are housing co-operatives in provision of shelter in the slum areas?
2. Are the communities ready to adapt the housing co-operative in shelter acquisition?
3. Are housing co-operatives the way to housing the informal settlement and slum dwellers?

1.5 Scope and area of Study

The study is restricted to the activities of housing co-operatives in Kibera Soweto East village. These are; Kibera Soweto East Zone A Housing Co-operative, Kibera Soweto East Zone B Housing Co-operative, Kibera Soweto East Zone C Housing Co-operative and Kibera Soweto East Zone D Housing Co-operative. The investigations are only for a span of Eight years (2004 to 2013) since the inception of the KENSUP programme.

1.6 Significance of the Study

Over the years, there have been propositions on the various ways of improving the living conditions of the people living and working in the various parts of the country. Most of the emphasis was on those living in the informal settlements and in slum areas. The National Housing Policy (Kenya 2004) forwards that, improvement of housing for the Kenyan population is major a concern to the government.
In the informal settlements and slums, there has been need by the government to facilitate the access to better living conditions as seen by the Millennium Development Goal 7 target 11 which is;

“To improve the living conditions of about 100 Million people living and working in slums and informal settlements”

To address the above, various programmes have been developed by the Government like KENSUP and Kenya Informal Settlement Improvement Project (KISIP). Part of the programmes have been supported by the world bank, Agence Française de Developpment (AFD), Swedish International Development Agency (SIDA) and International Monetary Fund (IMF) among other donor bodies on the basis that shelter is a right of every individual (The United Nations Committee on Economic, Social and Cultural Rights - General Comment No 4 of 1991).

The UNCESCR General Comment above also proposed that every employer must house his/her staff like the case of Kenya Pipeline Company in Embakasi, Fedha Estate Embakasi, Utawala Estate Embakasi, Kenya Airways staff quarters among others.

Some attempts by the previous regime to provide shelter in the informal settlements did not benefit the intended group of persons like the Soweto High-rise which ended up in the hands of the middle income group.

The study assessed housing co-operative’s role in provision of shelter in the informal settlements and slums. This is in relation to the fact that the
inhabitants of these areas have very low income which cannot help them access the cash purchase houses, loans from banks that have high interest rates, commercial bank mortgages among others. The study is very important to government housing agency and co-operators

1.7 Organization of the study.

The study has been organized into five chapters where chapter one introduces the study in Kenya, the problem statement, the hypothesis, objective, organization of the study and significance of the study. Chapter two is the literature review which looks at the housing co-operatives, housing co-operative studies, the co-operative movement, and sources of finances available for housing co-operatives. Chapter three looks at the research methodology, while chapter four deals with the findings from the field, data Presentation and analysis of the data. Chapter fives contains the summary, conclusions and recommendations.
2.0 Introduction

Despite man’s unprecented progress in industry, education and the sciences, the simple refuge affording privacy and protection against the weather elements (shelter) is still beyond the reach of most members of the human race. The struggle for shelter is a big challenge in the urban population compared to the primitive cultures which have shown a greater capacity for coping with nature’s challenges (Charles, 1964). This is attributed to fast growing urban population which has doubled in a century. Abrams (1964) notes;

“The ever-growing horde descending upon the cities has intensified and will continue to intensify the demand for housing, and it has heightened the competition for wages to pay for homes. The migrant generally arrives without income or skills and often continues to live on a marginal level for most of his stay. As a result street sleeping, slums, overcrowding and squatting have produced a new human predicament in the burgeoning cities”

This is the cause of alarm that various governments around the world have tried to resolve through the various programmes including UN-HABITAT, UNHSP, and UNCHR, among others. These United Nations Bodies champion for housing as a right alongside food, clothing, healthcare, and education. In
Britain for example, the Government passed Housing Finance Act 1972 in order to reduce the cost of Housing to the consumer (Clapham, 1990). In respect of this, a few households were able to purchase dwelling outright from their income and others have gone for the various evolved tenure arrangements that they can reasonably afford to pay. Some households took loans from financial institutions such as banks and building society to pay over a period of years or others by mortgaging (Clapham, 1990).

In most of the urban cities of the world, most people live in deplorable conditions and in particular the informal settlements and slums. This is so because they cannot afford to pay for good rental housing nor can they afford to purchase a good house as the current selling prices as well as the rents are high (www.nation.co.ke). The world’s slums are growing day by day with increase in global urban populations. Indeed, this is one of the greatest challenges we face in the new millennium.

The persistent problems of poverty and slums are attributed to weak urban economies. Urban economic development is fundamental to UN-HABITAT’s mandate (To promote socially and environmentally sustainable towns and cities with the goal of providing adequate shelter for all) which is strong. Urban economies are essential for poverty reduction and the provision of adequate housing, infrastructure, education, health, safety and basic services (UN-Habitat, 2010).

In Kenya the issue of housing has been a thorn in the flesh dating back to independence period. This led to the Government having various interventions
which included formulation of Sessional Paper No. 5 on Housing Policy of 1966/67, the National strategy for Shelter to the year 2000, the Sessional Paper no. 3 of 2004, Draft Housing Bill 2009, Draft Slum Upgrading and Prevention policy and other measures in successive National Development plans. The National Housing Policy recognizes Universal Declaration of Human Rights of 1948. The declaration recognizes the right to adequate housing as an important component of the right to adequate standard of living the International Covenant on Economic, Social and Cultural Rights of 1966, the Istanbul Declaration and Habitat Agenda of 1996 and the Declaration on Cities and Other Human Settlements in the New Millennium of 2001. In all these instruments, housing is understood in the broader context of the shelter fabric together with the living environment.

Access to housing is a major issue. It can be acquired by various individuals through the following ways;

a) Direct cash purchase where the individual pays for all the amount required to own the house at once

b) Tenant Purchase where a household lives in the house that he or she is paying for money as mortgage as opposed to rents. When he/she completes the agreed money, he/she gets a clearance certificate and the ownership is transferred from the seller/developer.

c) Mortgaging through the government approved ways like for Civil Servant Housing Scheme where an individual pays 10% of the total sum and the rest is deducted from his salary via a check-off system.
d) Purchasing the Land and building the structure on your own.

e) Forming a group (Co-operative or self-help Groups) with the aim of acquiring shelter or land to build.

