

**SAINT LUCIA NATIONAL HOUSING
POLICY**

**MINISTRY OF HOUSING, URBAN RENEWAL AND LOCAL
GOVERNMENT**

GOVERNMENT OF ST LUCIA

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*Photo of
Incumbent Minister*

MINISTERIAL FORWARD

ST LUCIA NATIONAL HOUSING POLICY

CONTENTS

ACRONYMS AND ABBREVIATIONS

GLOSSARY

1.0 INTRODUCTION.....	1
2.0 RATIONALE FOR AND PURPOSE OF THE POLICY	2
3.0 POLICY BACKGROUND	2
3.1 CURRENT SITUATION ON HOUSING.....	2
3.2 OVERVIEW OF ENABLING POLICY INSTRUMENTS.....	10
3.3 CURRENT HOUSING AND RESETTLEMENT EFFORTS	11
3.4 KEY HOUSING ISSUES AND CONSTRAINTS.....	12
4.0 POLICY CONTEXT	18
5.0 CHALLENGES TO IMPLEMENTATION OF THE HOUSING POLICY.....	19
6.0 GUIDING PRINCIPLES	20
7.0 POLICY STATEMENT.....	22
7.1 VISION STATEMENT	22
7.2 POLICY GOALS	22
7.3 POLICY OBJECTIVES.....	22
8.0 IMPLEMENTATION OF THE POLICY	23
8.1 STRATEGY.....	23
8.2 PRIORITY AREAS FOR ACTION	24
8.3 STRATEGIC INTERVENTIONS	24

GLOSSARY OF HOUSING-RELATED TERMS

Term	Description
<i>Contractor</i>	A person or company who agrees to furnish materials or perform services at a specified price, especially for housing construction work. <i>Source: American Heritage Dictionary of the English Language, Fourth Edition</i>
<i>Core Need</i>	Inability of a household to rent or purchase housing that is in reasonably good condition and has adequate floor space without spending more than 30% of its income for shelter. ¹
<i>Developer</i>	A person or company who develops real estate, especially by preparing a site for residential use. <i>Source: American Heritage Dictionary of the English Language, Fourth Edition</i>
<i>Estimated Household Population</i>	All persons who reside in private households. This is the sum of the enumerated population (actual number of persons registered on 2001 Census visitation questionnaires) plus an estimate of persons belonging to existing households but who could not be contacted throughout the process of census enumeration. <i>Source: Government Statistics Department, MFPD, St Lucia</i>
<i>Expressed/ Effective Demand</i>	Demand for a good or service that has been registered, such as on a waiting list or by the action of a household, such as looking for housing ¹ .
<i>Household</i>	One or more persons living together and sharing at least one of the main daily meals. Traditionally, a household usually comprise a family (father, mother and children living together). However it is possible to encounter more than one family constituting a single household once they share common living arrangements. <i>Source: Government Statistics Department, MFPD, St Lucia</i>
<i>Housing</i>	A multi-dimensional commodity that includes physical shelter, the related services and infrastructure, and the inputs such as land and finance required to produce and maintain it. Housing also covers the solutions geared at improvement of the shelter and the environment in which it exist. <i>(Definition provided by Housing and Urban Renewal Department, Ministry of Housing, Urban Renewal and Local Government, St Lucia)</i>
<i>Housing Affordability</i>	The ability of a household to spend up to thirty percent of its annual income on the rent or purchase price of housing. ¹
<i>Housing Rights</i>	The right to adequate housing in terms of: security of tenure; availability of services, materials, facilities and infrastructure; affordability; habitability; accessibility; location and cultural adequacy ²

¹ Centre for Affordable Housing - www.housing.nsw.gov.au

² UNHRP- Working Paper No. 1 Background Report for Expert Group Meeting on Housing Rights Monitoring, Geneva 26-28 , November 2003

<i>Housing Stress</i>	Inability of those households whose gross income falls in the bottom of the income distribution and who are paying more than 30% of their household income to meet their housing costs. ³
<i>Low Income</i>	There is no standard definition for low income, the tacit definition which has been adopted by the SLNHC and local financial intermediaries and is household annual income of XCD30,000.00 or less.
<i>Poverty Line</i>	A measure of the monetary value of a lowest cost basket of goods that provide the minimum number of kilocalories needed for proper functioning by human beings on a daily basis. <i>Source: Draft Report of the Assessment of Poverty in St Lucia by Kairi Consultants Limited, August 2006</i>
<i>Private Dwelling Units/Housing Units</i>	Single houses, flats, apartments, and part of commercial buildings and boarding houses (catering for less than six persons) in which private households reside. The essential features of a dwelling unit are “separateness” and “independence as separate houses, flats/apartments, townhouses, barracks and part of commercial buildings. <i>Source: Government Statistics Department, MFPD, St Lucia</i>
<i>Quintile</i>	A measure which divides a distribution into five equal parts. The first quintile (or lowest quintile) is the value that defines the upper limit of the lowest one-fifth of the cases, and so on. <i>Source: UNHRP- Working Paper No. 1 Background Report for Expert Group Meeting on Housing Rights Monitoring, Geneva 26-28, November 2003</i>
<i>Resettlement/Relocation</i>	The relocation or transplantation of individuals, households or entire communities to a new settlement or location (within St Lucia). The movement may be necessitated by an upheaval, for example, a natural disaster or the need to utilise land occupied by the affected persons for some alternative land use. <i>Source: Housing Section, Ministry of Housing Urban Renewal and Local Government</i>
<i>Real Property</i>	All the interests, benefits, rights and encumbrances inherent in the ownership of immovable property that encompasses land along with structures permanently affixed to the land, such as buildings <i>Source: American Society of Appraisers</i>
<i>Sanitation</i>	Sanitation is defined to include connection to a sewer or septic tank system, pour-flush latrine, simple pit or ventilated improved pit latrine with allowance for acceptable local technologies. <i>Source: UNHRP- Working Paper No. 1 Background Report for Expert Group Meeting on Housing Rights Monitoring, Geneva 26-28, November 2003</i>

³ Centre for Affordable Housing - www.housing.nsw.gov.au

ACRONYMS AND ABBREVIATIONS

AHS	Average Household Size
BNTF	Basic Needs Trust Fund
CDB	Caribbean Development Bank
CSME	Caribbean Single Market and Economy
CUC	Core Unit Construction
CWIQ	Core Welfare Indicators Questionnaire
DCA	Development Control Authority
EC	Eastern Caribbean
EU	European Union
GOSL	Government of St. Lucia
GSD	Government Statistics Department
HILP	Home Improvement Loan Programme
HUDC	Housing and Urban Development Corporation
LHCF	Low-Income Housing Credit Facility
LRTP	Land Registration and Titling Project
MFPD	Ministry of Finance and Physical Development
MHURLG	Ministry of Housing, Urban Renewal and Local Government
MPDEH	Ministry of Physical Development, Environment and Housing
NGO	Non-Government Organisation
NHPC	National Housing Policy Committee
NHRP	National Housing and Resettlement Policy
NIPRO	National Insurance Property Development and Management Company Limited
PRF	Poverty Reduction Fund
PROUD	Programme for the Regularisation of Unplanned Developments
PSRP	Public Sector Relocation Programme
SDC	Southern Development Corporation
SDP	Shelter Development Project
SLBCG	St. Lucia Building Code and Guidelines
SLHA	St. Lucia Housing Authority
SLNHC	St. Lucia National Housing Corporation
SMFC	St. Lucia Mortgage Finance Company
SPA	Strategic Plan of Action

