ANALYSIS OF HOUSING BUDGET IMPLEMENTATION AND DEVELOPMENT MILESTONES IN ANAMBRA STATE, NIGERIA

***UGOCHUKWU S.C.[1], OKOLIE K. C.[2], ALINTAH-ABEL U. V.[3] & KEKE O. V.[4]**
[1]Department of Quantity Surveying, Nnamdi Azikiwe University, Awka.
[2]Department of Building, Nnamdi Azikiwe University, Awka.
[3]Department of Quantity Surveying, Enugu State University of Science and Technology, Agbani.
[4]Department of Estate Management, Nnamdi Azikiwe University, Awka.

ABSTRACT
Implementing a housing budget is critical to housing delivery because it is the financial instrument with which the government executes the housing infrastructure needs of the society. In spite of rapid urbanization and the crucial role housing plays in economic development and improving the living standards of the citizens, Anambra State's public sector still grapples with poor implementation of its annual housing budget which reflects in the extent of housing development. The study was therefore aimed at analyzing the rate of housing budget implementation and development milestones of housing estate schemes in Anambra State. Budget data from 1999 – 2016 and housing development data was obtained via oral interviews and physical observations from the Ministries of Budget and Economic Planning, Housing and the Housing Development Corporation and analysis was carried out simple percentages, frequencies, Pearson correlation with the aid of MS-Excel and E-views 7 econometric. Results revealed that the housing budget of Anambra State is grossly under- implemented at a rate of 26.6%, implying that it is a non-priority sector of the Anambra State government. Furthermore, results from analysis of development milestones showed that the progress of housing estate schemes was marred mainly by non-release and delays in release and misuse of funds for projects and unethical practices, thereby recording generally low success rates of development of an average of 40%. For substantial implementation of the housing budget to be achieved, the study recommends budget discipline, early authorization, release and monitoring of housing funds, regular project monitoring, community based supervision and prompt payment to contractors.

KEY WORDS: Anambra State, Budget Implementation, Housing Budget, Housing Development, Nigeria,

INTRODUCTION

Proper utilization of financial resources for projects is a crucial decision for actualizing the corporate objectives of private and public organizations. The budgeting process is employed to integrate these decisions (Fort, 2012). Budgeting in the public sector or government establishments is concerned with enhancing the welfare of citizens; via the provision of infrastructure and services for the people. Meyers (1999) emphasizes that, because time and wealth are scarce resources to all organizations, including the government, effective utilization of these resources requires careful planning and control, hence, the need for an effective budgeting implementation to ensure provision of scarce resources to vital sectors of an economy.

Budgeting in its generic sense is defined as a financial and quantitative statement, prepared and approved prior to a defined period, of the policy to be pursued during that period, for the purpose of attaining a given objective (Chartered Institute of Cost and Management Accountants (CICMA), 2003). However, government or public budget is more encompassing; it not only contains estimate of incomes and expenditure (Federal

Government of Nigeria, 1999), but also proposes policy thrusts particularly with regards to the direction which the economy is expected to follow (Altinyele, 1980).

The public budget plays an important role in the economy. According to Aderibigbe (2012), the role of a budget in an economy cannot be overemphasized, because it is an important tool for economic planning, resource mobilization, allocation and control. Fort (2012) surmises that a public budget is a very important tool for financial planning, economic policy and development and is regarded as the most crucial instrument for governance. This is because it not only provides leaders access to state resources, it also sets out a platform for allocating these resources for the welfare of the people. Budgets are critical for the performance of the primary function of every government, which is to provide public goods and services (welfare) as enshrined in the constitution.

A budget constituent of the Nigerian government, at both the federal and state levels in its annual budget exercise, is the provision of housing. Housing (shelter) is undoubtedly a major welfare concern to the inhabitants of any geographical location on earth. It is of supreme importance to man and one of the best indicators of a person's standard of living and his place in society (Ugonabo and Emoh, 2013). It is unarguably one of the basic necessities of man and ranks second after food in the hierarchy of man's needs. However, according to Ebie (2009), it is the first and most important of all rights.

Ebie (2009), states that housing, in all its ramifications, is more than mere shelter. It embraces all social services and utilities that make a community or neighbourhood a livable environment; which makes it a human right. This position is reinforced by section 16(1)(d) of the 1999 constitution under the Fundamental Objectives of State Policy, which compels the Nigerian State "to provide suitable and adequate shelter for all citizens". It reinforces the call for public sector driven mass housing provision in Nigeria. Over time, the need for adequate shelter has continued to attract global attention especially in developing countries where the urbanization process has been growing at an alarming rate (Jiboye, 2009; Omoniyi & Jiboye, 2011).

Nigeria, like other developing countries is saddled with uncontrollable growth of the urban population caused by lack of provision of infrastructural facilities. The proportion of the Nigerian population living in urban centres has increased phenomenally from 7% in the 1930s, 10% in 1950, 20% in 1970, 27% in 1980 to 35% in 1990 (Okupe, 2002). Over 40% of Nigerians now live in urban centres of varying sizes. The incidence of this population in urban centres has created severe housing problems, resulting in overcrowding in inadequate dwellings, and has resulted in a situation where 60% of Nigerians can be regarded as "houseless persons" (Federal Government of Nigeria, 2004).

The foregoing gory picture of housing in Nigeria applies to a high extent to Anambra State, in the south-eastern geo-political zone of the country, which makes the State a peculiar one of focus. The 2006 National Population Census established that Anambra State has a population of 4,182,032 which makes it the 9th most populous State in Nigeria (National Population Commission (NPC), 2006). The State population was also projected to be 5,073,868 by the end of 2013 using the 2.8 % population growth rate of the 2006 census. The State is also experiencing rapid urbanization and because of its relatively small land mass, it is becoming one huge urban area.

According to the National Bureau of Statistics (NBS) (2006), Anambra State is the second most urbanized state in the country having 62% of its total population living in urban areas. Consequently it has one of the highest population densities in Africa and the second most densely populated state (1,500 – 2000 persons per square kilometer) in Nigeria. These situations have resulted to challenges of inadequate and unaffordable housing for the inhabitants, especially the poor and low-income groups, thus leaving the state in dire need of mass provision of housing facilities for the residents. The Demand for better housing units,

especially in the urban centers of the State has been on the increase. In plain language, the demand for houses out-stretches the supply **(**Anambra State Government, 2009).

To corroborate this ugly scenario, Okoli (2007) stressed that since its creation, Anambra has been faced with the housing problem. The problem is so pronounced, that over 75percent of the state workers still operate from Enugu State; a journey of at least one hour to Awka and other cities outside the state capital. This has led to low productivity, lateness and truancy. Some government agencies and parastatals still operate from rented buildings.