The 5th way (Co-operatives or Self-Help Groups) is the focus of my study and is enshrined in the following policies in Kenya;

i. Sessional Paper No. 5 of 1966/67

ii. Housing Policy, 2004

iii. Kenya Slum Upgrading Implementation Strategy, 2005

The Sessional Paper No. 5 of 1966/67 advocates for housing development through aided self-help and co-operative efforts which means that individuals come together with a common goal of chatting their way forward in helping one another since none of them can raise the required funds at once.

The National Housing Policy Sessional paper No. 3 of 2004 (Under 13-P) proposes promotion of inclusive participation of the private sector, public sector, community based organisations, Non-Governmental Organisations, co-operatives, communities and other development partners in planning, development and management of housing programmes. It further proposes the following for vulnerable groups under 36 (c) to support Housing Co-operatives and encourage them to initiate community-based credit systems.

For the low income groups, it proposes

~ The low - start mortgage scheme or the graduated payment mortgage
Micro financing and informal funding mechanism will be encouraged and harnessed for the delivery of housing for the very low income groups especially in the informal settlements.

As part of the interventions of the KENSUP, co-operatives are to be supported so as to enable the low income communities access housing by mobilizing the resources and further proposes enabling environment for micro-finance institutions to give the communities loan in lower interest rates. This is evident in the performance contracting of the Ministry of Housing 2010/2011, 2011/2012 and 2012/2013 performance documents where they are required to form co-operatives and mobilize/operationalize the savings towards house acquisition.

2.1 Co-operatives and Co-operative Movements

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social, and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise. It is a voluntary association started with the aim of service of its members like a form of business where individuals belonging to the same class join their hands for the promotion of their common goals. These are generally formed by the poor people or weaker section people in the society. It reflects the desire of the poor people to stand on their own legs or own merit. The philosophy of the formation of co-operative society is "all for each and each for all". It is formed with the following as part of the targets.
A co-operative is also defined as a legally incorporated group of people generally of limited means pursuing an economic purpose in which membership is voluntary and its control is democratic, (International Co-operative Alliance 1980). It therefore implies that it is formal organization which its work activities within the organization can be measured by the level of preponderance of rules, regulation and codified jobs that govern members or employees behaviour within the organization.

In the world there have been co-operative movements in various countries like Germany, England, Ireland, Israel, Italy, Sweden, Canada, Denmark, Russia, Japan, and China among others.

A co-operative society is formed behind the following broad objectives.

~ To render service to its members instead of making profits.
~ To encourage a state mutual help in the place of competition.
~ To assure a state of self-help in the place of dependence.
~ To develop a state of moral solidarity in the place of unfair business activities.

There are many co-operatives and among the major ones are:

A. Producer co-operative society: These are formed to eliminate the middlemen and capitalist groups from the industrial production. Its main purpose is to produce goods for the requirements of its members.

B. Consumer co-operative societies: These are voluntary association of ordinary people. They are formed with the objective of obtaining daily requirements of the members.
C. Marketing Co-operative Society: It is the voluntary association of producers. They are formed with the objective of arranging the disposal of their output. It pools together the output of the individual members and arranges to supply the product at highest possible price.

D. Insurance Co-operative Society: This type of co-operative society is formed with the objects of providing group insurance facilities to its members. It makes the contract with sound insurance company on collective terms and conditions and thus pay lower premium rate to insurance company as compared to ordinary policy holders.

E. Credit Co-operative Society: Credit co-operative society is the voluntary association of the financially weak persons organized with the object of providing short term financial requirements to them.

F. Co-operative Farming Society: This form of Society is formed with the object of obtaining the benefits of large scale farming and maximizing agricultural products. It is basically agricultural. Co-operative which is confined to agricultural countries.

G. Housing Co-operative society: It is an association of middle and low income groups of people. Generally it is formed in urban areas. The main purpose of this form of society is to protect its members against exploitation by landlords. It not only grants financial assistance to its members but also achieve the economics of purchase of building material in bulk. In order to become a member of the society one must buy at least one share of the society. The liability of the member is
limited to his capital contributed. It is also called "A Building Society" and may be divided into three types i.e.

a. Housing Building Society

b. Land Society

c. Finance Society

**Objectives of Housing Co-operative Societies:**

i. To receive deposits from its members.

ii. To make loans to its members for the construction of house at low rate of interest.

iii. To render technical services for its members.

iv. To purchase building materials at economical rate.

v. To perform the welfare activities as water supply, roads, sewerage, electricity etc.

The focus of this research is on the Housing co-operatives in facilitating shelter to informal settlement residents.

**2.2 Housing Co-operatives across the World**

The development of housing co-operatives is believed to have started in Denmark as early as 1850 followed by other countries (France, Germany, Australia and Sweden) in the subsequent decades. At this period, they were more private ventures mainly initiated by philanthropists who had been shocked at human misery and degradation brought about by unchecked commercial speculation in housing (Ibid, 1963).
These co-operatives were usually built with some private or public subsidy and required a low initial membership fee. The first significant government program supporting housing co-operative development was the New York Limited Dividend Housing Companies Act of 1927 where thirteen co-operatives were built under this Act. A subsequent New York law, known as the Mitchell-Lama Act, was passed in 1955 and supported the development of 60,000 affordable units, mostly in the 1960s and 1970s. Labour unions and housing activists built 40,000 more units, for a total of 100,000 affordable housing co-operative units in New York State. On a federal level, co-operatives were largely left out of the immediate post-WW II support for affordable housing, but they were included in several important subsidized mortgage programs passed by Congress in the 1960s. By 1995, an estimated 137,000 co-operatively owned affordable units had been built with Federal support in 29 states.

In Costa Rica for example they established Costa Rica’s National Housing Finance System (SFNV) that plays an essential role in the financing of the *Habitat Popular Urbano* program by mobilizing financial resources from the government and directing them towards investment in housing projects. This provides development for housing funds by negotiating on behalf of the government with the micro finances to provide subsidy and soft loans for housing Development, (Imparato and Ruster (2003)

The Los Angeles Government encourages members of housing co-operatives to acquire land and develop it for the benefit of its individual members.
Mutare City Council (Los Angeles) had put in place a policy to encourage housing co-operatives to develop (Mapurisa, 2010). At this moment 34 housing co-operatives have been established in the City of Mutare. The Mutare District Housing Union (MDU) was formed in September 1998, with a current total membership of 2644. Of the total membership, 1644 members (62 %) are male and 1000 members (38 %) are female. It was revealed in the study that there were more male housing applicants in urban areas. This was supported by the findings with the Pay-for-Schemes by Local Authority that showed more males are owners, tenants and applicants for housing than women. The major reason is that, there are more males relocating into urban areas for employment seeking than their female counterparts.

