Housing for ALL

By 2022 - Urban…

Mandate of Ministry- "Housing for ALL by 2022"

HOUSING FOR ALL

President's Speech-

- Para 32: "By the time the nation completes 75 years of its Independence, **every family will have a pucca house** with water connection, toilet facilities, 24x7 electricity supply and access."

Budget Speech-

- Government is committed to have housing for all by 2022.

HOUSING FOR ALL

Achievements in Existing Schemes

- **JNNURM**: Out of 14.41 lakh houses approved in 947 cities with Central share of 20169.32Cr, 8.31 lakh houses have been completed, 3.61 lakh houses are under progress. Central share of Rs.17,639.64 Cr. has been released so far

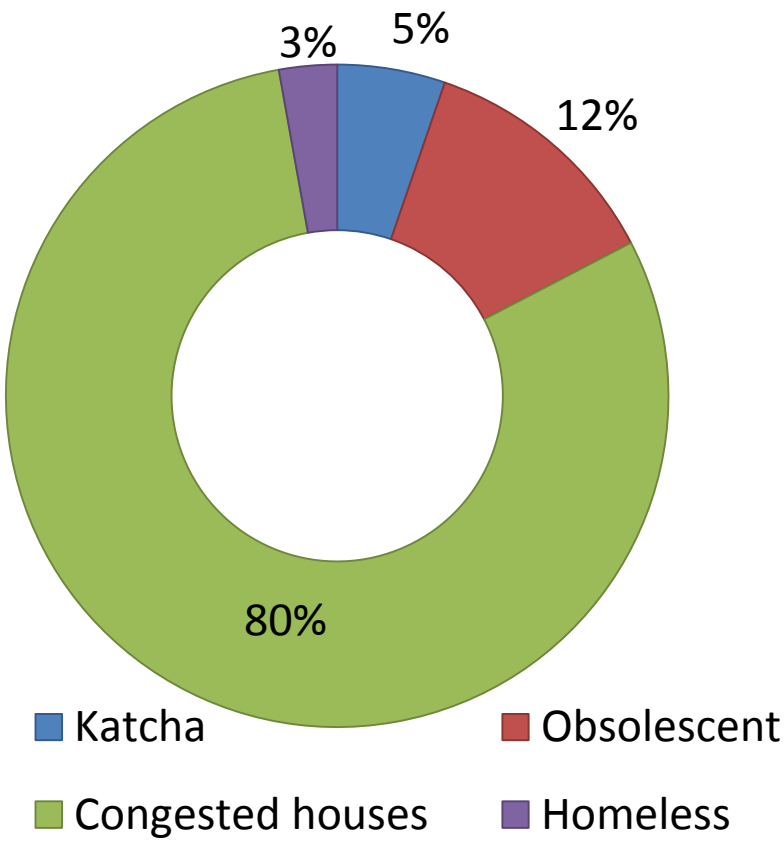
- **RAY**: Out of 1.2 lakh houses approved in 116 cities with Central share of Rs.3531.19Cr, 1154 houses have been completed, 18281 houses under progress. Central share of Rs.1209.90 Cr has been released so far.

- **AHP**: Out of 20,472 houses approved in 5 cities of 3 states with Central Share Rs.112.53Cr, 4528 houses have been completed, and 2240 are in progress. Central share of Rs.44.19Cr has been released so far

Urban Housing Shortage

- As per Estimates by Technical Group Housing Shortage is 18.78 million in 2012

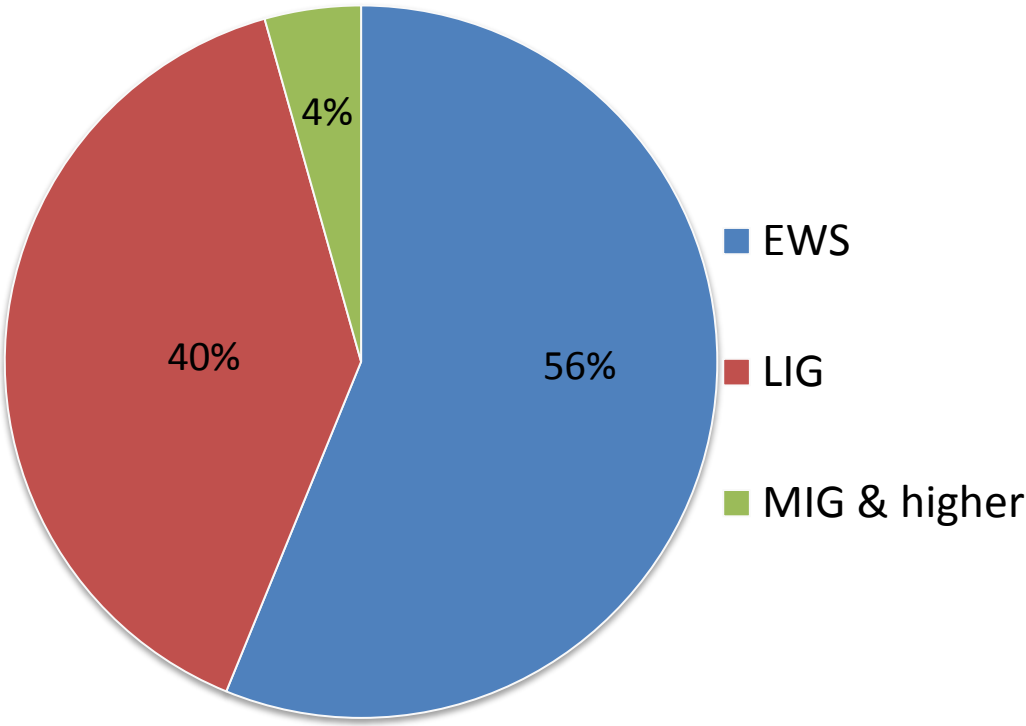
- The Factors of Shortage are
  - Congestion (14.99 million)
  - Obsolescent (2.27 million)
  - Katcha Houses (0.99 million)
  - Homeless Households (0.53 million)