To compound these challenges, Anambra State still grapples with poor budget implementation **(**Anambra State Government, 2009a) due to insufficient time for budget preparation, incomprehensive needs assessment, poor allocation, bureaucratic bottlenecks and delays in relays in release of funds for housing projects, extra budgetary expenditures, lack of effective citizen participation, poor project monitoring, ineffective mechanism for evaluating the efficiency of utilization of housing funds, delays in payment to contractors and unethical practices. These have impacted negatively on the housing sector and contributed to denying the residents the benefits of housing delivery schemes.

The problem of housing is obviously a global one. The housing need of every single individual or organization may be impossible to meet, since financial resources are limited. This study however argues effective budget implementation in Anambra state influences the delivery and availability of housing. Housing budget implementation in Anambra State can thus be improved, to make housing available and alleviate the plight of the citizenry.

Aim and Objectives of the Study

The aim of this research is to analyse the budget implementation and development milestones of housing projects in Anambra State, Nigeria from 1999-2016. The following objectives are the premise for achieving this aim:

(i) To compare the annual housing budget allocation and annual housing expenditure of Anambra State from 1999- 2016.

(ii) To assess the extent of development and success rates of housing schemes in Anambra State.

3. Hypothesis

The following hypothesis is postulated for this study:

H_0: There is no significant relationship between the annual housing budget allocation and annual housing actual housing expenditure in Anambra State.

Literature Review

Housing budgeting essentially relates to housing procurement through budgetary allocation. The Economic and Social Rights Centre (2013) asserts that housing budgeting is aimed at enhancing the realization of the right to adequate housing ownership. This is in view of citizens' constitutional right to adequate shelter and a healthy living environment at affordable cost to all socio-economic groups, particularly the low-income earners. An appraisal of the budgetary allocation for housing can be a starting point for the analysis of whether or not the government is doing enough within its power to fulfill its obligations and enhance the attainment of this right, hence, financing of physical infrastructure for public housing sector in order to ensure successful housing delivery is substantially through budgetary allocations of the government.

Results of a study carried out by Mac-Barango and Shittu (2017) revealed that a strong positive relationship exists between budgetary allocation and prices of building materials from 1994 - 2004, implying that the budgetary allocations to the housing sector can be predicted using values of the prices of the building materials. According to Mogbo (2001),

wrong appraisals of the during a budgeting exercise for infrastructure in the public sector, is a major cause of poor performance that arises from inadequate budgeting and that budgetary financing correlates with physical infrastructure. Anyadike (2002b) articulates reviews emphasizing budgetary planning as a tool for rational allocation of financial resources in the housing sector. Alagidede (2012) also observes that government can, through its policies, either retard or stimulate the economy. It is able to achieve this through spending on physical infrastructure. Thus, the pace and pattern of investment in housing construction sector is critical, the sector establishes a number of inter sectoral linkages of the economy and produces multiplier effects.

Budgetary allocations involve an analytic review process that translates the requirements and needs of the housing sector to financial and economic terms. Alagidede (2012) posits that the needs and requirement of the physical construction sector are labour, material and equipment which translate the techno-economic specifications produced, by the architectural, engineering and design services into concrete physical entities. Anyadike (2000), concludes that a thorough analysis of constituents' of projects and their resources requirements form a good basis for budgetary allocation and also cautions that budgetary allocation should not be undertaken without appropriate plans for continuous funding to completion.

Mogbo (2001),links inadequate budgeting by the public sector to the low level of implementation of infrastructural development and emphases that the poor performance is caused by budget deficit. Uncompleted projects and outright abandonment are some of consequential effects which the lack of connectivity between the budget sizes and projects, they are expected to finance can cause (Alagidede, 2012). These observations are in line with that of the Economic and Social Rights Centre (2013) where one percent of the national budget was allocated to the Ministry of Housing in Kenya. This was grossly inadequate to deal with the herculean task of providing housing, especially for to the growing numbers of the poor and middle income groups. In an attempt to address this issue, the Ministry of Housing proposed far-reaching changes to the Housing Act to commit a higher percentage of annual national revenues to finance housing development

Results of housing budget studies carried out by the Economic and Social Rights Centre (2013) in Kenya, revealed that: (i) despite housing being an indispensable part of human dignity there has been inadequate budgetary allocation for the provision of affordable housing, especially for the poor (ii) over time, the financial resources that have been allocated to the sector have been inadequate when compared to the required financial resources (iii)spending of budget allocations to the sector are bedeviled with myriads of challenges including; perpetual annual under-expenditure, under-collection of earmarked Appropriations, unsupported and unvouched expenditure (iv) there is lack of transparency in budget information from the housing sector. A review of budget information for housing from fiscal year 2007/08 reveals that detailed documents on housing financing are not available to the public. The readily available information is just estimates of expenditure books; which are highly aggregated and written in technical and sophisticated budget language (v) it is difficult to fully analyze the 2013/14 budget as it is highly aggregated, without any details of expenditure in the mentioned programs and (vi) the budget information is not in line with the constitutional requirements for transparency, accountability and fairness for their participation in the budgetary process.

Antecedents of Housing Budgeting in Nigeria

Public expenditure for housing first appeared in official government records in early 70s and this was in the period when the second NDP was being implemented. Prior to this time, other welfare items such as health, education, social welfare, water supply received budget priority but this was not the case with housing. When housing first received budget

attention, it was only the federal government that provided funding while State and Local governments did not (Ekundare, 1971).

Similarly, the capital expenditure schedule shows that housing was not initially included but an afterthought allocation of N2.634 million was later made (Awotona, 1990). In the third and fourth NDPs and the fourth NRP, budget estimates (in Nigerian Naira) of N1.830 billion, N2.686 billion and N2.0 billion were respectively provided by the federal government. The values of these amounts of monies were good in the periods at which the budgets were made because the exchange rate of Nigerian Naira(₦) to US dollar ($) was almost at par and the inflation rate was at a single digit in some of the periods. The budgetary provisions, number of houses projected to be provided and number of houses actually provided during these periods are presented in Table 1.