In Germany’s beginning of industrialisation, it is noted to have caused an acute shortage of housing for workers which then aroused self-help efforts among the working class with the help of philanthropists to establish Berlin Building Society for Public Benefit in 1847-48 so as to alleviate the Housing Shortage. Also in 1800’s most of the people in Germany had been indebted by the Jews traders which led to people like Herr Franz Schulze (1808 - 1883) judge and the mayor of Delitzsch, to form famine commission and a charitable bakery to distribute bread to the poor people. Co-operative efforts, however, started with a realization by him of the superiority of self-help and mutual help over charity. In 1849, he established his first friendly society of shoemakers with the object of making purchases of raw material in bulk and supplying it to the members.
Housing Co-operatives Schemes is becoming increasingly obvious that the efforts of the State, local authority and to some extent the private sector schemes, are not doing much to solve the quantitative aspect of urban housing crisis. This is also supported by the principle that the business of every development project is, to a great extent, to identify, strengthen, and mobilize a community’s assets and resources. Moser (1997) defines five constituent elements of the “asset base of the poor”:

- The ability to work
- Human capital
- Shelter (used with great imagination as a productive resource)
- Family relationships and
- Social capital.

Thus shelter is a key asset to the poor and it is considered a major right by The United Nations Committee on Economic, Social and Cultural Rights (UNCESC) in the General comment no. 4 of 1991 on adequate housing which means that it is not only having a roof over one’s head but consider equitable access, affordable in cost, has legal security of tenure, habitable, culturally adequate and has amenities in a closer area that can be reached.
2.3 Housing Co-operatives in Kenya

The Central Government was concerned about maintaining high housing standards and in a circular which stipulated essential elements of minimum standard housing unit build with public funds as early as in 1966 by the National Housing Corporation (Then Central Housing Board). It stipulated that the minimum legal standard housing unit was to be a self-contained two bedoomed unit covering 32.8 sq. metres excluding ceiling electrical wiring and external plastering. This is also expressed in the Development Plans of Kenya of 1970-73 and 1974-78.

As the above was not observed in some instances and could not accommodate all the population, the government embarked on co-operative housing to alleviate the situation by;

1. Mobilizing members savings and thus introducing cheaper finance for housing development
2. Reducing loan administration costs by facilitating disbursement to a group rather to an individual and through collective loan payment
3. Cutting down on waste of building materials
4. Facilitating bulk purchase of building materials

There have been case studies of these housing co-operatives in Kenya which include the Gikomba Housing co-operative Society, Thika Housing Development Co-operative Society and Jubilee building Co-operative Society. These studies, among others recommended that;
Most of these low income housing co-operatives need to be guided in purchasing of land
That site and service schemes could help them as part of equalization with the rich
That they form housing co-operatives and be assisted to develop the lands on which they are squatting
That most of these low-income housing co-operatives be assisted in assess to land as opposed to the present situation where they are competing with those who have.

In view of the above, the Ministry of Housing’s Department of Slum Upgrading facilitates the slum dwellers in to better living conditions as one of their Key Interventions in their KENSUP Implementation Strategy of 2004. In their plans, the government will maintain ownership of the land and may give long-term leases for the new housing units to residents through the housing co-operatives. Residents and structure owners have the option to purchase their units individually or through co-operatives. Once paid for, the government will issue ownership documents for the units to individuals or transfer them from the co-operative to the owner.

On the other hand, the Kenya Government established National Co-operative Housing Union (NACHU) which is the apex of all the Housing co-operatives in Kenya. It serves over 200,000 people through its membership of 512 Housing Co-operative Societies countrywide as at 2005. The development of these housing co-operatives shows an increase from year to year in the table
below from 425 in 1998 to 512 in 2005. NACHU is helping to provide secure tenure and appropriate and affordable housing for over 1,000 individuals in Kenya. Secure tenure is a pressing issue for many of these families, a point highlighted by the forced evictions of 22 families from the Ngumo Mbega slum in November 2011.

Table 2.1: Development of Co-operatives in Kenya (1998 - 2005)