ACRONYMS AND ABBREVIATIONS (CONT'D)

SSRF	Sites and Services Revolving Fund
STURF	Settlement and Tenantry Upgrade Revolving Fund
UN	United Nations
UNCHS (UN-Habitat)	United Nations Centre for Human Settlements

1.0 INTRODUCTION

The right to adequate housing that is safe, secure, healthy, accessible and affordable is enshrined in the Habitat Agenda - the global call on human settlement and shelter. Consistent with this belief, the Government of St. Lucia (GOSL) remains committed to the need for improved provision of adequate and affordable housing for its people. It has also acknowledged that this housing philosophy can only be successfully achieved through the articulation of an explicit policy to guide the development of the sector. Therefore, this National Housing Policy (NHP) sets out the broad goals and objectives for housing development in St. Lucia and outlines the strategies for ensuring the achievement of these objectives.

The Policy development process was jointly financed by the European Union and the Government of St. Lucia. The process commenced with a situational analysis of the housing sector, which was conducted by independent consultants under the technical guidance of the National Housing Policy Committee (NHPC). The Situational Analysis involved focus groups discussions in a number of communities throughout St. Lucia in order to obtain people's perceptions and aspirations of housing, as well as to increase participation and public support for the Policy development process. The Situational Analysis, which was presented in a *National Report on Housing and Resettlement*⁴, was thoroughly reviewed by the NHPC. The Report/Situational Analysis was then discussed at a national consultation, which was attended by a wide cross section of stakeholders including both private and public sector representatives.

Subsequently, the first draft of the Policy document was prepared, again under the technical guidance of the NHPC. In September 2007, the draft will be presented at another national consultation to ensure widespread discussion, participation and ownership of the Policy. The second draft Policy document will be revised and circulated to all public libraries, published in the St. Lucia Gazette, then will be posted on the Government's website to encourage further dialogue and comments from the public. Comments and recommendations will be incorporated into the final draft Policy document, which will then be submitted to the Cabinet of Ministers for their approval. Following adoption of the Policy by the Cabinet of Ministers, a Strategic Plan of Action (SPA) will be developed to guide the successful implementation of the Policy. More specifically, the SPA will identify and outline the roles and responsibilities of entities as well as the resources required for implementing the actions to be undertaken.

This Policy document comprises three main parts. The first part presents a summary of the current housing situation and outlines the key housing issues. The second part highlights

⁴ National Report on Housing and Resettlement in St. Lucia prepared by Engineering, Construction and Management Consulting (ECMC) Limited, Revised April 2007

the Policy statement - the vision, goals and objectives and the third part outlines the broad strategy, priority action areas and the strategic interventions to achieve the Policy objectives.

2.0 RATIONALE FOR AND PURPOSE OF THE POLICY

Housing is considered one of the most basic human rights and an essential component of the right to an adequate standard of living. Adequate and affordable housing is not only necessary for security and comfort, but is also critical in fostering social cohesion and development of a nation. Full private sector participation is important in the provision of housing in St Lucia. However, the potential impact of housing on the economic and social health of the nation necessitates Government's intervention in order to ensure the delivery of adequate and affordable housing particularly to core need households, the indigent and other vulnerable groups in society. In that regard, the Government of St. Lucia has executed several housing initiatives but the absence of an explicit housing policy has limited the efficient utilisation of the scarce technical and financial resources for housing development.

Therefore, the purpose of the National Housing and Resettlement Policy is to provide a clear framework for addressing housing issues in an efficient and effective manner. The Policy will ensure that all public and private sector housing efforts are implemented according to a set of clear objectives and cohesive approaches. This Housing Policy will also serve to consolidate the process of creating an enabling framework within which all stakeholders can coordinate their housing development efforts. The Policy will set out the vision, broad goals and guiding principles for housing in St Lucia. It will also inform the design of a strategic plan of action for achieving the Policy goals and objectives. Essentially, the Policy is intended to facilitate the more effective and efficient utilisation of limited resources in a comprehensive approach to housing development in St Lucia.

3.0 POLICY BACKGROUND

The housing market in St Lucia is characterised by a number of specific features and trends. However, the main characteristics and trends are as follows:

3.1 Current Situation on Housing

3.1.1 Number and Distribution of Households

The number of households as well as urbanisation in St Lucia is increasing. As indicated in the most recent Census Report, the number of households increased from 33,079 in 1991 to 47,124 in 2001, implying a formation of 14,045 additional households during the decade. Also, the average household size is on the decline,

from 4.0 persons in 1991 to 3.2 in 2001, meaning that relatively more housing units will be required per capita. The city of Castries, accounted for about 40% of all households. Combined, Castries and Gros Islet represent 54% of households. However, the number of households in Gros Islet's grew at the highest rate of 3%. In general, urbanisation has increased, with migration being from the rural western parts of the Island to the urban and northern areas.

3.1.2 Housing Quality

While housing quality has improved, there are disparities particularly in some rural districts. The durability of the housing stock has shown a general improvement with approximately 40% of all housing units having timber as outer walls in 2001 compared with 54% in 1991. In effect, there was an almost equal distribution between the use of concrete/ blocks and timber as outer walls in 2001. Also, the housing stock is relatively modern, with almost 60% of all housing units being less than 16 years old in 2001. The majority, or approximately 80% of private dwellings comprised single detached housing units, but this was 3% less a decade ago.

Other indicators of housing quality suggest a general improvement in housing conditions between 1991 and 2001. Approximately 78% of the housing units had pipe-borne water indoors or into the yard in 2001 compared with 48% in 1991. Also, electricity supply as well as the level of sanitation had improved. Approximately 87% of households had electricity as the main source of lighting, 53% had water closets and 85% used gas for cooking.

The median number of bedrooms per household in 2001 was 2.0 implying an average overcrowding index⁵ of 1.6 at the household level. This compares favourably with the CWIQ's definition of overcrowding as being more than 2 persons per room. Despite these strides, a closer examination of the Island's housing quality and housing rights indicate that there are disparities, particularly with respect to the availability of amenities predominantly in some rural districts.

3.1.3 Housing Demand

Housing demand remains unsatisfied and price increases have negatively affected affordability. Based on the SLNHC's current waiting list (of almost 1,000 applicants) in 2004, it appears that the effective demand for both owner-occupied and rental housing far outstrips total supply. Several demographic and

⁵ Computed by dividing the AHS by the median number of bedrooms per household.

economic factors are known to influence the level of effective demand for housing. These include: household size; structure and age of the population; urbanisation; household income and its distribution within the population; employment, wage rates, house prices and housing affordability, inter alia.