Table 1. Federal Government Housing Budget and Milestone

Period		Budget amount	Number of houses projected	Outcome
1st NDP	1962-68	-	24,000	About 500 units completed (*)
2nd NDP	1970-74	₦2.634 million	54,000	- (**)
3rd NDP	1975-80	₦1.830 billion	66,000	About 23.3 % success rate (***)
4th NDP	1982-86	₦2.686 billion	440,000	About 13.3 % success rate (****)
5th NDP	1987-89	Projects were suspended due to economic recession and government's focus turned to implementation of Structural Adjustment Programme (SAP) (******)		
1st NRP	1990-92			
2nd NRP	1991-93	Consolidating on SAP and dealing with macroeconomic issues (******)		
3rd NRP	1993-95			
4th NRP	1994-96	₦2.0billion	121,000	About 2000 units completed (******)
5th NRP	1997-99	-	-	- (******)
6th NRP	1999-01	-	-	- (******)

Source: (*) FGN (1962); (**)Ekundare, (1971); (***)Lewis (1977); (****)UNDP (1982)

The participation of State governments in funding public housing started during the second NDP but like the federal government, they were not consistent in providing the funding. Awotona (1990) confirmed this evidence and also revealed that housing received less priority in State governments' budget compared to other welfare services. During the second NDP for instance, the aggregate expenditure of 11 states on health care services was N87.362 million, the expenditure on education was N179.542million and town and country planning including housing provision received an expenditure of N27.576 million. The situation was similar in subsequent NDPs and NRPs and more worrisome was the non participation of Local Government Councils (LGCs) in the funding of housing (Ademiluyi, 2010).

The Housing Scenario in Anambra State

Ugonabo and Emoh (2013) stress that the gory picture and deplorable condition of housing in Nigeria (earlier discussed) applies to a large extent to Anambra State, considering that more than 60% of the State's population live in urban areas. Thus, Anambra State shares in this global developmental reality; and hence one of the most important challenges facing the State is how to ensure adequate and affordable housing for the poor and low-income groups. Unfortunately, despite all efforts of the state government at

achieving sustained housing delivery to the common people, existing realities indicate that the goal is far from being achieved.

Since the creation of Anambra State, the housing situation in the state could be described as deplorable, and this requires a declaration of state of emergency in the sector. Shortage of housing in the three major towns of Awka, Onitsha, Nnewi appears intractable with increasing rural-urban drift and as more civil servants are moving to Awka the state capital. Residential accommodation and public buildings are very scarce that even some government offices are still operating in rented houses. This scarcity of housing has pushed the cost of rented buildings very high as an average 3 bedroom flat rents between N200,000.00 – N300,000.00 per annum and a duplex lets for between N500,00.00 – N1,200,000.00 per annum in the three major towns of Onitsha, Awka and Nnewi (Ugonabo & Emoh, 2013).

Obviously these rents are not affordable to majority of the civil servants resulting in emergence of squatter settlements as alternative accommodation. Extensive illegal and unregulated building patterns dominate the urban towns in the state. Buildings are put up without regard to existing building and health codes or zoning and subdivision regulations - thus creating slum and squatter conditions in which most residents in the state now live. This ugly situation still persists today and not much has been done by government to increase the housing stock in relation to demand for residential and office accommodations in the state especially Awka the State Capital. Cost of building houses is on the increase everyday and it is becoming increasingly difficult for an average civil servant to build own houses unless the government embarks on massive execution of low cost housing estates/schemes in Awka, Onitsha and Nnewi, due to an ever increasing urban population and rise in commercial activities.

Realizing the importance of secure access to land as a fundamental challenge to housing delivery in urban areas, successive governments in Anambra State have developed / created government residential layouts in the three major towns of the state namely Awka, Onitsha and Nnewi. Some of these residential layouts were fully/partly developed with housing units and sold to the public while the rest were developed/ created as site and services schemes and allocated to members of the public. Similarly, there are some housing estates promoted and developed by State Government parastatals/corporations like AHOCOL and Anambra State Housing Corporation, Awka. This involves the provision of land by the state government to the corporation, issuing certificate of occupancy, handing over land, granting planning approval and providing necessary support to facilitate the execution of the housing project. Armed with the certificate of occupancy, the corporation develops the estate either as fully/partly developed housing units or as site and services scheme and sell the plots of varying sizes to members of the public. The corporation grants lease of the extant terms to the prospective purchasers who register same at the lands registry as bona fide lessees.

One characteristic of these government residential layouts including those developed by the corporation is general lack of infrastructural facilities like roads, drains, electricity, water etc. The absence of infrastructural facilities in these layouts has further compounded the problem of housing shortage in Anambra State.

Omeife (2012) surmises that in spite of the policies, institutions and regulations which the Anambra State Government have put in place, the task of instituting efficient, effective, affordable and sustainable housing delivery processes continues to challenge policy makers even as the problems of the housing sector worsens. These are attributable to a number of peculiar challenge, which include: lack of secure access to land, high cost of construction, limited access to finance, bureaucratic procedures, high cost of land registration and titling, uncoordinated policies and implementation at State level, ownership rights under the Land

Use Act, lack of critical infrastructure like roads, affordability gap, inefficient development control, youths harassment of developers, inelegant revocation and compensation.

Salient issues on Implementation of Anambra State's Housing Budget

Limited empirical studies have been carried out with respect to housing sector budgeting in Anambra State. The closest of such studies is that of Amakom (2013), which however dwelt on public budgeting as it relates to all economic sectors of Anambra State from a period of 2007 – 2013 and the European Development Fund (2007) which covered a period of three years; 2004-2006.

Amakom (2013), who notes that inefficiency has marred the Anambra State budget system. She specifically points out that budget thrusts and philosophy were often violated during budget allocation across the years judging by the true sectoral budget priorities instead of the priorities of the budget speech. A summary of the general picture of budget allocation for the entire ANIDS and Vision 20:2020 period shows that the true budget priorities, in order, are: Works (Roads, Bridges & Drainages); Education; Office of Secretary to the State Government (SSG); Executive Governor's Office/Government House; Health, Housing and Urban Development; etc.

It is equally interesting to note that the Office of the Secretary to the State Government (SSG) for the period (2007-2013) attracted more budget allocation than Water Supply & Resources, Rural Electrification, Lands, Survey & Urban Planning, Commerce and Industry as well as Public Utilities and Community Development put together while the office of the Executive Governor/Government House attracted more budget allocation than Agriculture & Natural Resources, Rural Electrification and Water Supply & Resources put together for the same period. This goes to show that Anambra has a poor history of designing budgets to reflect key development priorities, which often leads to poor implementation (El-Rufai, 2012).

Amakom (2013) concludes by stating that the serious weaknesses observed in the Anambra State budget are as follows:

a) The State government plan(s) which set out state and sectoral objectives and policies are not always linked to the availability of resources through a sound fiscal framework;
b) The budget preparation process most times does not link policies, the achievement of objectives and meeting of targets with the funds required;
c) There is greater emphasis on control of inputs and less on improving sector performance through meeting its objectives and targets;
d) Both the recurrent and capital budgets are prepared on an incremental basis (adding a percentage to last year's estimates) without reviewing whether the activities that are being funded are in line with policy and whether it should be continued;
e) The investment budget is made up of a large number of projects, making it more difficult to link the activities funded through the investment budget to the government's own priorities;
f) Medium term planning is still weak while reporting of revenues on a net basis serves to undermine comprehensiveness and transparency;
g) MDAs are still unable to predict resource availability for capital investment thereby undermining their abilities to successfully execute their budgets; and
h) Lack of citizen participation.