<table>
<thead>
<tr>
<th>Activity</th>
<th>1998</th>
<th>1999</th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coffee</td>
<td>308</td>
<td>335</td>
<td>366</td>
<td>462</td>
<td>474</td>
<td>487</td>
<td>498</td>
<td>523</td>
</tr>
<tr>
<td>Cotton</td>
<td>78</td>
<td>86</td>
<td>86</td>
<td>71</td>
<td>71</td>
<td>59</td>
<td>59</td>
<td>59</td>
</tr>
<tr>
<td>Pyrethrum</td>
<td>66</td>
<td>71</td>
<td>73</td>
<td>152</td>
<td>152</td>
<td>140</td>
<td>142</td>
<td>146</td>
</tr>
<tr>
<td>Sugar</td>
<td>99</td>
<td>108</td>
<td>112</td>
<td>112</td>
<td>112</td>
<td>149</td>
<td>149</td>
<td>152</td>
</tr>
<tr>
<td>Dairy</td>
<td>323</td>
<td>331</td>
<td>337</td>
<td>332</td>
<td>332</td>
<td>239</td>
<td>241</td>
<td>248</td>
</tr>
<tr>
<td>Multi-purpose</td>
<td>1,446</td>
<td>1,504</td>
<td>1,560</td>
<td>1,593</td>
<td>1,608</td>
<td>1,794</td>
<td>1,798</td>
<td>1,818</td>
</tr>
<tr>
<td>Farm purchase</td>
<td>698</td>
<td>717</td>
<td>731</td>
<td>624</td>
<td>624</td>
<td>109</td>
<td>109</td>
<td>111</td>
</tr>
<tr>
<td>Fisheries</td>
<td>74</td>
<td>79</td>
<td>82</td>
<td>82</td>
<td>85</td>
<td>64</td>
<td>65</td>
<td>66</td>
</tr>
<tr>
<td>Other agricultural</td>
<td>915</td>
<td>968</td>
<td>1,002</td>
<td>944</td>
<td>956</td>
<td>1,125</td>
<td>1,154</td>
<td>1,181</td>
</tr>
<tr>
<td><strong>Total Agric.</strong></td>
<td>4,007</td>
<td>4,199</td>
<td>4,349</td>
<td>4,372</td>
<td>4,414</td>
<td>4,166</td>
<td>4,215</td>
<td>4,304</td>
</tr>
<tr>
<td>SACCOS</td>
<td>3,305</td>
<td>3,538</td>
<td>3,627</td>
<td>3,925</td>
<td>4,020</td>
<td>4,200</td>
<td>4,474</td>
<td>4,678</td>
</tr>
<tr>
<td>Consumer</td>
<td>189</td>
<td>194</td>
<td>197</td>
<td>206</td>
<td>208</td>
<td>180</td>
<td>180</td>
<td>181</td>
</tr>
<tr>
<td>Housing</td>
<td>424</td>
<td>440</td>
<td>468</td>
<td>442</td>
<td>440</td>
<td>475</td>
<td>495</td>
<td>512</td>
</tr>
<tr>
<td>Craftsmen</td>
<td>73</td>
<td>91</td>
<td>104</td>
<td>102</td>
<td>102</td>
<td>85</td>
<td>86</td>
<td>88</td>
</tr>
<tr>
<td>Transport</td>
<td>35</td>
<td>36</td>
<td>36</td>
<td>32</td>
<td>32</td>
<td>32</td>
<td>28</td>
<td>28</td>
</tr>
<tr>
<td>Other non-agric.</td>
<td>551</td>
<td>564</td>
<td>573</td>
<td>600</td>
<td>712</td>
<td>1070</td>
<td>1068</td>
<td>1075</td>
</tr>
<tr>
<td><strong>Total non-agric.</strong></td>
<td>4,577</td>
<td>4,863</td>
<td>5,005</td>
<td>5,307</td>
<td>5,514</td>
<td>6,038</td>
<td>6,331</td>
<td>6,563</td>
</tr>
<tr>
<td>Unions</td>
<td>85</td>
<td>89</td>
<td>89</td>
<td>89</td>
<td>89</td>
<td>93</td>
<td>96</td>
<td>99</td>
</tr>
<tr>
<td>Grand Total</td>
<td>8,669</td>
<td>9,151</td>
<td>9,443</td>
<td>9,768</td>
<td>10,017</td>
<td>10,297</td>
<td>10,642</td>
<td>10,966</td>
</tr>
</tbody>
</table>

*Source: Ministry of co-operative Development and Marketing (2006)*
To ensure the sustainability of its projects, NACHU has worked for a number of years to promote financial discipline within the communities. It has helped families to save money and build their credit history and provides financial training to encourage them to diversify their incomes and control their expenditure. Each family has also been encouraged to save for six months towards the cost of their house.

Developing a culture of savings gives families control of their finances and provides greater assurance of them repaying the loans provided through NACHU for their new homes. Building community capacity in this way means that NACHU has only a 5% loan repayment risk in its projects and is on its way to full cost recovery on project costs.

Designed to meet the needs and affordability of each family, NACHU’s projects are a significant step forward for those who would not otherwise have access to financial services to help them improve their living conditions. In Ruai, the Ngumo Mbega and Mutindwa projects, NACHU will house families from three separate housing co-operatives with varying levels of income, and different houses have been designed to reflect this.

Where possible, NACHU is also building cross-subsidy into the projects to increase affordability for residents. It has built nine commercial units for resale on each of the sites at Ruai and Nakuru and, in Kitengela, 24 market housing units will provide up to 44% of cross subsidy for the affordable housing units.
Through working closely with the families and involving them at every step – from selecting land through to managing their communities after relocation – NACHU is helping to build diverse communities with a real commitment to the long-term success of the projects. They have also been supported by the Swedish Co-operative Centre (SCC) which is a non-profit making organization and the major areas of focus up to date have been around:

1. Promotion of housing co-operatives and mobilization of members’ savings

2. Strengthening capacity of NACHU in areas related to governance, leadership, management and administration.

3. Lobbying for enabling policy environment for shelter delivery

4. Integration of cross cutting issues

2.4 Housing Ownership

Although condominiums/flats have dominated the shared interest housing market, co-operative ownership has expanded in several regions and markets. Their financial structure has been designed to limit asset appreciation and to free up cash assets for the owners by requiring a share price that is <$100% of the cost of the unit. This is mostly based on emphasis to strong social networks and self-reliance to a group of people who are concerned about displacement and the loss of control that can accompany aging (Coalition for non-profit Housing, 2004).
In Kenya, condominium is commonly known as Sectional Property under the Sectional Properties Act, 1987 where an individual can get registration/ownership documents for a house that he/she occupies in the flats or condominiums which can be used as security in acquiring loan. In terms of registrable interest sectional property can be freehold or leasehold. It is simply the separation of ownership into individual ownership elements and common ownership elements. This is the better mode of ownership in that they can get loans based on these documents thus investing in income generating activities that can help them service the loans and also repay the mortgage for the housing.

The registration under this act (Sectional Properties Act 1987) is where the documents of ownership of the land/structure are deposited with the financing agency until the last payment is made after which they can now transfer to the individuals or the society/organization.

2.5 Overview of KENSUP Project

Kibera Soweto East was chosen as a pilot project for the Kenya Slum Upgrading programme so as to improve the living and working conditions of people living and working in the urban areas. This is after failure by various non-governmental organizations that have led to varying degrees of impacts and hardly unqualified success. This then led the Government to creating KENSUP by the year 2002 with the main focus on implementing projects that are sustainable, inclusive, democratic, accountable, transparent and that provide communities with improved housing and access to basic services,
secure tenure, and opportunities to create income (Gok, 2005-Implementation strategy.)