In terms of demographic factors, household population is one of the most important factors influencing housing demand. In 2004, the household population was estimated at 162,434 persons. Castries accounted for the largest share, approximately 40% of the Island's household population, followed by Gros Islet with 13%; Canaries had the least – 1.2%. Overall, there was an increase in household population in Castries, Anse la Raye, Vieux Fort, Micoud and Dennery, whereas Canaries, Soufriere, Laborie and Choiseul registered a decline. These changes in household population distribution suggest a general migration largely from rural to urban areas. On the other hand, the average household size (AHS) declined from 4.0 in 1991 to 3.2 in 2001. Soufriere recorded the highest of size of 3.6 and Canaries the lowest, of around 2.9. This decrease in AHS implies that relatively more houses are required per capita to satisfy the Island's housing demands. Also, the level of overcrowding at the household was found to be 1.6, which is less than the 2.0 upper-limit established by CWIQ. In general, overcrowding influences the future demand for various types and or size of housing units.

Household income is also an important economic factor which influences the level of demand for housing. However, there is the lack of reliable data, particularly for the distribution of household income among the income quintiles. Nonetheless, the average monthly household income in 2001 was estimated at XCD\$3,200.00, but according to the GSD, over 50% of households earned XCD\$2,400.00 or less. On the other hand, the price of an average house⁶ in 2001 was around XCD\$160,000.00, suggesting a house-price-to income ratio (an indicator of affordability for owner-occupied housing) of 4:1. Whilst this ratio is reasonable compared with those of other countries⁷, it is estimated that with increases in the price of both land and building materials, this ratio may have worsened. In terms of the affordability of rental housing, the average house rent as a percentage average income was 30%, which is relatively higher than the 25% obtained for other countries⁶. Therefore, renting appears relatively less affordable than homeownership.

⁶ Average-income house of 800 sq. ft of floor space (3-bedrooms) at XCD170.00/ sq. ft. and 5,000 sq. ft. of land at XCD10.00/ sq. ft for the year 2004.

⁷ Source - Improving Housing Markets; Michael Ball, RICS Leading Edge Series Published May 2003

It was also found that at the lowest interest rate available (i.e. 6% per annum)⁸ and a maximum mortgage loan amount of about XCD\$82,000.00, the very low-income groups – i.e. those described as households having a “core need” – can barely afford to purchase an average two-bedroom house⁹ given current market prices. Overall, housing affordability had worsened, particularly within the two lowest income quintiles. Whilst it is difficult to determine the precise number and geographic location of households which lies within these poorest quintiles, information from the most recent draft poverty assessment survey¹⁰ found that about 21% of households were living below the poverty line of XCD\$424.00. Therefore, these poor households would most likely be experiencing housing affordability problems, both in terms of owner-occupied and rental housing.

3.1.4 Housing Supply

The private sector supplies most of the Island’s owner-occupied and rental housing but hardly to low-income households. Illegal/squatter settlement remains prevalent. Reliable data on housing supply is unavailable; however, based on the number of building applications processed by the Development Control Authority (DCA), the supply/production of new housing units in 2004 was estimated at less than 1,000.

Public Sector Supply

The SLNHC, Government’s only housing developer, is the Island’s single largest producer and supplier of both owner-occupied and rental housing. During the past ten years, the SLNHC constructed an average of 50 new units annually and by 2004, the SLNHC supplied an estimated 370 rental units. Overall, SLNHC accounts for only 8% to 10% of the Island annual production. In general, SLNHC’s prices for both owner-occupied and tenanted housing units are generally lower than the private sector’s. This is partly due to government’s contribution, mainly through a significant reduction in the price of the land input. Although SLNHC is the leading producer of low-income housing, this accounts for less than 30% of its total housing production. On the other hand, almost 70% of SLNHC’s housing applicants are classified as low-income, implying a largely unsatisfied expressed demand. As part of its strategy to address this issue, the SLNHC has, over the past decade, increasingly adopted the dual approach of mixed-income housing and price cross-subsidisation. However, its major challenge is to break-even on its operations whilst improving housing affordability for low-income households.

⁸ Offered only by the St Lucia Mortgage Finance Company

⁹ A house of 489 square feet of floor space.

¹⁰ Draft Report of the Assessment of Poverty in St Lucia by Kairi Consultants Limited, August 2006

Several other public sector programmes and projects have provided housing, mainly in the form of serviced lots and increased accessibility to housing finance, specifically targeted at low-income households. Some of these include the Shelter Development Project (SDP) which involves the PROUD component; the Public Sector Relocation Programme (PSRP), and the European Union (EU) Low-income Housing Credit Facility (LHCF). Overall, there is a need for a comprehensive strategy to encourage increased housing supplies to the “core need” low-income households.

Private Sector Housing Supply

Formal Sector

The formal private sector consists of about ten developers and around 700 to 800 medium and small contractors. Together, these private suppliers are responsible for producing about 90% of the Island’s housing units for both owner-occupied and rental households. However, private sector involvement is generally limited to the middle to upper-income levels and the production of single family housing units. Over the past decade, there have been limited private-public sector partnerships in the supply of housing. This is reportedly due to the relatively higher business risks and costs associated with housing production, particularly for low-income households. Further, contractors’ technical and managerial skills tend to be weak, resulting in poor quality work and consequential increases in housing production cost. This situation is further exacerbated by the absence of a legally binding building code and mandatory construction standards.

Informal Sector

Housing production in the informal sector is characterised by several small contractors, illegally constructing (i.e. without DCA’s approval) housing units in squatter (unplanned or spontaneous) settlements. Indeed, the high prevalence of squatter settlements continues to be a key feature of the St Lucia housing market. By 2000, it was estimated that there were at least 35 squatter settlements dispersed throughout the Island in which private citizens illegally occupy both government and private lands for residential purposes. Most illegal housing units are built with timber which is easily constructed but less durable.

Although informal sector activity results in an increase in housing supplies, there is need for rationalization of squatter settlement. Government has made a number of attempts to rationalise and regularise squatter settlements, PROUD being the largest and most recent. The lessons learnt from PROUD so far, suggests the need for more comprehensive strategies for rationalization of squatter settlements along

standard planning guidelines as opposed to simply upgrading tenantry or land reassembly. The strategy of land reassembly will obviously result in greater costs, disruption and relocation.

Institutional and Special Needs Housing

Currently, the institutional housing stock comprises 21 units which include special education centres; homes for the elderly; orphanages; poor/relief houses and correctional facilities. Of a total of 580 people in institutional housing in 2001, around 353 were “special needs” residents, implying a ratio of three persons per 1000 of the household population. Whilst this ratio is relatively small, the Social Policy for Human Development in St. Lucia (2003) reported that the number of older persons living in poverty has grown significantly in recent years. The Country Review of Social Protection in St. Lucia (2004) recommended the need to specially target the elderly and disabled by providing day care centres for the elderly.

The production and management of special needs housing is usually sponsored by various non-governmental organisations (NGOs) as well as civil society organisations with assistance from GOSL. The Social Policy has proposed a strategy of financial assistance and technical support for: public sector and civil society organisations involved in care of the elderly; provision of shelters for homeless persons. The issue of institutional housing supply is cross-cutting, spanning several government agencies, particularly those involved in housing and community development, criminal justice as well as NGOs. Therefore, close collaboration will be required to facilitate the provision of institutional housing, that is accessible, safe and disaster resistant.