Addressing the above lapses and strengthening of the budgetary and oversight roles of the Anambra State legislature via different approaches to improve the quality, effectiveness and efficiency of budgets and budgeting, will be highly beneficial to the State. Anecdotal evidence also shows that Anambra State Government has not shown commitment on

delivering completed housing projects, but other sectors such as the works sector is well catered for and well funded. However, just recently in 2016, the administration proposed to develop 1,000 housing units at Isiagu, Awka South L.G.A. Despite this commendable initiative or plan, the scheme is yet to materialize because the Government is yet to release funds for the scheme. This scenario is unhealthy for the State's housing sector, because as Jinadu (2004) states; finance is considered the most important factor of housing production, hence adequate finance is the first requirement for successful and effective housing delivery. This is a major factor that has also contributed to the slow pace and non-development of previous schemes in Anambra State.

The following instance also corroborates the neglect of residential or social housing schemes by the Anambra State Government. The State's Housing Corporation has practically been left to fend for itself in terms of sourcing funds for infrastructure development in these estates and make profit. In other words, most housing estate schemes are handled by the corporation and most times they receive little or no support from the government. However, the government sometimes assists in terms of land acquisition. The issue however, is that estates executed by the corporation is often site and services schemes and not housing, due to lack of funding from the government and they are hardly affordable for middle or even low income earners. This goes to show that the government has shelved its primary responsibility of providing affordable housing for its citizens. The Housing Corporation, though a government Parastatal, is a commercial entity aimed at making maximum profit from its estate schemes and hence, do not have the interest of the average citizens. This scenario has further increased the affordability gap and compounded the housing problems in Anambra State.

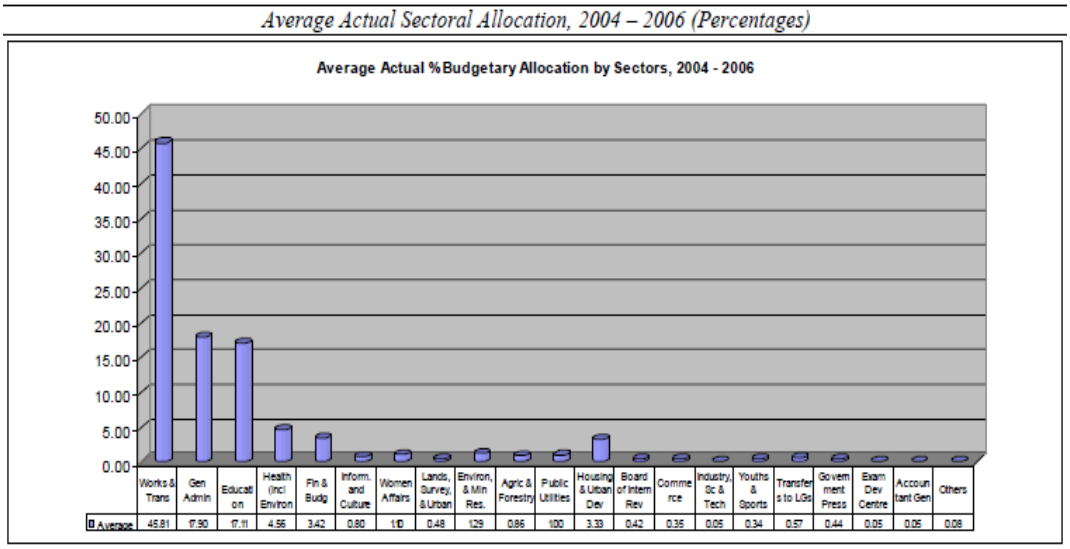


Figure 1. Average percentage sectoral allocation in Anambra State from 2004 – 2006 (European Development Fund, 2007)

Details of the results in a research carried out by the European Development Fund(2007) on public finance management in Anambra State showed that housing ranked 6th in average, percentage sectoral allocation for sectors in the State from 2004 – 2006 (*see figure 1*).

Similarly, a budget study on Anambra State carried out by Amakom (2013) revealed that housing was not among the policy and budget thrusts of the Government from 2007 – 2013 (*See Table 2*). This further indicates that the Anambra State Government has no immediate plans to improve housing delivery in the State. Furthermore, the same study carried out by Amakom, showed that among the true priority sectors for Anambra State by

total budget allocation, from 2007 – 2013, the housing sector ranked 6th (*See figure 2*). This also indicates that the Housing sector has been largely neglected by the Government, to the extent that even allocations to the office of the Secretary to the State Government and the Government House were much more than that of the allocation to housing for the entire State.

Table 2. Policy and Budget Thrusts for Anambra State (2007- 2013)

2007	2008	2009	2010	2011	2012	2013
Thrust/Philosophy						
Integrated Development	Integrated Development	Integrated Development	Integrated Development	Integrated Development	Integrated Development	Integrated Development
Key Sectors						
Roads	Roads	Roads	Roads & Transport	Roads & Transport	Agriculture	Transport
Agriculture	Transport	Transport	Housing	Health	Education	Agriculture Environment
Health	Health	Education	Finance & Investment	Education	Roads & Transport	(Sewerage & Drainages)
Environmental Development	Education	Agriculture	Health	Commerce & Industry	Commerce & Industry	Water supply & Resources
Education	Agriculture	Water Supply	Commerce & Industry	Land & Urban Development	Environment	Education
Commerce & Industry	Water Supply	Energy	Rural Electrification	Agriculture	Health	Health
Finance & Investment	Industry	Industry	Water Supply & Resources	Water & Electricity	Water & Electricity	
		Youths & Sports	Lands	Environment		

Source: Amakom (2013)