The Programme’s institutional structure is composed of Inter-Agency Steering Committee (IASC), KENSUP Secretariat, Project Implementation Unit, Settlement Project Implementation Unit and Settlement Executive Committee in descending order. Housing is the Lead Ministry and others are:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Office of the President (Provincial Administration)</td>
</tr>
<tr>
<td></td>
<td>vi. Ministry of Trade and Industry</td>
</tr>
<tr>
<td></td>
<td>ii. Lands</td>
</tr>
<tr>
<td></td>
<td>vii. Health</td>
</tr>
<tr>
<td></td>
<td>iii. Local Government</td>
</tr>
<tr>
<td></td>
<td>viii. Water and Irrigation</td>
</tr>
<tr>
<td></td>
<td>iv. Roads and Public Works</td>
</tr>
<tr>
<td></td>
<td>ix. Ministry of Information &amp; Communication</td>
</tr>
<tr>
<td></td>
<td>v. Finance and Planning</td>
</tr>
</tbody>
</table>

The Programme is to develop housing and associated facilities in Soweto East which include schools, roads, street lights, community halls, Youth centres, medical facilities and commercial shops in the area. The project in the need for full provision of these facilities concluded that it was not possible to upgrade the facilities in situ because it requires 100% displacement. To resolve this, ministry and the community’s SEC, which is an institutional organ under KENSUP, considered options to relocate the people and settled on a five acre land that had been donated to the Ministry of Housing for upgrading by Ministry of Home Affairs – Langata Women Prison.

To achieve this, the Ministry built houses (Decanting Site) so as to act as temporary holding ground for residents as the houses in the redevelopment site
were being built. This was completed by the year 2009 and relocation was due on 23rd December, 2009 but was stopped by a court case of structure owners who did not want their houses to be demolished. Later the court ruled in favour of the Government and the people relocated to the decanting site as the area was cleared for redevelopment during ground breaking officiated by the former Head of State Mwai Kibaki, on 6th March 2012. (Ministry of Housing Website)

When the houses will be complete the community will be allowed to buy them after payment of 10% of buying price while the rest can be paid later through monthly instalments.

Map 2.1 Decanting Site

Source: Edited by Author from Google map, 2013
2.6 Housing co-operatives by KENSUP

KENSUP envisaged the use of housing co-operatives as the means by which community funds will be mobilized, define ownership and general tenure arrangements. The formation of housing co-operatives by KENSUP and Ministry of Co-operative Development and Management started in the year 2007 and to date, 25 housing co-operatives have been formed. These are

i. 4 No Housing Co-operatives in Kibera Soweto East (Zone A, Zone B, Zone C and Zone D)

ii. 6 No. Housing Co-operatives in Mavoko (Ngalawa, Kinavae, Kikwaka, Old Mlolongo, Kafema and Jambakwaka)

iii. 2 No. Housing Co-operatives in Kisumu (Nyallenda and Bandani)

iv. 2 No. Housing co-operatives in Mombasa (Bombomkuzi and Kisimani-VOK)

v. 2 No. Housing co-operatives in Nyeri (Transformer and Witemere)

vi. 2 No Housing co-operatives in Embu (Grokasha and Dasta)

vii. 1 No. Housing Co-operative in Tigoni – Limuru

viii. 3 No. Housing Co-operatives in Eldoret (Huruma, Munyaka and Kamukunji)

ix. 3 No. Housing Co-operatives in Kakamega (Amalemba, Bondeni and Alkarim/Majengo)
2.7 Conceptual model

**KENSUP Components**
1. Implementing Organs
2. Stakeholders
3. Community

**Slum Upgrading Interventions**
1. Social infrastructure development
2. Physical infrastructure development
3. Structure reconstruction that involves relocation

**Requirements of saving culture**
1. Saving culture
2. Community Sensitization and Mobilization
3. Accountability
4. Integrity of leaders
5. Partnering with Financial institutions

Housed Nation with improved tenure security
CHAPTER THREE

STUDY AREA AND RESEARCH METHODOLOGY

3.0 Study Area

3.0.1 Geographic Location and Brief History of Kibera

Kibera Soweto East is located in Kibera Division, Nairobi City County in Kenya. It is one of the villages in Kibera Division and borders Dagoretti to the West, Central Division to the North and Embakasi Division to the west. It borders Kajiado District to the South. Other villages include Kianda, Gatwekera, Kisumu Ndogo, Lindi, Laini Saba, Silanga, Makina and Mashimoni. It is located about 3.1 miles from the city centre. It is one of the largest slums in Nairobi and the largest urban slum in Africa. The 2009 Kenya Population and Housing census reports that Kibera’s population is 170,070.

Map 3.1 Study Area (Kibera Slum)

Source: Google Mapmaker, 2013
Historically, Kibera was a military Reserve administered by the Kings African Rifles (KAR) and was later given to the Nubian soldiers from Sudan after the First World War in return of their efforts. Kibera is a Nubian word for “forest or jungle”. The British colonial government of the time allowed the settlements to grow informally, primarily because of the Nubian’s status as a former servant of the British crown. After Kenya became independent in 1963, a number of forms of housing were made illegal by the government. The new ruling affected Kibera on the basis of land tenure, rendering it an unauthorized settlement. However developments have continued over time with the Nubian

Source: GoK, Ministry of Housing, 2010
leaders claiming the whole land but the government maintains it is a public land.

Kibera Soweto East has a population of 21,354 as per the enumeration of 2005 by the physical planning department of Ministry of Lands (18,876 tenants and 2,478 structure owners).

3.1 Research Methodology

3.1.1 Introduction
The study outlines how the research study was conducted. It includes the design, population, sample and sampling method, data collection, data analysis and presentation.

3.1.2 Research Design
The study sought to analyse the monthly contribution to co-operatives by Kibera’s Soweto East informal settlement residents. To achieve this, the primary data from the field gave first-hand information about the residents and the challenges facing them in contribution to the co-operatives.

The secondary data was collected from documented information on the informal settlement and any actor in the area. This included previous studies on housing, co-operatives and Housing co-operatives. The study analysed the information done on the co-operative movement in the World which included Germany, France, Costa-Rica, Los Angeles, England, Ireland, Israel, Italy, Sweden, Canada, Denmark, Russia, Japan, and China. It also informed the studies on the low cost housing units in Kenya and across the world. Special
emphasis was placed on housing for low income groups in the slum areas in Kenya which include Korogocho, Mathare and in particular Kibera Slum.

3.1.3 Population
The study was carried out in Kibera Soweto East where four co-operatives namely; Kibera Soweto East Zones A, B, C and D are being supported by the Ministry of Housing and Ministry of Co-operative Development and Marketing. The area has a population of 21,354 persons who are eligible to register and benefit from the Kibera redevelopment project by KENSUP.