Factors Influencing Housing Supply

Several factors influence the supply of housing in St Lucia; chief among these are the availability, and consequently, the price of land. Other factors are the: availability and price of critical building materials; labour and infrastructure services. Some non-price factors such as the level of construction technology available and utilisable; enforcement of legally binding building codes and mandatory standards and; to a certain extent, the efficiency of the regulatory approval process also influence housing supply. In particular, the scarcity of affordably priced undeveloped lands is exacerbated by the current land tenure pattern and the high cost of infrastructure. Both factors tend to limit private sector participation in housing. In an attempt to alleviate the situation, the GOSL has already identified some lands for housing. Also, reactive satellite plans have been developed for specific communities. However, there is a need for integrated land use planning at the national level.

In terms of the availability of building materials, four of the five most critical building materials – cement, steel, timber and sand are all imported. Consequently, their availability and price on the local market is largely influenced by external market forces and local importers’/suppliers’ business performances. Over the past five years, the price of building materials has increased by as much as 30% to 50%. Similarly, average labour cost has increased, albeit steady increases in unskilled supplies from the declining Banana Industry. Essentially, the construction boom (on the local, regional and international markets) has had a negative impact on the availability and price of inputs, particularly labour and building materials. Additionally, the high investment cost of infrastructure significantly affects the final price of serviced lots. These price impacts ultimately influence the cost of housing supplied by both private and public developers. Moreover, the regulatory planning approval process tends to be cumbersome, with lengthy delays which tend to limit private sector participation in housing supply.

With regard to technology, traditional masonry and timber construction remain the predominant types used in the production of housing, despite the availability of more modern and efficient alternatives. This is largely due to the Island’s steep topography and low economies of scale in housing projects. In terms of building codes and standards, the DCA is already applying some of the requirements of the St. Lucia Building Code and Guidelines (SLBCG); however, it is not legally binding. Additionally, the absence of mandatory construction standards and inadequate regulation of the Industry has contributed to the generally weak performance of housing developers and contractors.

3.1.5 Current Deficit and Future Housing Requirements

The annual housing need over the next ten years is estimated at about 2,100 units. An accurate projection of St. Lucia’s housing deficits and requirements is a difficult exercise given the dearth of data. Nonetheless, a rough empirical analysis indicated that the total backlog of housing at the end of 2006 is almost 4,000 units and the requirement over the next decade (2008-2017) is approximately 2,100 housing units annually. Data to facilitate prioritisation of the future housing need by household income group or house type/size is currently unavailable. However, it is anticipated that prioritisation will focus on households in the very-low to low-income groups; i.e. those described as experiencing “housing stress” or those having a ‘core need’ for housing.

Overall, it must be reiterated, that successful implementation of the NHP and related SPA will require up-to-date and accurate information on housing demand.

Therefore, specific market research is required in order to determine the effective or expressed demand for housing by income group, special needs group as well as by the choice of housing (starter, core, complete two or three-bedroom) and geographic location/district.

3.1.6 Institutional Framework for Housing

Several public and private sector institutions are directly or indirectly involved in housing; however, there is a need for improved efficiency, collaboration and mechanisms to improve housing delivery. The institutional framework for housing is characterised by public, quasi-public and private sector organisations. The main public sector institutions involved in housing consist of government ministries/departments that provide the regulatory and administrative framework for housing delivery. Whilst the role of each ministry is necessary, the cumbersome and lengthy regulatory approval processes involved, tend to limit the private sector participation in the housing industry. In general, an inadequacy of financial and human resources are the main constraints to the efficient co-ordination, implementation and enforcement of the public sector's housing effort.

In terms the quasi-public organisations involved in housing, the long-established SLNHC (formerly the HUDC) and SMFC; and the more recent NIPRO and the SDC are directly involved in housing. The latter two institutions perform some of the core functions of the SLNHC, implying duplication and perhaps inefficiency of the housing effort by Government. Consequently, in the design of a Housing Policy, consideration needs to be given to institutional strengthening and rationalisation of operations.

Also, several private sector institutions are involved either directly or indirectly in the delivery of housing services. Some of these institutions include commercial banks, the SMFC, credit unions, and other financial intermediaries. These institutions operate in an increasingly competitive business environment and over the past few years, housing finance rates have gradually declined to their lowest in forty years. Nonetheless, all these financial institutions have specific eligibility criteria for mortgage loans financing which tends to limit formal participation by prospective low-income homeowners who do not possess a steady flow of income. Therefore more appropriate mechanisms for financing low-income households need to be leveraged by the public and private sector, with particular emphasis on more realistic eligibility criteria.

3.2 Overview of Enabling Policy Instruments

Over the years, GOSL has developed an improved approach towards housing development; however, more needs to be done. Over the years, GOSL has promulgated several policy instruments and initiatives which essentially reflect a firm commitment to housing development. More specifically, the SLNHC Act of 2001 is the main piece of legislation which guides GOSL's direct involvement in housing. The Act gives the SLNHC the legal basis for implementing all GOSL's policies relating to housing and resettlement. The Act provides for the appointment of a board of directors with the mandate to acquire, develop and manage housing development as well as to re-develop/re-construct slum areas including the relocation of displaced persons. The SLNHC Act also authorises the SLNHC to form strategic alliances with other organisations in the provision of housing accommodation for low-income households.

In addition, there are several other policy instruments¹¹ which support housing development efforts. Some of these include Physical Planning and Development Act (2001), the Slum Clearance and Housing Ordinance (1971), the Special Enforcement Areas Act (2000) the Property Tax Amendment (1999), the Aliens Landholding Regulation Act (1999) the Rent Restriction (2001), Crown Lands Ordinance (Cap 108); Land Development Act of 1971; Land Acquisition Ordinance; Land Adjudication Act (1984) and the Land Registration Act (1984) and their various amendments. The recently promulgated Condominium Act of 2006 facilitates the division of property into parts that can be owned individually or in common and provides for the use and management of this type of property. This Act is therefore critical to the total supply of housing in St Lucia in view of the scarcity of lands and the growing demand for affordable housing.

Another important policy instrument which has serious implications for housing development is the National Land Use Policy which is currently in its final stages of promulgation by the Cabinet of Ministers. The draft National Land Use Policy is consistent with the proposed Housing Policy in that it has, as one of its strategic objectives, the provision of opportunities for all citizens to have access to adequate shelter. In that regard, the establishment of a land bank is a specific action plan under the draft Land Policy. Overall, there may be a need for expert re-examination and possibly harmonisation of those policy instruments with a view to ensuring successful implementation of the Housing Policy.

¹¹ See Appendix 20 - Policy Instruments Relating to Housing of National Report on Housing and Resettlement in St. Lucia prepared by Engineering Construction and Management Consulting (ECMC) Limited, Revised April 2007.

3.3 Current Housing and Resettlement Efforts

Government has made a significant and consistent contribution towards the housing sector; however, greater focus is required on households which have a core housing need. In general, Government's thrust in the housing sector has been based on the principle that it will not intervene in any area that is adequately provided for by the private sector. The Medium Term Development Report,¹² which was formulated in 2000, basically endorsed GOSL's broad goals for housing and resettlement as follows:

- Provision of access to housing for low-income households and the indigent;
- Improvement in the quality of the housing stock of low-income households and;
- Creation of a policy framework to facilitate the orderly development of housing and shelter.