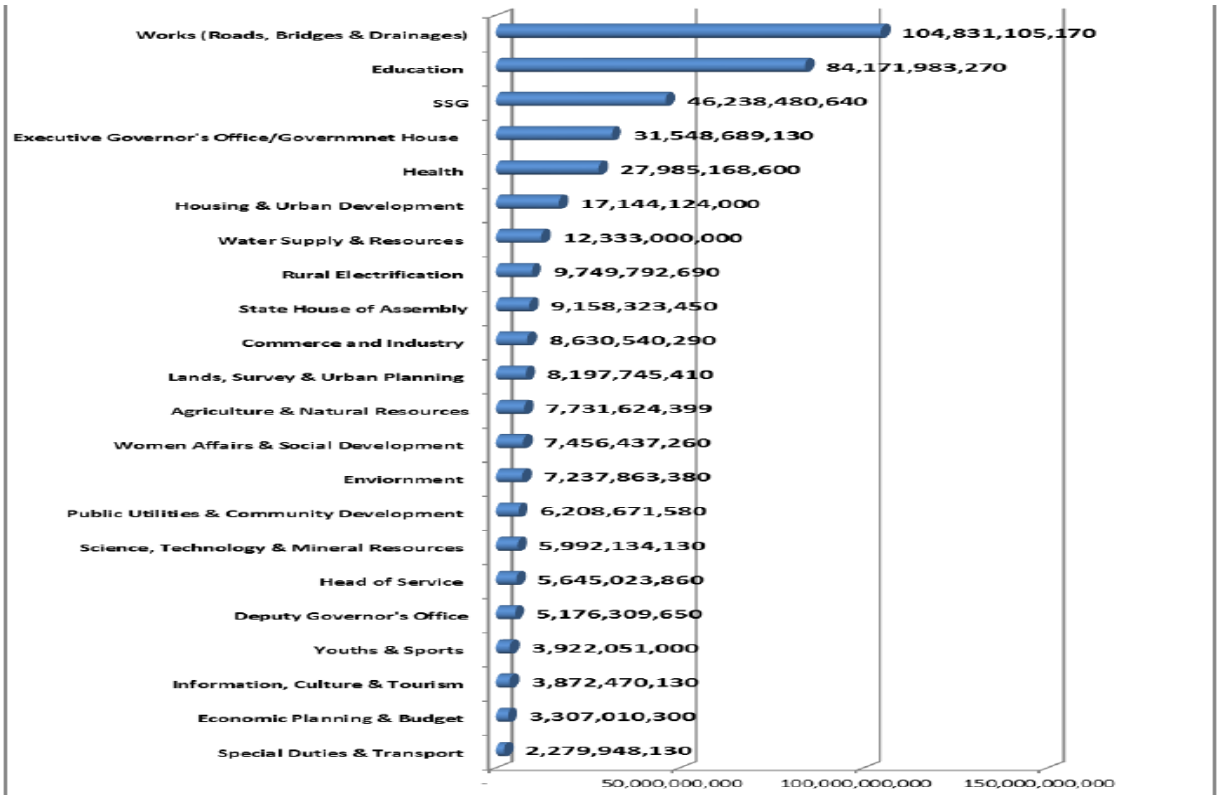


Figure 2. True priority Sectors for Anambra State by Total Budget Allocation from 2007 – 2013 (Amakom, 2013)

Data Collection, Presentation and Analysis

Published housing budget figures (from 1999- 2016) were obtained from the Ministry of Budget and Economic Planning Anambra State, while data on planned and completed units of housing development as well as factors that affected the pace of development data were obtained via interviews of professional staff(specifically quantity surveyors, builders, architects and engineers) of the Ministry of Housing and Housing Development Corporation and corroborated via physical observation of the housing units.

Furthermore, the collected data were presented via tables and graphs to ensure pictorial elucidation and analysed using simple percentages, frequencies and Pearson correlation with the aid of MS-Excel and E-views econometric.

RESULTS AND DISCUSSIONS

Housing Budget Implementation

Table 3 shows the budget estimate, approved allocation and actual expenditure for housing in Anambra State from 1999- 2016. The import if this Table/data is to analyse the extent of housing budget implementation or how disciplined the Anambra State Government is in adhering to the allocated or approved housing budget during the housing delivery process (otherwise referred to as budget discipline).

Table 3. Budget Estimate, Approved Allocation and Actual Expenditure for the Housing Sector in Anambra State (1999 – 2016)

Yr	BES(₦)	AAL(₦)	AEX(₦)	Variance(₦) (BES – AEX)	% Variance	% Implementation (AEX/AAL)
1999	148,415,000.00	408,415,000.00	105,574,000.00	42,841,000.00	28.87	25.85
2000	743,000,000.00	743,000,000.00	1,589,461,000.00	-846,461,000.00	-113.92	213.92
2001	4,487,000,000.00	4,487,000,000.00	1,041,444,000.00	3,445,556,000.00	76.79	23.21
2002	777,400,000.00	1,257,400,000.00	873,000,000.00	-95,600,000.00	-12.29	69.43
2003	2,037,500,000.00	2,037,500,000.00	221,655,675.77	1,815,844,324.23	89.12	10.88
2004	875,000,000.00	875,000,000.00	34,705,000.00	840,295,000.00	96.03	3.97
2005	1,537,900,000.00	1,537,900,000.00	521,977,000.00	1,015,923,000.00	66.06	33.94
2006	1,057,500,000.00	1,057,500,000.00	131,598,001.95	925,901,998.05	87.56	12.44
2007	1,550,000,000.00	1,550,000,000.00	837,154,858.23	712,845,141.77	45.99	54.01
2008	3,750,000,000.00	4,150,000,000.00	763,029,727.00	2,986,970,273.00	79.65	18.39
2009	3,002,000,000.00	2,702,000,000.00	300,882,222.63	2,701,117,777.37	89.98	11.14
2010	2,430,000,000.00	2,430,000,000.00	161,018,131.20	2,268,981,868.80	93.37	6.63

2011	2,451,000,000.00	2,451,000,000.00	68,226,876.97	2,382,773,123.03	97.22	2.78
2012	1,808,000,000.00	1,808,000,000.00	117,802,375.62	1,690,197,624.38	93.48	6.52
2013	1,406,800,000.00	1,406,800,000.00	1,160,541,883.00	246,258,117.00	17.50	82.50
2014	2,947,000,000.00	2,947,000,000.00	1,037,546,390.00	1,909,453,610.00	64.79	35.21
2015	3,320,000,000.00	3,300,000,000.00	777,254,039.00	2,542,745,961.00	76.59	23.55
2016	500,000,000.00	500,000,000.00	114,045,000.00	385,955,000.00	77.19	22.81
Total	**38,828,515,000.00**	**35,648,515,000.00**	**9,856,916,181.37**	**24,971,598,818.63**		
Overall % Housing Budget Implementation =				**25.39% of total BES 27.65% of total AAL**		

BES= Budget Estimate; AAL= Approved Allocation; AEX= Actual Expenditure.