3.1.4 Sample Size and Sampling Procedure
The sample comprised of 30 respondents sampled from level to level and based on quota sampling where 2 more questionnaires were administered to Zone A while others had only seven respondents. This small number is as a result of time constraint.

In administering the questionnaires to the co-operative members, purposive sampling was used whereby those selected must have registered as co-operative members of either Zone A, Zone B, Zone C or Zone D. It was administered to those who have their National ID and those who don’t have (Those who were registered under the guardianship of their parents or other relative because they had not attained the age of 18 years as at 2005 when enumerations was done) but are enumerated as beneficiaries.
3.1.5 Data Collection
Qualitative and quantitative data was collected from key informants, using primary and secondary data collection tools. The study employed semi-structured questionnaires for the housing co-operative members, their officials and KENSUP officers to elicit data in accordance with the research questions. The questionnaires were administered by hand to enhance probing and enough time was given to respondents to answer. Then the questionnaires were examined to ensure that they were fully filled. Field observations and image capturing was used in comparing housing qualities.

3.1.6 Data analysis and presentation
The data collected was edited for accuracy, consistency and completeness. The data was then coded and cross-tabulated to enable the responses to be statistically analyzed. Descriptive statistics was used to analyze data by way of percentages. The results were presented using tables ad charts.
CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.0 Introduction
This chapter presents the findings of the study and attempts to answer the research questions posed by the study at the onset.

4.1 Kibera Soweto East Housing Co-operatives

4.2.1 Kibera Soweto East Housing co-operatives Formation.
The four Housing co-operatives in Kibera Soweto East were formed basing on the regions that were demarcated by the physical planning department of the Ministry of lands. The area was Marked as Zone A, Zone B, Zone C and Zone D after the enumeration that gave rise to a total of 21,354 persons by 2005. One becomes a member after payment of membership fee of KES. 20 in a co-operative of their respective zone.

4.2.2 Monthly Contribution
After one has joined the co-operative as a member, he or she is given the account number of the co-operative and the Branch to deposit his/her monthly savings. It was found out that the co-operators in the four co-operatives had agreed that the minimum savings per person is KES. 10 which accumulates to 300/= shillings per month and 3,600/= per year.
The co-operatives have devised a scheme whereby each co-operative is allocated a day to collect the members contribution. This is called for because
the three co-operatives share the same office at Kibera’s Laini Saba. For those who are able to go to the bank, they deposit their bank slips while those who are not able can pay cash to the treasurer on the allocated day. The days are

1) Kibera Soweto East Zone A Housing co-operative – Monday
2) Kibera Soweto East Zone B Housing co-operative – Tuesday
3) Kibera Soweto East Zone C Housing co-operative – Wednesday
4) Kibera Soweto East Zone D Housing co-operative – Thursday

4.3 Demography and Social profiles

4.3.1 Gender

In terms of gender 58.30% of the population in the area are male while 41.70% are female. This is attributed to the male leaving their families in the rural as they come to look for jobs. When they get employed, to which most find them at the industrial areas, they do not like inviting them over because of low wages and cost of living. They then to live in the informal settlements and slums because they can afford house rents in these areas and its proximity to their workplaces.

Table 4.1 Age Ratio Table

<table>
<thead>
<tr>
<th>Age Bracket</th>
<th>No</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>10-20</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>21 – 30</td>
<td>10</td>
<td>25</td>
</tr>
<tr>
<td>31 – 40</td>
<td>18</td>
<td>45</td>
</tr>
</tbody>
</table>
In terms of age, majority of the residents are aged between 31 – 40 years which is about 45% while the elderly, >60 years are lowest at 2.5%. Cumulatively 75% of the population are less than 50 Years which means they are still in employment thus demand for housing are high.

Table 4.2 County of Origin

<table>
<thead>
<tr>
<th>County of Origin</th>
<th>No</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nairobi</td>
<td>6</td>
<td>20%</td>
</tr>
<tr>
<td>Others</td>
<td>24</td>
<td>80%</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2013
From the table above, about 80% of the residents in the study area are immigrants from other counties who moved into the area in search of employment and affordable urban services. Therefore they are the tenants in the region though the area has a lot of absentee structure owners.

### 4.4 Enumeration

All the interviewed persons were enumerated by the Physical Planning Department of Lands Ministry to identify beneficiaries in the year 2005. They are thus entitled to benefit from the programme. This is one of the qualifying conditions under the KENSUP programme criterion. After enumeration, each of the beneficiaries was issued with a unique id card bearing his photo and other bio data.

![Sample ID that they were issued during enumeration](image)

Table 4.3 Enumeration

<table>
<thead>
<tr>
<th>Co-operative</th>
<th>Zone A</th>
<th>Zone B</th>
<th>Zone C</th>
<th>Zone D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enumerated</td>
<td>9</td>
<td>7</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td>Un-enumerated</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2013
4.5 Housing Co-operative Membership

Table 4.4 indicates that the percentage of the registered co-operators is far below a quarter of the total population.

Zone A 19.96%, Zone B 18.44%, Zone C 23.16% and Zone D 17.10%. Thus if the government is to achieve the target of housing this communities, it has to do more sensitization otherwise the process may not achieve its mission.

Table 4.4 Registration

<table>
<thead>
<tr>
<th>Co-operative</th>
<th>Zone A</th>
<th>Zone B</th>
<th>Zone C</th>
<th>Zone D</th>
</tr>
</thead>
<tbody>
<tr>
<td>Active</td>
<td>196</td>
<td>90</td>
<td>280</td>
<td>120</td>
</tr>
<tr>
<td>Dormant</td>
<td>1271</td>
<td>888</td>
<td>587</td>
<td>728</td>
</tr>
<tr>
<td>Total Registered</td>
<td>1467</td>
<td>978</td>
<td>867</td>
<td>848</td>
</tr>
<tr>
<td>Population of each Zone</td>
<td>7349</td>
<td>5303</td>
<td>3744</td>
<td>4958</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2013

4.6 Source of Income

From the foregoing it is evident that about 70% are casual labourers while those in permanent are at 10%. This shows that most of the residents are in non-permanent jobs and are thus un-reliable. It was also found that the area has some water and sanitation Kiosks (WATSAN) where those working in them are the members of the informal settlements. Instead of paying wages to those working in the water kiosks, toilets and Bathrooms, WATSAN pays to their respective cooperatives. This is on top of their payment either from salaries (Employed) or wages (Casual)
Table 4.5 Income Source

<table>
<thead>
<tr>
<th>Income source</th>
<th>No of persons</th>
<th>Income Source %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employed</td>
<td>3</td>
<td>10</td>
</tr>
<tr>
<td>Casual Labour</td>
<td>21</td>
<td>70</td>
</tr>
<tr>
<td>Business</td>
<td>6</td>
<td>20</td>
</tr>
<tr>
<td>Donations</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Top-up from WATSAN</td>
<td>5</td>
<td></td>
</tr>
</tbody>
</table>

*Source: Field Survey, 2013.*

4.7 **Monthly Payment to the Co-operative**

The table gives an indication that about 40% pay less than KES. 100/= monthly contribution. This means the annual payment is 12,000 or less. More than 73.33% pay less than KES. 1500 while 83.33% pay less than KES. 2000.