Accordingly, government's recent interventions in housing and resettlement continued to focus on the provision of housing, particularly for low and middle-income households. The main initiatives that have been pursued by GOSL in recent years include inter alia:

- i. Continued provision of low and middle-income housing (serviced lots and houses) by SLNHC, at discounted prices;
- ii. Supply of a limited number of multi-family housing units (apartments in Castries city) at rents below market rates;
- iii. Implementation of the PSRP to facilitate resettlement of households that have been dislocated by both public development projects and the impact of disasters such as hurricanes, land slides and fires;
- iv. In 2000, implementation of the SDP and its major components (STURF/PROUD, CUC and SSRF) aimed at providing housing specifically targeted at low-income households;
- v. Reorganization of statutory housing institutions through the merger of HUDC, Nationwide Properties Ltd and SLHA in 2001 to create the SLNHC, the institution charged with the responsibility for operationalising most of GOSL's housing and resettlement interventions;
- vi. In 2001, identification of almost 350 acres of land throughout the Island for housing

¹² Medium Term Development Report 2001-2006

- vii. Implementation of the PRF and the BNTF – poverty reduction projects, which have enabling impacts on housing and resettlement.
- viii. In 2003, implementation of the LHCF which provided EU grant funds to build or improve low-income homes;
- ix. Continued provision of fiscal incentives to private developers for producing affordable housing for low and lower-middle income households. In particular, special arrangements were made for specific private developers hired by SLNHC and GOSL under certain projects. GOSL has, since the 1980's offered incentives which include:
 - Up to 100% duty-free concession is granted in special cases to private developers/ contractors for purchasing house-building materials;
 - Tax free concessions for private developers/ contractors who provide more than ten owner-occupied at less than XCD150,000.00 (in the 1980's) and XCD300,000.00 (in the 1991's) each and within a one-year period.
- x. Through MPDEH, initiation in 2003, of the formulation process for a new policy framework (the proposed NHP and SPA) to guide the development of housing and resettlement in St. Lucia.

Overall, GOSL's efforts towards housing and resettlement have been substantial and consistent with the general guiding principles of the UN Habitat Agenda as well as other Caribbean housing interventions. However, it is evident that there is a need for greater focus on those low-income households, which have a "core housing need".

3.4 Key Housing Issues and Constraints

An analysis of the existing housing situation has revealed that there are several constraints facing the sector. Some of the critical issues which will need careful consideration and prioritisation in the formulation of a national housing policy for St. Lucia are:

Unavailability of Land for Housing

The relatively small size of the land resource base coupled with its historical and current pattern of ownership presents a serious constraint to housing. At every focus group discussion held in the various communities, the high price of land was identified as one of the major constraint to housing production. Therefore, land availability problem appears to be critical and deserving of special consideration. In particular, the proposed NHP and SPA will need to address the challenge of improving the supply of affordable housing given a small finite land resource base.

Consistent with the draft Land Use Policy, specific strategies and action plans relating to government's acquisition of available lands within communities will need to be examined in order to create housing land banks and consequentially focus on the needs of their residents. The acquisition of lands within communities for residential purposes should also be viewed within the sociological context of maintaining the community's cultural base.

Whereas the right to adequate housing must be recognised, the issue of squatting requires specific attention in any housing strategy being developed for St. Lucia. Given the lessons learned from the PROUD intervention, strategies need to be designed to first halt and then reduce the rate of squatting/ unplanned developments throughout the Island.

High Cost of Infrastructure

Another deterrent to housing production by both the private and public sectors is the high investment cost of land infrastructure particularly where the development is distant from existing infrastructure. The developer fully bears the high investment cost of provision of water and road infrastructure to a new site; without future benefits for connections made off these infrastructures to other sites by other individuals or developers. This high cost of infrastructure significantly influences the final price of the serviced land and ultimately, the cost of housing to the consumer. Therefore, there is a need to firstly, re-examine the high initial cost of land infrastructure cost and secondly, to develop a common approach for the provision of utilities to housing developments.

Consumers' Housing Dilemma

There appears to be a socio-economic issue concerning people's housing aspirations. Focus group discussions held in the various communities have revealed a divergence between consumers' housing taste/ preferences and affordability. Indeed, despite several efforts at targeting specific low-income households, the SLNHC has failed to fully attract purchases of all its more affordable timber and core concrete houses, amid an over-subscription by low-income applicants. Also, the SLNHC was unsuccessful in selling its duplex houses (at Carellie in 1995) mainly because of consumers' preference for single detached housing. The potential impact of this consumer mindset will require special attention, particularly in view of the reality that as a society/economy develops; there is a tendency for people's preferences and aspirations to rise, as they try to improve themselves.

Additionally, concern has been expressed about the lack of architectural appeal of housing units in low-income developments. Given the fact that land, one of the

most critical housing input is becoming increasingly scarce and expensive, another challenge to be addressed by public and private sector housing producers is the provision of affordable multi-family housing units within housing developments. Further, in view of the fact that home-ownership might be the single largest, if not the only investment to be undertaken by low-income households, the challenge is how to enhance the architectural aesthetics and improve the variety of house designs whilst maintaining affordability. Diversity of house type and design for low-income houses within housing developments will also serve to foster innovation in construction and contracting methods as well as promote mixed-income developments. Therefore, any housing strategy or action plan will need to consider the issue of consumer preferences through in-depth market research to establish various housing needs, taste and preferences, as well as affordability, particularly with respect to low-income households.

Increasing Rural-Urban Migration

Rural-urban drift has not only placed a significant strain on the supply of housing, particularly in the north of the Island, but has also resulted in severe traffic management problems along the main routes. Indeed, the expressed demand for multi-family (apartment) housing in Castries city is significant and as evidenced by SLNHC's waiting list and confirmed at some focus group discussions. Therefore, the recent proposals by Central Government to undertake renewal of Castries must be integrated within the proposed Housing Policy insofar as the housing aspects are concerned. At the macro-economic level, a major challenge is the need for GOSL to promote economic development policies that will reduce the rate of urbanisation by providing more employment opportunities in rural areas.

Inadequate Finance Mechanisms for Low-income Housing

Whilst a review of the housing credit sector indicates a reasonable supply of financial institutions, access by low-income households appears to be limited. In particular, households in the poorest income quintile are in effect, excluded from the formal credit sector. This is partly due to inflexible eligibility criteria for borrowing which involve steady income streams and land security. Therefore appropriate mechanisms for financing low-income households must be leveraged, with particular emphasis on more realistic eligibility criteria and lower interest rates. Additionally, the institutional mechanism for administering low-interest finance to low-income households should be revisited, particularly in light of the lessons learned from the HILP component of the SDP. Another issue is the need to promote prospective homeowners' equity housing through the concept of sweat equity, particularly for low-income households.

