Local Shelter Planning Manual (LSP)

Submitted By: Department of Human Settlements and Urban Development



Organization Profile

Organization Name: Department of Human Settlements and Urban Development Regional Office 1

Organization Type: National government

Website: https://dhsud.gov.ph

Practice Details

Country(ies): Philippines

City(ies): Laoag City, Ilocos Norte

Start Year: 2022 **Ongoing:** Yes **End Year:** N/A

Main Adequate Housing Components:



Housing Thematic Areas:



Relevant SDGs:



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Problem & Context

Past government socialized housing programs in the Philippines have been plagued by poor site selection and inadequate planning. Many housing projects were constructed in distant, hazard-prone locations, disconnected from employment hubs, schools, healthcare facilities, and essential public services, making daily living both difficult and costly for beneficiaries. As a result, many units remain unoccupied or are eventually abandoned. In addition, previous models heavily emphasized the provision of free housing, with limited beneficiary engagement and insecure tenure, often leading to a diminished sense of ownership and accountability. While well-meaning, these "dole-out" approaches proved unsustainable, as recipients lacked the motivation to maintain or improve their homes. Without strategic urban planning, access to livelihoods, and meaningful community participation, socialized housing struggles to provide lasting and dignified shelter solutions.

Solution Developed

1. The 2016 Local Shelter Planning (LSP) Manual guides LGUs in assessing housing needs, identifying land, and crafting shelter programs for ISFs, low-income, and vulnerable groups. Launched in 2022, the 4PH Program builds on this by consolidating in one operations manual various housing programs and strategies and providing a large-scale, implementation-driven solution targeting marginalized sectors, promoting LGU–national government collaboration to deliver affordable, in-city, high-density housing aligned with local shelter plans.

2. Both LSP and 4PH aim to reduce the housing backlog, promote inclusive and climate-resilient housing, and empower LGUs through evidence-based planning. They ensure access to services and livelihoods for low-income families and encourage convergence among government agencies, LGUs, and the private sector. LSP focuses on planning and governance, while 4PH provides funding and implementation mechanisms.

3. Innovations include LGU-led planning, in-city housing to prevent displacement, interest subsidies lowering amortizations to PHP 2,500/month, and digital tools for registration, inventory, and monitoring, enhancing transparency and efficiency.

Implementation

1. Implementation began with DHSUD providing technical assistance and capacity-building to LGUs in developing or updating their Local Shelter Plans (LSPs) based on the 2016 Manual. These included housing need assessments, land identification, and alignment with local plans. Under 4PH, LGUs used their LSPs to expedite project planning and implementation as they were one of the main actors of the program. This led to the construction of in-city, high-density housing, supported by beneficiary validation and social preparation.

2. Key actors included LGUs (leading planning and local coordination), DHSUD (providing oversight and technical guidance), and government financial institutions like Pag-IBIG (providing financing support). Private developers handled construction, while NGOs and community groups assisted in social mobilization and beneficiary engagement.

3. From 2016 to 2021, LGUs developed LSPs. In early 2022, DHSUD launched 4PH, with project submissions and site identification occurring mid-year. Implementation, including approvals and construction, began in 2023 and is ongoing.

4. Implementation was supported by national budget allocations, LGU land contributions, Pag-IBIG Fund financing, and public-private partnerships. DHSUD provided technical assistance, while NGOs and community actors supported social aspects of the program.

Enablers & Obstacles

1. Key enablers included strong national and local political support, especially with the President backing 4PH. The LSP Manual provided LGUs with a clear framework, while DHSUD offered technical assistance and digital tools to support planning and monitoring. Access to data, regulatory streamlining, and financing options like Pag-IBIG and PPPs also facilitated implementation.

2. Obstacles included limited LGU technical capacity, land acquisition delays, and resistance to high-density housing. These were addressed through continuous capacity-building, DHSUD guidance, local consultations, and use of digital systems to improve coordination and speed up processes.

Results & Impact

1. In the Ilocos Region, several LGUs have updated their Local Shelter Plans (LSPs) with guidance from DHSUD, aligning local housing initiatives with the national 4PH Program. As of 2024, multiple 4PH housing projects are either under construction or in various stages across the region, particularly mid-rise, in-city developments designed for low-income families. While units are not yet turned over, LGUs report improved land identification, streamlined permitting, and more accurate beneficiary profiling as a result of the LSP process.

2. The target beneficiaries, specifically in Laoag City, such as informal settlers, low-income households, and government workers, have already undergone validation and social preparation. Once completed, the housing projects will offer safe, affordable shelter near schools, workplaces, and essential services, providing a viable alternative to informal settlements and hazard-prone areas.

3. The ongoing 4PH implementation in Ilocos is boosting local economic activity through job creation in housing construction and related services. It also enhances LGU capabilities in urban governance and risk reduction. Once completed and occupied, these projects are expected to

contribute to long-term community resilience, inclusive urban growth, and climate-adaptive development in the region.

Replication & Scale Up

San Fernando City in La Union, and Urdaneta City in Pangasinan may be the target areas. The rollout of the program in these areas follows the same LGU-led implementation model guided by the new 202 LSP guidelines in its incorporation to the Housing Sub-sector of the Comprehensive Land Use Planning (CLUP), will enable local governments to prepare, update, and align their shelter strategies with the 4PH framework.

To sustainably scale up the 4PH Program, a national law must institutionalize it by mandating LGUs to integrate shelter planning into local development plans and establishing a dedicated housing fund. The law should empower LGUs as housing developers, streamline permitting, and ensure coordination with key agencies. Crucially, it must include provisions for interest subsidies to keep monthly amortizations affordable, thus expanding access to low-income and marginalized families. This framework will guarantee long-term funding, inclusivity, and nationwide implementation.

Policy Uptake

This housing practice has informed or been partially integrated into policy discussions, strategies, or pilot-level policy instruments.

Local Shelter Planning has recently been integrated into the housing subsector of the Comprehensive Land Use Plan (CLUP) in 2022, aligning housing with broader land use strategies. This marks a key shift in local policy. Meanwhile, the 4PH Program, launched in 2022, is still in its early phase but is beginning to shape national housing strategies through its in-city, high-density model. Together, LSP and 4PH are gradually informing policy directions toward more coordinated and sustainable housing development.

Lessons & Takeaways

One key lesson from the ongoing implementation of the 4PH Program and Local Shelter Planning is the need for earlier coordination between national agencies, LGUs, and financing institutions to fast-track loan processing and site development. In hindsight, stronger community engagement at the planning stage could have helped better match beneficiaries to housing locations. Improving digital systems for beneficiary validation and project monitoring would also enhance transparency and efficiency. These adjustments could streamline processes and ensure greater impact and sustainability.