It is also indicated that less than 93.33% pay less than KES. 5000.

On the other hand 16.67% of the residents pay more than KES. 2000 and this accumulates to more than KES 24,000. This amount is expected to be collected annually from each of the community member.
Table 4.6 Monthly Payments

<table>
<thead>
<tr>
<th>Amount (KES)</th>
<th>Number of Persons</th>
<th>Percentage</th>
<th>Cumulative %</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;100</td>
<td>1</td>
<td>3.33</td>
<td>3.33</td>
</tr>
<tr>
<td>101 – 500</td>
<td>3</td>
<td>10.00</td>
<td>13.33</td>
</tr>
<tr>
<td>501 – 1000</td>
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<td>40.00</td>
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<td>10</td>
<td>33.33</td>
<td>73.33</td>
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</tr>
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<td>2001 – 5000</td>
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<td>10</td>
<td>93.33</td>
</tr>
<tr>
<td>&gt;5000</td>
<td>2</td>
<td>6.67</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Source: Field Survey, 2013

However from the previous value of a unit in the Decanting site that comprises of three rooms, a Kitchen, Bathroom, one balcony and a toilet, it came to about KES 850,000. GoK (2010b). With the current plan that the programme (KENSUP) is introducing the community to NACHU, K-REP and Equity, the amount that each person can be guaranteed is at most five times. This means that they require to have saved at least KES 170,000 (One Hundred and Seventy Kenya Shillings).

In Zone A where the project targets to be the first beneficiaries, the monthly contribution had changed since the ground breaking of the redevelopment area. The reason given was that most of the respondents did not believe that it could be the case. They had feared it might go the high-rise way which ended up benefiting the middle income group. Most of them also attributed the increase in savings to the constant involvement with the Settlement Executive
Committee (SEC) that represents the ideas and opinions of the people to the ministry officials. The same group had facilitated the construction of the spine road that connects the estate to Mbagathi road and is projected to go all the way to Karanja Road thereby opening up all Kibera’s Slums.

Figure 4.1 Lang’ata Public Housing site


From the records it was found out that over fifteen persons have saved more than one thousand in Zone A and others have been increasing their monthly contribution in all the areas after the construction started. It was also observed that some people have been paying lump sum contributions towards owning the houses after the relocation.

4.8 Challenges of co-operatives in Kibera
It was found out that most of the people are neither in the co-operatives nor registered mainly as a result of the following challenges;
i. Lack of Information

Most of the people who have not joined lack information on the existence of the co-operatives despite the fact that some SEC members claim to be involving everybody in the settlements. They claim that most of them go to work very early and come back late in the evening very tired and may not have time to interact with others.

ii. Corruption

Some of the residents fear the issue of money swindling as some of the officials collect cash monies which they may not remit to the co-operatives. They also suspect that even if a receipt is issued to them, it may not be genuine as they do not trust them. This is still so despite sensitization by the Ministry of Housing and Ministry of Co-operative officials.

iii. Financial Instability

Since most residents do not have permanent jobs, the little they get from daily work is used on food and payment of rent and have very little to save which could be taken to the co-operatives.

iv. Role of co-operatives in the programme

It was indicated that some of the residents do not understand the role of co-operatives in the KENSUP programme and thus could not see the need to save.
v. Piecemeal nature of the relocation

With the pace that the upgrading is going on, some residents believe that the programme still has a long way to go and thus they need not to hurry. This was so evident in Zone D which project that it may reach their Zone after 8 - 9 years. It is projected by KENSUP that each zone will take three years to be redeveloped.
CHAPTER FIVE

CONCLUSIONS AND RECOMMENDATIONS

5.0 Conclusions
Based on the responses it is evident that there is low intake of the people on the co-operative by the residents in the informal settlements. Another key area of concern is the low savings being made by the people in the settlements which mean the programme may not achieve its goal in the end. This is attributed to the casual labour and fluctuates from season to season. It is also indicted that the sensitization of the co-operatives must be done wholesomely so that every individual is aware of the programme and the role of the co-operatives in the shelter provision.

Another conclusion is that there are people who were enumerated in the programme and have either got jobs in other areas outside Nairobi but are still in the data that was collected 2005. This is coupled with the relocation problems as noted from the field that some residents in the decanting site and have not been saving which puts the project at risk of implementation since they have not saved. When the houses will be complete and allocation done, they will be left hanging as the decanting site is to be occupied by the residents of Zone B whose area is planned for the next re-development.

5.1 Recommendations

There should be a better system of identification that indicates the spatial location of the households. The Settlement Executive Committee (SEC)
should be recognized and its mandate well defined so as to reduce the overlapping of roles among the various organs of the programme.

There should be regular sensitization workshops for the residents on the issue of co-operatives, the importance of co-operatives in the KENSUP programme. Communication with the community should be relooked in that most of the informal settlements inhabitants are not educated and KENSUP should consider Kiswahili in holding its meetings on cooperatives. This will improve the adaptability and acceptability of cooperatives and the programme in General.

The community should be fully involved in the activities of the KENSUP programme so as to gain the spirit of ownership. This reduces the cases of vandalism of common resources. The capacity of the SEC should be improved so as to be able to carry out all the community project activities since they understand the community issues better.

On the improvement of the general living conditions, the programme experiences funds shortage in the budgetary allocation after some development partners withdrew their funding. This should be focussed by the county government in aligning it to the Constitution of Kenya where housing is left to the county while policy is left to National Government.