Further, given the fact that housing is one of the key basic human rights, attention is required with respect to the housing needs of the most vulnerable – i.e. those within the poorest income quintile. With current housing supply falling far short of the housing needs of the low-income, Government is increasingly confronted with the challenge of providing housing for the indigent and very low-income or “core need” households. While some housing assistance is provided through the SLNHC and other Government housing incentives, the mechanism for accessing these incentives remains largely unstructured. As a result, the benefits could be unintentionally diverted to higher income groups. Therefore, it is important that clear incentive regimes be developed to specifically target low-income households. In that regard, there is a need for strategies and action plans to gather information on the socio-economic characteristics and geographic distribution of the poorest income quintile. More importantly, the specific allocation of funds through the annual national budgeting system is required for a focussed approach to affordable housing for low-income households.

Inadequacy of Administrative and Legislative Framework

The situational analysis of housing delivery has revealed a highly disproportionate production of “low-income” housing during the last ten years. Therefore the public sector housing delivery institutions should urgently consider strategies for increased delivery of affordable housing to the low-income, including beneficiaries of subsidies and the indigent. However, any national housing strategy and action plan should consider the development of methods which will enable the effective recovery of capital and recurrent cost from the beneficiaries of subsidised housing. Additionally strategies need to be considered for the efficient and effective management of existing public rental housing to ensure financial sustainability of the public sector housing delivery system.

The SLNHC, the recently established SDC and the Physical planning Section of MFPD are three major government institutions that are directly involved in the delivery of housing. The SLNHC in particular, has not embraced its mandate with respect to settlement/ slum clearance and re-development, largely due to a lack of funds. This is against the backdrop of other housing-relocation programmes (e.g. PROUD and other PSRP activities) within the MFPD, which is financed by government and CDB. In effect, these programmes/ MFPD perform or duplicate one of the mandated functions of the SLNHC.

Although the SDC has not yet undertaken any housing projects, its mandate also suggests possible duplication of SLNHC’s function and thus inefficient use of housing delivery resources. Similarly, NIPRO, as a quasi public organisation, is

directly involved in housing through the development of serviced lots for middle-income households. Again, this is one of the core functions of the SLNHC and therefore represents a duplication of public sector housing effort. Therefore, the Housing Policy will need to re-consider rationalisation of all public and quasi-public organisations to ensure the efficient delivery of housing to all consumers. In that regard, attention should be given to the re-establishment of an institutional mechanism to facilitate continual dialogue among the various agencies and projects involved in housing, particularly for low-income households.

Cumbersome Regulatory Approval Process

The lengthy and complicated regulatory approval process hinders efficiency within the housing delivery system. While certain measures instituted by the DCA are necessary, they tend to lengthen the regulatory process for obtaining planning approvals for land sub-division. In particular, the extensive delay caused by government referral agencies with respect to planning approvals has serious cost implications for private developers and ultimately, adversely affects in the final price to housing consumers.

Additionally, there is a tendency for the property conveyance process to be extremely lengthy. This adversely affects the efficiency of sales of housing units and/or serviced lots within a development. Therefore, it may be necessary to revisit the LRTP which originally proposed that a land register (from the Government Land Registry) would have been sufficient to establish ownership of a parcel of land. Further, the complexity and time-consuming process involved in obtaining the duty-free concessions offered for housing projects discourage private developers' increased involvement given the expedited nature of house construction. Therefore, an explicit method needs to be developed to ensure that government incentives are effectively and efficiently utilised and private sector involvement in the housing delivery process is maximised.

Lack of Integrated Planning in Housing Programmes

In the absence of an explicit national development plan, housing sub-divisions simply involve the provisions of sites and services, houses, and the allocation of a portion of land as an open space. This has resulted in the need for residents to travel relatively far distances to access services such as day-care, transportation, and shopping facilities. Therefore, the need for integrated planning of housing projects, whereby residents are provided with a full set of community facilities, is paramount in the development and sustainability of neighbourhoods. Essentially, government's planning agencies should play a more proactive role in the housing development process. Also, the provision of multi-family housing units

(apartments) within the normal sub-divisions/ housing development projects was an issue which was also mentioned at the focus group discussions, merits further examination. Legal ownership of this type of housing unit now appears more feasible with the passage of the new Condominium Act (2006). Housing requirements should therefore be continuously assessed in terms of needs and their prioritisation, to influence national zoning plans and/or the creation of integrated development plans. The synchronization of housing development plans with the associated community infrastructure should therefore be seen as a priority issue for consideration in the proposed Housing Policy.

Inadequacy of Housing Information System

The dearth of accurate and reliable data on the St. Lucia's housing market is evident in the preparation of the National Report on Housing and Resettlement in St. Lucia. This deficiency of information, which has also been expressed on several previous occasions, is cause for deep concern since the formulation of any successful housing policy must be based on a reliable housing information system. Therefore, it is essential that financial and human resources be allocated to facilitate the development of a comprehensive, accessible up-to-date and transparent data base on the housing market. Moreover, a database with qualitative and quantitative information on housing will also serve to measure the performance of the proposed NHP against established targets.

Limited Private Sector Involvement

The analysis of the housing situation has confirmed that private sector involvement has always been minimal, particularly in the production of low-income housing. There is also an absence of public-private sector partnerships in housing delivery. This situation exists despite several efforts by government, particularly in the form of fiscal incentives. The relatively high cost of undeveloped land, DCA's strict requirements and the cumbersome regulatory approval process are some of the deterrents posited for the low level of private sector involvement. Therefore, strategies should be developed to promote increased involvement of the private sector as well as to address the issue of public-private sector partnerships in the provision of housing with particular attention to low-income groups.

Inefficiency of House Construction

With materials and labour inputs representing almost equal proportions of the cost of house building, it is critical that these two production factors be affordable, readily available and efficiently utilized. In particular, attention is required in the development of strategies and action plans that would encourage the availability

and utilisation of building materials, particularly from indigenous resources. Of specific concern is the fact that St. Lucia has significant pumice resources, an alternative material used in masonry products, but which is currently imported for house construction. However, research into the negative attributes of pumice and other naturally occurring resource will need to feature prominently in any strategy aimed at increasing efficiency and effectiveness in the housing construction sector. Further, the current global demand for steel and the consequential price increases necessitates particular focus in terms of mechanisms to reduce the impact of such external market forces on the housing industry.

In terms of contracting, the: low entry barrier of the construction industry; lack of a regulatory body; absence of mandatory standards together with the non-existence of a legally binding building code, has contributed to the general poor performance of contractors. This has been reflected in lengthy construction durations and poor quality of house building. Thus in order to ensure that the proposed Housing Policy is all embracing, it is essential that construction quality management be appropriately addressed. In that regard, capacity building through training, registration and licensing of housing contractors and the enactment of the St Lucia Building Code should be considered within the proposed Housing Policy. This of course, must be developed against the need for improved competitiveness within a CSME environment and globalised economy.

4.0 POLICY CONTEXT

Worldwide, the right to adequate housing and shelter has been enshrined in the Universal Declaration of Human Rights, an international legal instrument promulgated in 1948 by the UN. The UNCHS Habitat Agenda - the global appeal on housing and shelter, which has been adopted by over 170 countries, provide an international supportive framework for housing development. Though there is no specific law or convention on housing that St. Lucia has had to ratify; there are several international instruments that St. Lucia has adopted or endorsed which relate to housing and shelter. These international commitments do not only reaffirm St Lucia's overall commitment to housing development, but also provide a basis for strengthening the policy frameworks for housing.