Source: BES, AAL and AEX were extracted from the annual, published budget estimates of Anambra State (1999 – 2016) and Anambra State Auditor-General's annual reports (2007 - 2012), while the variance and percentage implementation were computed by the researchers

A careful observation of the analysis in Table 3 for an 18 year period (1999 – 2016) shows that Anambra State housing budget implementation has been consistently poor and inefficient. On an annual basis, only the years 2000 and 2002 were periods where actual expenditure exceeded the budget estimate or approved allocation. This is evidenced by the negative variances or differences of -₦846,461,000.00 for 2000 and -₦95,600,000.00, with percentage implementations of 213.92% and 69.43%; which can also be regarded as cases of over spending. Other years recorded lesser actual expenditure. A comparison of the total budgeted housing estimate over the years which amounts to ₦38.83b and the total approved housing expenditure which amounts to ₦35.65b; shows that approved expenditure for housing by the government is close to the budget estimate, with a difference of 3.18b, which is quite commendable. However, comparing the total amounts of the budgeted housing estimate (38.83b) and total approved allocation (35.65b) with the total actual housing expenditure of ₦9.86b, the results indicate that the rate of budget implementation is 25.39% of the total budgeted estimate and 27.65% of the total approved allocation.

From the foregoing, it can be surmised that aside the poor commitment of the Anambra State Government to housing provision, the problem of housing budget implementation lies not in the approval itself, but the will to actual implement the approved budget, hence, the housing budget of Anambra State been grossly under implemented. This further explains the dearth of public or Government financed housing developments in the State. In view of this, it should be noted that in the course of oral interviews conducted by the researcher, it was further revealed that the likely reasons for the poor housing budget implementation are financial mismanagement, budget indiscipline and extra budgetary expenditure which is rife in the Anambra State housing budget system; where appropriations for housing projects are diverted or used for projects in other sectors, considered more 'critical' than housing. This is also worsened by lack of transparency. These issues probably explain the shortfall in actual housing expenditure over the study period

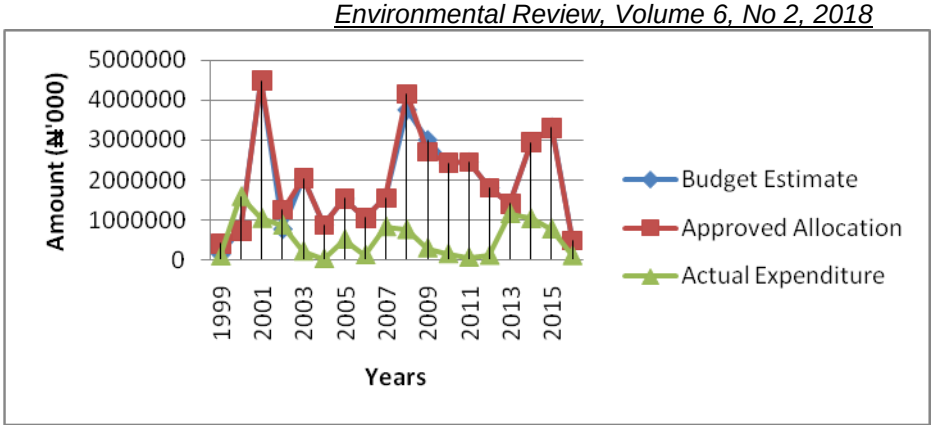


Figure 3: Trend of budgeted, approved and actual expenditure for housing in Anambra State from 1999 – 2016 (Researchers' plot with MS- Excel, 2017)

The graph (figure 3) shows a random movement in the housing budget estimate, approved allocation and actual expenditure within the study period. The figure shows that the budget estimate and approved allocation are more related compared with actual housing expenditure in Anambra State. This indicates that almost all estimated housing budget in the State are approved, but not spent or used for housing. The trend graph also shows a wide gap between annual approved allocation in the housing sector and their actual expenditures in Anambra State. In other words, indicating that the housing expenditures carried out as approved and estimated or budgeted.

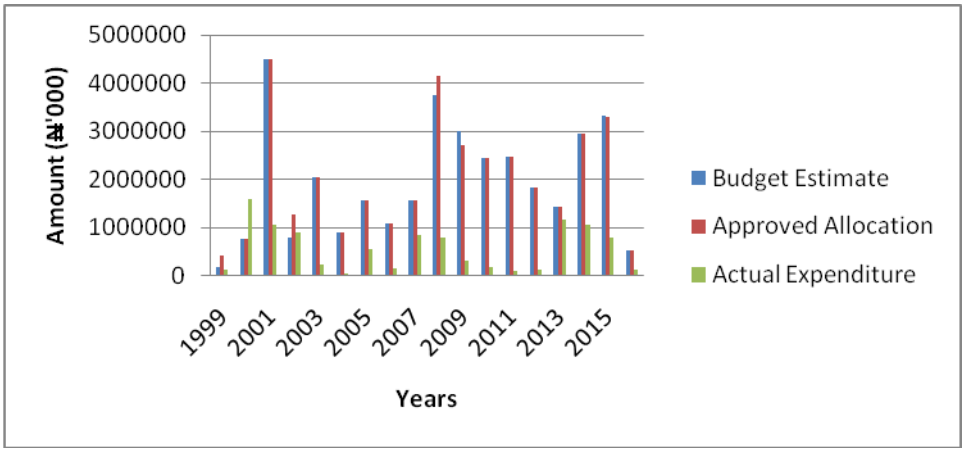


Figure 4: Multiple bar chart of budgeted, approved and actual expenditure for housing in Anambra State from 1999 – 2016 (Researchers' plot with MS- Excel, 2017)

Figure 4 is a comparative chart in form of a multiple bar chart of annual budget allocation, estimate and actual expenditure on housing sector in Anambra State from 1999-2016. A cursory look at the graph shows that within the study period, there is a close relationship between annual approved housing budget allocation and housing budget estimate. Particularly, there was an excess expenditure in the year 2000 as the expenditure was above the budget estimate and approved allocation, while for the years: 2003, 2004, 2006, 2008, 2009, 2010, 2011 and 2012, not even up to 30% of the approved allocation and estimate was implemented. The worst was in 2004, where not even 5% of the approved allocation to the sector was utilized. From 2014 - 2016, the expenditures were also low, as about 20-40% of the allocations were implemented, while in 2002, 2007 and 2013, above 50% of approved allocation to the sector were utilized.

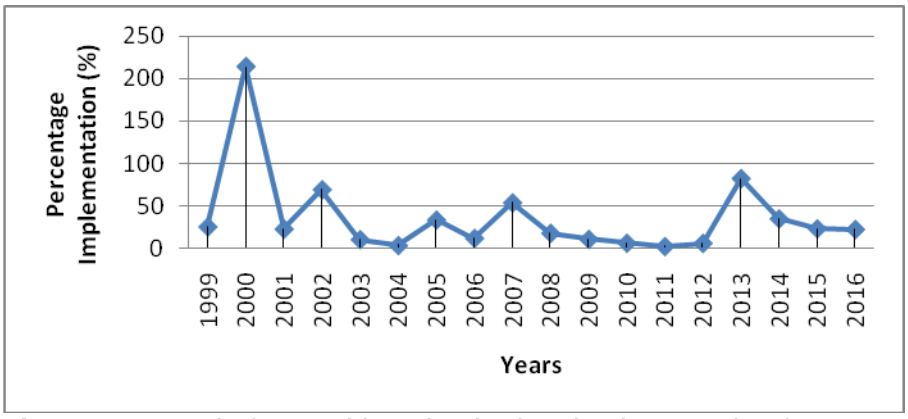


Figure 5: Trend of annual housing budget implementation from 1999 – 2016 (Researchers' plot with MS- Excel, 2017)

The graph (figure 5) of annual housing budget implementation in Anambra State for the period of 1999 to 2016 shows a random movement within the period. Apart from spikes in 2000, 2002 and 2013, the housing budget implementation in the State ranges between 3-50% within the study period. This shows poor implementation of the housing budget in Anambra State.