Tenure regularisation should be fast tracked in the informal settlements so that developers can put on permanent structures as security of tenure is ensured. This also helps them to access loans for development as the Title Deed can be used as security in getting loans.
The government should consider adding funds to programmes in the informal settlements to provide physical infrastructure (Sewer, roads security lights, drainage) which in turn can attract developers on real estate.

On a long term recommendation, the programme should develop a system that monitors individuals in one slum and their general movement so that we reduce the cases of professional slum dwellers that target to benefit and then move to another slum. If this is not followed then we could be moving in cycles that are endless (Like domesticating the Singaporian Method where an Individual is identified with only one number for everything like Bank, Employment among others)

**Areas of Further research**

i. Other ways of the accessing shelter by those residents of informal settlements

ii. Better communication to the informal settlements other than the use of the SEC.

iii. Data inventory and management that monitors movements and offspring’s so that nobody benefits twice from the same programme
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APPENDICES

APPENDIX 1
Questionnaires to Kibera Soweto East Co-operators

This questionnaire is aimed at investigating the sustainability of the housing co-operatives in provision of shelter in the slums (Kibera case) and informal settlements. The questionnaire is being administered for academic purpose only and the information obtained will be confidential.

Your assistance will be highly appreciated

Section A (Tick a box or bracket)

1) Name (Optional)……………………………………………………………

2) Marital status ……………………………………………………………

3) Gender: Male ☐ Female ☐

4) Age Bracket 10-20 ☐ 21-30 ☐ 31-40 ☐ 41-50 ☐ 51-60 ☐ Over 60 ☐

5) Were you enumerated? Yes ☐ No ☐

6) Place of Birth (County)…………………………………………………………

Section B Co-operative

7) Co-operative member
   a) Are you a member of co-operative? Yes ☐ No ☐
   b) Which Zone? ……………………………

8) When did you join? ……………………………

9) Were you forced to join? Yes ☐ No ☐
10) What was the objective of you joining……………………………………………………………………………………………
…………………………………………………………………………………………...

11) Source of income
a) What is your source of income? ………………………………………

b) Other than the above source is their another source for you income to the co-operative? …………………

c) If yes, what is the name

12) Payment to the co-operative
a) Have you been paying to the co-operative

b) If yes how much per month? ………………………………………

c) Is the monthly payment regular? 

13) What is the average income you earn per month?

<table>
<thead>
<tr>
<th>Below KES. 2,000</th>
<th>KES. 10,001 to 15,000</th>
</tr>
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<td>KES. 40,001 to 45,000</td>
</tr>
<tr>
<td>Over KES. 45,000</td>
<td></td>
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</tbody>
</table>

Section C Rent

14) Have you been paying Rent? ………………………………………
15) If Yes how Much? .................................

16)  a) Have you ever defaulted the rent payment? ...........................

       b) If Yes for how long?

Section D House need

17) What house sizes are available for your purchase under the slum upgrading exercise?

       a) One Bedroomed house

       b) Two Bedroomed house

       c) Three bedroomed house

       d) Any other ..............................

18) What size would you consider buying? .................................

19) Are you aware of the expected sale price of each of them?  ..............

       ........................................................................................................

20) With your saving can you raise the required 10%?  ......................

21) If no what option is available for you to acquire the house?

       ........................................................................................................

22) In your opinion do you think you can achieve?

       ................................................

       ........................................................................................................

       ............

       ........................................................................................................

       ............


Thank you for your cooperation
APPENDIX 2
Questionnaires to Housing Officers (Slum Upgrading Department)

This questionnaire is aimed at investigating the sustainability of the housing co-operatives in provision of shelter in the slums (Kibera case) and informal settlements. The questionnaire is being administered for academic purpose only and the information obtained will be confidential.

Your assistance will be highly appreciated

Section A (Tick a box or bracket)

1) Name (Optional) ........................................................................................................

2) Designation ..............................................................................................................

3) Gender: Male ☐ Female ☐

4) Have been involved in the Kibera project? ............................................................
   a) If yes in what role do you play? ..............................................................................

5) Have you been involved in housing co-operative activities?  
   Yes ☐ No ☐

6) Have they being paying to co-operatives consistently?  
   Yes ☐ No ☐

7) After the relocation to the decanting site, have they been continuously paying? If yes how much? .................................................................

.........................................................................................................................

.........................................................................................................................
8) When the Houses will be complete, who are the target beneficiaries?

.................................................................

.........

9) What criteria will be used in the allocation of the developed houses?

.................................................................

.................................................................

.............

10) In the past, there have been cases where the target group of people have not benefited as it goes to the middle income, what mechanisms have they put in place to address this?

.................................................................

.................................................................

.............

11) Is there a percentage of money that one is required to have so as to secure the house?

.................................................................

.................................................................

.................................................................

.................................................................

.............

12) Is there a provision for rental houses as some people may not be willing or may not guarantee the monthly instalments?
13) Measures to curb further informal development

a) What will happen to those who will not buy nor rent houses? Won’t they develop another slum? ..............................................................

b) What mechanisms have they put for those who will not buy nor borrow to avoid further slum development? ..............................................................

14) On a scale of 1-5, do you consider the process of housing a success? ..............................................................................................

Thank you for your time.
APPENDIX 3

Questionnaires to the co-operative officials

This questionnaire is aimed at investigating the sustainability of the housing co-operatives in provision of shelter in the slums (Kibera case) and informal settlements. The questionnaire is being administered for academic purpose only and the information obtained will be confidential.

Your assistance will be highly appreciated

Section A (Tick a box or bracket)

1) Name (Optional)……………………………………………………………………

2) Position ………………………………………………………………………

3) Gender: Male □ Female □

4) Have been involved in the Kibera project?........................................
   a) If yes what role do you play?
   ...........................................................................................................
   ...........................................................................................................
   ...........................................................................................................

5) Have you been involved in housing co-operative activities?
   Yes □ No □

6) Have they been paying to co-operatives consistently?
   Yes □ No □

7) On a scale of 1-5, do you consider the process of housing a success?
   ...........................................................................................................
   ...........................................................................................................
   ...........................................................................................................
8) Financial Institutions

a) Are their financial institutions that you have approached to subsidize for the housing co-operatives?...........

b) If they are, name them and the interest rate

i) ..............................................

ii) ..............................................

iii) ..............................................

c) In what multiple to they give? .........................

Thank you for your time.
APPENDIX 4

Source: Kensup 2007