At the regional level, the Government of St Lucia has actively participated in several regional initiatives. At the national level, legislation to establish SLNHC and the various housing interventions, particularly the recent CDB co-funded Shelter Development Project, particularly the PROUD component has given significant thrust to Government's commitment to housing development. This Housing Policy is therefore based on the

underlying principle that the provision of adequate and affordable housing is critical for ensuring the security as well as the economic health and wealth of the Nation.

5.0 CHALLENGES TO IMPLEMENTATION OF THE HOUSING POLICY

The key challenge to implementation of the Housing Policy is consumers' growing housing aspirations which tend to result to an increasing divergence between their housing taste/preference and affordability. This consumer mindset is important in view of the reality that during the implementation of the Housing Policy, the society/economy will be developing and consequently, the increasing propensity for people's preferences and aspirations to rise, as they try to improve themselves. Another issue of concern is the commitment of all stakeholder groups to a collaborative approach which is required to achieve the Policy's stated goals and objectives. The differences in economic status of households and the consequential need to utilise selective and targeted fiscal approaches to facilitate the provision of adequate housing to specific low-income groups could be difficult to promote. This is in view of:

- The current weak institutional framework and inadequate coordination among organisations involved in the housing delivery process would require specific attention. In particular, the human resource capacity and consequently, the financing of the various public and quasi-public housing institutions would need to be enhanced.
- The potential introduction of technological advancements aimed at producing more efficient housing could adversely affect the construction labour force.
- The increasing scarcity and resultant escalating price of land poses a major challenge to the development of mechanism for increasing the supply of land for housing.
- The need for the introduction of structured development oriented mortgage finance mechanisms to support low-income housing.
- The need to engender a more entrepreneurial local private sector to partner with public and quasi-public housing institutions in achieving the Policy's stated objectives.
- The recognition by all stakeholder groups of the need to introduce budgetary measures aimed at creating a regular fund to ensure housing for the Nation's poorest and indigent.
- Since improved construction standards tend to result in increased housing costs, a major challenge would be the enforcement of the St Lucia Building Code while maintaining affordability of the housing product.

6.0 GUIDING PRINCIPLES

The successful resolution to St. Lucia's housing situation will require a comprehensive approach, which mobilises and harnesses the combined efforts of the private and public sectors as well as civil society. Therefore, the following guiding principles are essential for providing support for implementation of the National Housing Policy.

- Fairness;
- Standards;
- Affordability;
- Partnering;
- Sustainability;
- Empowerment and self-sufficiency;
- Efficient land use;
- Housing Information Management;
- Desirability and Variety.

Fairness

Housing is considered a basic human need and right. It is therefore essential that equality and fairness in terms of access to housing be pivotal in the implementation of the Housing Policy particularly with respect to gender, youth, aged, indigent, physical disability and socio-economic status. Ensuring humane living conditions in the wider context of developing communities, especially for the needy is essential in achieving housing for all.

Standards

Planning standards are necessary to develop safe, disaster resistant and quality housing, especially to "core need" households who are particularly vulnerable to the effects of natural hazards.

Affordability

Housing must remain affordable in order to meet the satisfaction of all households, particularly those with a "core need". This is especially important since land and house prices, rent and construction costs have risen more rapidly than real incomes, thus reducing the housing options of low-income households. In addition, households' access to financing is a critical component of housing affordability, particularly in view of the eligibility criteria of many lending agencies.

Partnering

The mobilisation and harnessing of the combined resources, efforts and initiatives of; public and private sectors, community organizations, civil society and the international community, is essential to housing all citizens. The contribution and commitment of the skills, labour, creativity, knowledge, financial and other resources of all these stakeholders is critical to facilitate an enabling environment to house all citizens.

Sustainability

It is absolutely essential for the housing delivery process to be implemented on a sustainable basis, paying due regard to social, historical, economical and ecological concerns. Consequently, it is important that short term housing solutions do not undermine the opportunities for future generations to circumvent the viability of any long term interventions aimed at sustainable growth. **Environmental**, economic, fiscal, social, cultural, financial and political sustainability are imperative to facilitate an effective housing delivery process. Sustainability is necessary to satisfactorily meet the requirements of all citizens throughout their lifetime.

Empowerment and Self Sufficiency

Housing does not only fulfil the basic need of shelter, but also plays a vital role in the economic and social health of the Nation. Economic growth and prosperity enhances the creation of integrated communities and fosters a sense of pride, which could encourage family self sufficiency. The greater the ability of the household to be self sufficient, the less the anticipated input or responsibility of Government to support that household.

In particular, housing represents a major asset for both the homeowner and the island as a whole. Since housing is often the single largest investment for most households, investment in housing is potentially the most fundamental pillar for extended social and economic expansion. Increased home equity contribution and consequently total household wealth is essential for national prosperity.

Efficient Land Use

The small and hilly land resource base demands increasing efficiency in land use in order to maximise the number of housing units and foster the provision of infrastructure in a cost-efficient manner.

Housing Information Management

An effective and transparent housing market can only be achieved through proper and effective housing information. In particular, pertinent information on the socio-

economic status of households is necessary in developing meaningful strategies to address the housing situation. The collection and dissemination of Housing data and information are imperative for proper decision making and analysis of existing and planned interventions.

Desirability and Variety

The provision of a wide variety of housing solutions is necessary to facilitate choice, as well as consumer desirability. Housing solutions extend beyond the provision of houses and must therefore be sensitive towards the issue of desirable housing within communities where people want to live. It involves home extension, improvement and repairs; provision of serviced lots; evolutionary housing, such as core units, starter houses, foundations and slab; infrastructure upgrades; provision of health care services, child care centres and other social facilities and opportunities for employment.

7.0 POLICY STATEMENT

Housing that is safe and healthy, is essential to a person's physical psychological, social and economic well-being. The Government of St. Lucia therefore remains committed to the provision of adequate, desirable and affordable housing, while pursuing the principles of environmental sustainability.

7.1 Vision Statement

Full access by the populace to adequate, affordable, safe and sustainable housing which is consistent with an acceptable socio cultural standard of living.

7.2 Policy Goals

Based on the reported situational analysis of the housing sector, the goals to ensure achievement of the vision of the National Housing Policy are to:

- (i) Develop an effective housing delivery system which aims to meet the needs of the populace;
- (ii) To establish a housing delivery system that maintains balance in the economic development and environmental sustainability of communities.

7.3 Policy Objectives

The objectives of the National Housing Policy are to:

- i. Facilitate the provision of adequate and affordable housing that meets the needs of communities;

- ii. Encourage adequate growth, maintenance and improvement of housing stock to meet human conditions;
- iii. Promote sustainable mixed-income housing developments that meet the needs of all socio-economic groups and also takes cognizance of the needs of vulnerable groups;
- iv. Develop an effective and comprehensive legislative and administrative framework that supports housing development.
- v. Promote effective public and private partnership within the housing sector;
- vi. Increase capacity-building and institutional development within the housing sector;
- vii. Foster active participation of civil society institutions, community-based organizations and individuals in the provision of sustainable housing;
- viii. Promote investment in housing.