Validation of Hypothesis

The following null hypothesis was postulated and tested in the cause of this study.

H_o: There is no significant relationship between the annual housing budget allocation and annual housing expenditure of Anambra State.

(i) Data used: Annual budget allocation/estimate and actual expenditure for the housing sector in Anambra State from 1999 – 2016 (Table 3).

(ii) Data Analysis Software: E-views 7 econometric software

(iii) Data Analysis Method/tool: Trend analysis and Pearson correlation and Regression analysis

(iv) Decision rule: Reject the null hypothesis if p-value is less than or equal to 0.05[Level of significance (α)]; otherwise do not reject.

Table 4. Correlation Result of Annual Housing Budget Allocation and Annual Actual Housing Expenditure in Anambra State

Covariance Analysis: Ordinary			
Date: 04/14/17 Time: 21:40			
Sample: 1999 2016			
Included observations: 18			
Correlation			
t-Statistic			
Probability	Budget estimate	Actual expenditure	

Budget estimate	1.000000		

Actual expenditure	0.212258	1.000000	
	0.868831	-----	
	0.3978	-----	

Source: Researchers' computation and extract from E-views 7 econometric software (2017)

Interpretation and Decision: The correlation test result as shown in Table indicates a correlation coefficient (R) value of 0.212; T-Statistic value of 0.869 and associated P-Value of 0.3978>0.05 which shows that there is an insignificant positive relationship between annual housing budget estimate and annual annual housing expenditure. Hence, the null hypothesis is not rejected and it is concluded that there is no significant relationship between annual housing budget allocation and annual housing expenditure in Anambra State.

Development Milestones for Housing Estate Schemes in Anambra State

The data in Table 5 shows the housing development milestones for existing estate projects in Anambra State, obtained via interviews and physical observations. The analysis is considered pertinent because of the neglect of residential or mass housing projects by the Anambra State government and also for the fact that these projects are crucial to improving the living standards of the citizens. Undoubtedly, other types of housing projects also exist in the State, but housing output is easier to determine from housing estates, because they have a pre-defined number of houses units to be constructed. The implication of this is that a significant shortfall in the proposed units indicates a failure of that housing scheme.

Table 5. Development Milestones of Housing Estates in Anambra State.

Housing scheme	Year/ period/ duration	No of housing units planned/projected	Outcome/No of units constructed	Success rate (%)	Remarks
Udoka Housing estate, Awka (Phases1&2)	1996-2000	333	107	32	A World Bank assisted scheme. Works were cut short at some point due to non-release of funds, hence stifling work progress. After this period, individuals bought up vacant plots and developed them.
Niger Bridge Head estate, Onitsha	1979 - 1986	541	319	59	Considered the oldest housing scheme in the State. Was initially inhabited by expatriates before units and vacant plots were

					bought by citizens and refurbished or developed. Made appreciable progress before works were suspended due to misuse of funds.
Ahocol estate, Awka (Phases 1 & 2)	1994 - 1998	176	84	48	Nature of works comprised: bungalows, 1, 2 and 3 bedroom bungalows and duplexes. Works were abandoned due to lack of funds.
Government Real Estate, Awka	1998-2000	500	206	41	Failure to pay contractors for houses constructed, led to abandonment of the works. Nature of works comprised: bungalows, 1, 2 and 3 bedroom flats.
Iyiagu estate (Phase 1)	1998 - 1999	283	142	50	Originally built for the members of the House of Assembly. It marked the first time that the contract sum was fully released for projects in the State. Works were however halted due to the corrupt democratic government
Ngozika estate (phases 1 & 2)	2004 - 2006	891	124	14	Formerly called '1000 housing units' and was a partnership with a private developer. Works never reached full completion due to misuse of funds. Works were left at

					various stages of completion before being bought by private individuals

A study of the progress of residential housing estates in Anambra State (Table 5) carried out by the researchers indicates that all residential housing estates were initiated by the military regime and not during the democratic era which was from 1999 (The years before 1999, fall outside the period of this study, but they were purposefully indicated for emphasis). These projects where those that kicked-off during the existence of the old Anambra State (comprising Anambra and Enugu States), before the creation of Anambra State. This shows that since the inception of democracy in Nigeria, residential housing schemes has not being a priority of the Anambra State government. The only exception is Ngozika housing estate, which fell into 2006. However, during this period, no new houses were being constructed by the government because the vacant plots and the partially completed houses have already being bought by individuals. Ongoing works were mainly infrastructure (drainages and roads).

It is also pertinent to note that the initial intent of housing schemes was to accommodate the State civil servants who left Enugu State, after the creation of Anambra State and not the masses or low income earners in the State. This corroborates the findings from the questionnaire survey, which revealed that mass housing schemes for the citizenry has not been taken seriously by the Anambra State government.

It will also be observed from the remarks that the progress of these housing schemes was marred mainly by non-release of funds and corruption issues. A typical case is the Iyiagu housing estate scheme, where the then military regime released the full contract sum for the projects, but when the democratic government took office, financial demands or kickbacks were made on the contractors, which greatly hampered the completion of the houses. It was for this very reason that only two housing estate schemes, namely: Iyiagu estate (Phase 1) and Niger Bridge Head estate, Onitsha were able to attain up to 50% success rate, because the government as at that time had the interest of expatriates and legislators in mind and hence the projects were taken seriously. However, on a general note, the proposed number of housing schemes were poorly not attained (with an average success rate of 40%) and those executed during the military regime faring better than the democratic regime.

CONCLUSION AND RECOMMENDATIONS

It can be concluded from this study, that housing budget implementation in Anambra State is quite poor and can be largely attributed to budget indiscipline or the lack of will by the Government to execute the proposed projects.

It can also be drawn from this study is that government's commitment to providing housing facilities to better the lives of the citizenry is still low, caused by non-release of funds and delays in release of funds, misuse of funds and unethical practices which has in turn led to poor rate of development/execution of housing schemes. It is expected that the findings of this research will help re-engineer the Ministry of Budget and Economic Planning, Ministry of Finance, Project Monitoring, Evaluation and Implementation units, State Executive Council and the legislature towards effective management the housing budget process of Anambra State.