8.0 IMPLEMENTATION OF THE POLICY

The implementation of the National Housing Policy will be based on an approach which harnesses the efforts of both the public and private sectors in the provision of housing for all. This approach will also ensure that the type of assistance provided to “core need” households, is so devised that it enhances their ability to become self-sufficient thus reducing dependency on Government.

8.1 Strategy

In establishing the most appropriate strategy, Government will reconcile the key requirements of eradicating the housing backlog and the provision of new housing, vis a vis the resources required to achieve the objectives set out in the Policy. The current financial resources of the Government does not allow for an extensive subsidy approach. Therefore a fundamental tenet of the strategy for addressing the provision of housing would be the creation of economic growth and employment within environmentally sustainable communities.

The strategy also recognises that housing construction contributes to economic growth and employment generation. The Policy will thus be deliberate in incorporating the involvement and employment of small and medium-size contractors. A fundamental approach which will be adopted in the overall plan is the provision of employment for core need households so that they could contribute to housing themselves.

8.2 Priority Areas for Action

In implementing the Policy, focus will be placed on eight priority areas for action. These priority areas will form the basis for designing the strategic interventions required to implement the Housing Policy. These priority areas involve the development of strategies or approaches to:

- Improve the availability of land for housing;
- Minimise the costs of housing infrastructure;
- Reduce rural-urban migration;
- Increase consumer-focussed housing;
- Increase mechanisms for financing low-income households;
- Strengthen the legislative and administrative framework for housing delivery;
- Increase the participation of private sector;
- Increase the efficiency of house production;
- Determine the Human, Technical and Financial Resources Required for Implementation of Housing Policy.

8.3 Strategic Interventions

In order to achieve the objectives of the Policy, the following strategic interventions have been identified:

Improve the Availability of Land for Housing

- In collaboration with the National Land Use Policy, establish a flexible and responsive land bank which provides opportunities for developing both affordable housing for low and middle-income households;
- Undertake proactive physical and land use planning to identify areas for housing development;
- Promote the expansion of residential development in areas where high standards of infrastructure have been implemented prior to establishing new areas where utilities are non-existent;
- Land development regulations shall be continually evaluated to ensure that they do not adversely impact housing prices while at the same time remaining within acceptable standards;
- Continue the programmes of regularization of insecure land tenure and the restrictions of unplanned development;
- Develop mechanisms to facilitate the expeditious release and servicing of lands to be utilised for housing;

- Review and streamline DCA’s planning and building regulations process in an effort to expedite the approval process for land infrastructure, without compromising standards;”
- Promote the efficient utilisation of housing lands through the use of higher densities or floor space index¹³;
- Develop mechanisms to encourage the utilization of vacant land in urban and semi-urban areas
- Encourage private sector participation in the development of land acquired for public housing or for quasi public housing organisations.

Minimise the Costs of Housing Infrastructure

- Undertake proactive planning of housing developments in localities, which already offer community facilities;
- Examine the land development regulations to ensure the provision of minimum standards for housing for low income households;
- Develop incentive regimes for developers to encourage their participation in the provision of housing infrastructure for low and middle-income households;
- Review the performance bond instrument with a view to develop alternative options to reduce the cost of housing infrastructure.

Reduce Rural-urban Migration

- Vigorously promote the Special Development Areas Act to accelerate economic activity and employment in rural areas;
- Promotion of public and private investment in the macro-economy of rural and sub urban areas;
- Promote the decentralization of Government services to other towns and villages;
- Review tenantry upgrading programmes to support rehabilitation efforts in existing spontaneous developments;
- Improve the quality of road networks between rural and urban localities;

¹³ This refers to the ratio of the total floor area of a building on a certain location to the size of the land of that location.

Increase Consumer-Focussed Housing

- Undertake market surveys in an effort to determine housing aspirations;
- Institute a minimum variety of house designs to be presented to consumers of Government housing;
- Undertake regular and comprehensive market research to determine consumer housing needs and wants.

Increase the Financing Mechanisms for Low-income Households

- Review the performance of financial incentives currently provided to specific institutions for low-income mortgage financing with a view to extending these facilities to all financial intermediaries;
- Examine and encourage innovative institutional arrangements for promoting and facilitating greater access to finance low-income and “core need” housing;
- Undertake an in-depth review of the performance of low-income housing finance interventions in order to establish the most feasible system for ensuring the availability of mortgage finance to these households
- Encourage mortgage financing to low-income households through community-based financial institutions.
- Explore alternative systems for financing the creation of a sites and services fund for low-income housing.
- Develop an annual fiscal contribution towards financing low-income and core-need households.

Strengthen the Legislative and Administrative Framework for Housing Delivery

- Streamline the legal and administrative procedures involved in undertaking land conveyancing transactions;
- Review the mandate and responsibilities of the Ministry of Housing vis a vis that of Government organisations involved in implementation.
- Review the operations of implementers of Government housing programmes with a view to consolidating their services into one quasi Government organisation;
- Re-examine the human resource capacity of AG’s office to facilitate the effective and efficient review of housing transaction documents;
- Establish a system to facilitate regular round-table discussions among the key institutions and stakeholders involved in the housing delivery process;

Development of an Effective Information System to Support Decision-Making in Housing Delivery

- Assess the institutional framework for monitoring and evaluating the performance of the housing sector in order to create an effective and transparent system for collecting data which influence and impact the housing delivery process;
- Strengthen the human, technical and financial capacity of the Ministry of Housing to conduct regular market research.
- Mandate the Ministry responsible for social affairs to undertake regular socio-economic surveys.
- Examine mechanisms aimed at developing and up-dating household income distribution information on an annual basis.

Increased Participation of Private Sector

- Review the current regime or tax and import duty incentives to foster increased private sector participation;
- In addition to Government agencies, extend the direct importation of construction material to suppliers in the local private sector;
- Revise regulations to facilitate increased private sector activity in low-income housing without compromising minimum environmental and health standards;
- Support efforts by the private sector to introduce new housing technologies by providing promotion lots at a subsidised price, particularly for the low and middle-income households;
- Review the requirement of the performance bond to develop a more acceptable regime which would be more efficient to the developer.

Increased Efficiency of House Construction

- Continually assess the technical and managerial capacity of contractors, technician and construction artisans with a view to enhancing human resource development.
- Investigate the use of naturally occurring alternative construction materials, for example, pumice.
- Provide concessions for the importation of construction equipment used in the housing delivery process.

- Regularise or regulate the construction industry to facilitate increased production of desirable housing.
- Enforce the St Lucia Building Code.
- Encourage the use of alternative housing systems for speedy and cost effective construction.

Determine the Human, Technical and Financial Resources Required for Implementation of Housing Policy

- Assess the human, technical and financial resources required for the implementation of the Policy.
- Review and update the Strategic Plan of Action in collaboration with all stakeholders.
- Design mechanisms to undertake monitoring and evaluation of the Policy.