Based on the findings of this study, the following recommendations are made as effective and efficient means/measures of improving the implementation of the housing budget of Anambra State.

(a) There is need to strengthen the planning, research and statistics (PRS) Departments and Budget Division of Housing MDAs. Their budget related functions should be reinforced and the capacity of the budget officers strengthened through regular training, re-training, funding and competent staffing so that they can participate effectively in Budget Preparation and Budget monitoring.

(b) Civil Society Organizations (CSOs) should contribute to government accountability on housing projects by raising awareness and demanding for transparency for improved project delivery, carrying out community based supervision and submitting complaints and making enquiries on delayed projects where necessary.

(c) Authorization for housing expenditure should be given as at when due for ongoing projects and contractors paid early after approval is granted. Prequalification of contractors and opening of financial bids can be done at the same time to shorten the process.

(d) Budget discipline and close monitoring of usage of housing funds and project execution should be enshrined in the work ethics of housing and budget staff of Anambra State government. This will serve as a measure to mitigate misuse of funds, opportunistic behaviors and other unethical practices. Unauthorized spending should be faced with disciplinary action and monies spent should be justified and permitted by established budget monitoring organs.

(e) The Anambra State government should have the leadership and political will to execute housing projects and follow them through completion. Hence, selfish political influence and interests should be eschewed and resisted during budget allocation and approval.

(f) Timeliness of housing budget activities should the watchword. Anambra State government should have a legal prescription as to the timing of budget approval and other budget activities.

(g) Housing budget estimates must be carefully planned and prepared in view of the volatility of prices in the country. Hence, allowance should be made for inflationary trends to avoid frequent budget reviews, deferred or supplementary budgeting.

(h) Regular financial support for the State's Housing Corporation by the government is needed to strengthen its capacity to embark on affordable housing schemes.

REFERENCES

Aderibigbe, S.O.(2012).State budgetary allocations: An appraisal of budget implementation and effects in Nigeria. *A paper presented at the Nigerian Institute of Social and Economic Research (NISER) Seminar Series*, Ibadan: NISER.

Ademiluyi, I. A. (2010). Public housing delivery strategies in Nigeria: A historical perspective of policies and programmes. *Journal of sustainable development in Africa,*12 (6), 153-161.

Alagidede, P. (2012). The economy and the construction sector in West Africa. In S. Laryea, S. Agypepong, R. Leiringer & W. Hughes (Eds.), *Proceedings of the West Africa Built Environment Research (WABER) Conference in construction in West Africa*. (pp.13-15). EPP book service Ltd.

Altinyele, T.A. (1980). Government budgeting. *The Natural Accountant,* 6(2),18 – 22.

Amakom, U. (2013). *Public policies, budgeting and spending in Anambra State: Analysis of performances in a decade (2003 2013).* Abuja, Nigeria: African Centre for Leadership, Strategy and Development (Centre LSD).

Anambra State Government. (2009a). *Anambra state economic empowerment and development strategy (SEEDS) document- First draft for comments and suggestions.* Awka: Anambra State Government Printer.

Anyadike, E. (2002b). Towards an elegant model for efficient allocation of resources. *A paper presented at the 20th biennial conference of the Nigerian Institute of Quantity Surveyors on building the blocks of national development, challenges, conflicts and prospects*. October 30- Nov. 2. Oba Akenzua cultural complex. Benin City. P 6.

Awotona, A. (1987). Government policies for housing Nigeria's urban poor and the working class: Laudable promises, great expectations, and colossal failure. *Habitat International,* 11 (2), 89-103.

Chartered Institute of Cost and Management Accountants (CICMA). (2003). *Budgeting*. Abuja: CICMA.

Ebie, S.P. (2009). Public sector driven housing; achievements and problems. *A Paper presented at the Annual lecture* of the *Faculty of Environmental Sciences*, Nnamdi Azikiwe University, Awka.

Economic and Social Rights Centre. (2013). *A report on Housing sector financing in Kenya.* Nairobi, Kenya: American Jewish World Service.

Ekundare, R. O. (1971). Nigeria's second national development plan as a weapon of social change. *African affairs,* 146-158.

El-Rufai, N. (2012, August 17). Challenges of the Nigerian budget system. *This Day,* p.11.

European Development Fund.(2007). *Assessment of public finance management system in Anambra State, using PEFA Performance Measurement Framework Consultant report.* Brussels: European Commission.

FGN (1999). *Constitution of the Federal Republic of Nigeria*. Abuja: FGN.

FGN (2004). *National housing policy draft*. Lagos: Federal Government Printer.

Fort, I.D.(2012). *Nigerian annual budgets- Not yet for the people*. Jabi, Abuja: Fairdeal Press Ltd.

Jiboye, A.D. (2009a). The challenges of sustainable housing and urban development in Nigeria. *Journal of Environmental Research and Policies*, 4(3), 23-27.

Jinadu, A. M. (2004). *Understanding the basis of housing*. Ibadan: King James Publishers.

Mac-Barango, D. O., & Shittu, A.A. (2017). Budgetary allocation to the housing sector and prices of some building materials. *International Journal of Social Sciences and Management Research*, 3(1), 40 – 53.

Meyers, R.T.(1999). *Handbook of government budgeting*. San Francisco: Jossey Base.

Mogbo, T.C. (2001). Review of budgets for public utilities in Lagos State, Nigeria, 1989-1998. *The Quantity Surveyor*, 36 (233), 18-20.

National Bureau of Statistics. (2012). Poverty and livelihood in Anambra State. Abuja: Author.

National Population Commission. (2006). *Federal Republic of Nigeria Official Gazette,* 96(2) B, 923). Abuja: Federal Government Printer.

Okoli, A. (2007, August 2). Solving the perennial housing problem in Anambra State. *TheVanguard.* Retrieved from http://www.allafrica/stones/200708020199.html

Okupe, L. (2002). Private sector initiative in housing development in Nigeria – How feasible? *Housing Today*, 1(6), 21-26.

Omeife, C. (2012, July 31) Let's give new housing policies a chance. *The Vanguard*. Retrieved from http://www.vangardngr.com/2012/07/lets-give-new-housing-policy-a-chance

Omoniyi, S., & Jiboye, A.D. (2011). Effective housing policy and sustainable development in Nigeria. *International Journal of Development Studies*, 6(1), 129-135.

Ugonabo, C. U., & Emoh, F.I. (2013). The major challenges to housing development and delivery in Anambra State of Nigeria. *Civil and Environmental Research,* 3(4), 218-231.