Urban Housing Shortage

Contd…

- More than 95% shortage is for EWS/LIG houses
  - EWS (10.55 million)
  - LIG (7.44 million)
  - MIG and above (0.82 million)



- Housing Shortage going up because of Increased Urbanization and Migration

Urban Housing Shortage

Contd…

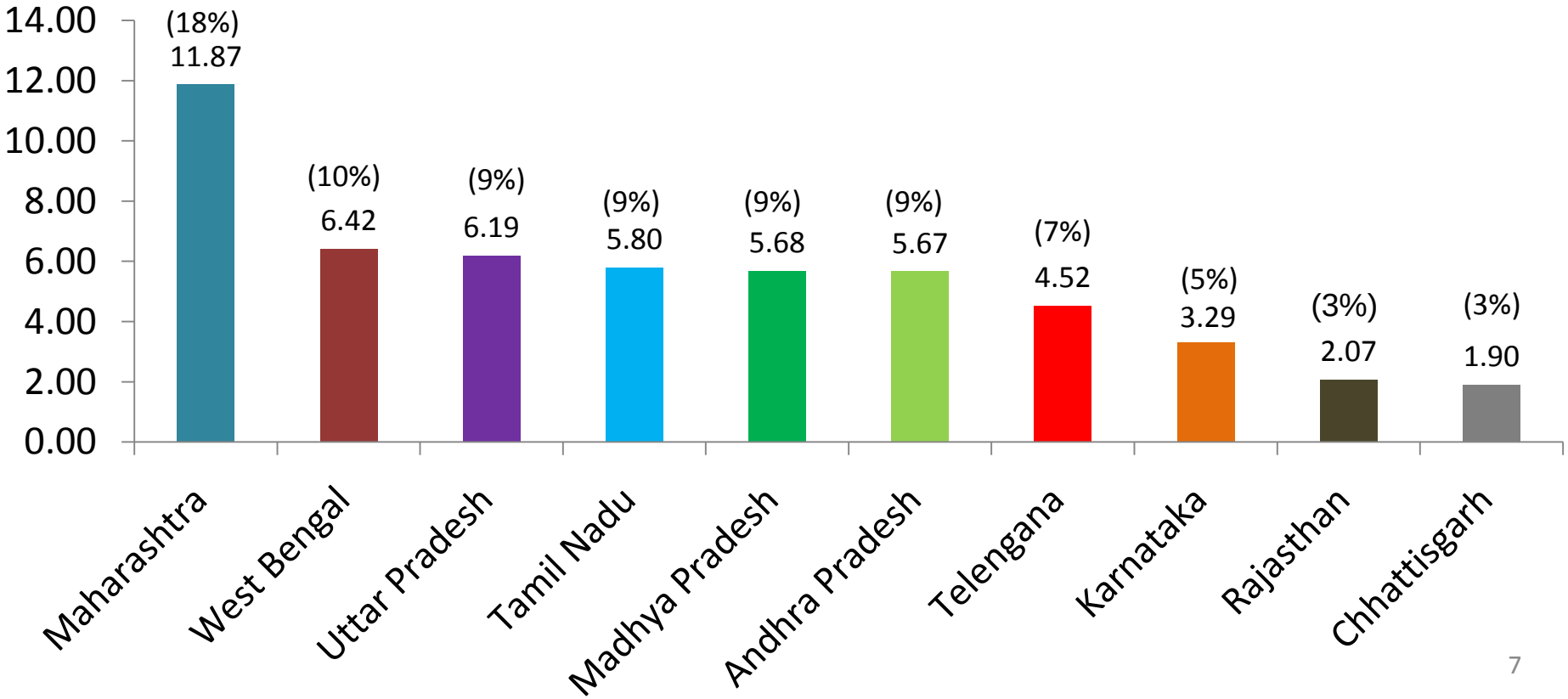
- Other Indicator of Housing Shortage is Slum Population
- As per Census 2011, Slum Households are 13.75 million, up from 10.2 million in 2001
- Growth in 10 years of Slum Households is 36.5% and of Slum Population is 25.1%, whereas of Urban Households is 44.9% and Urban Population is 32%
- Slums are Categorised into
  - Notified (4.97 million households)
  - Recognised (3.79 million households)
  - Identified (4.99 million households)

Urban Housing Shortage

Contd…

- Distribution of Slums
  - Ten States accounts for 82% of slum population
  - 38.4% of Slum Population in 46 million plus Cities

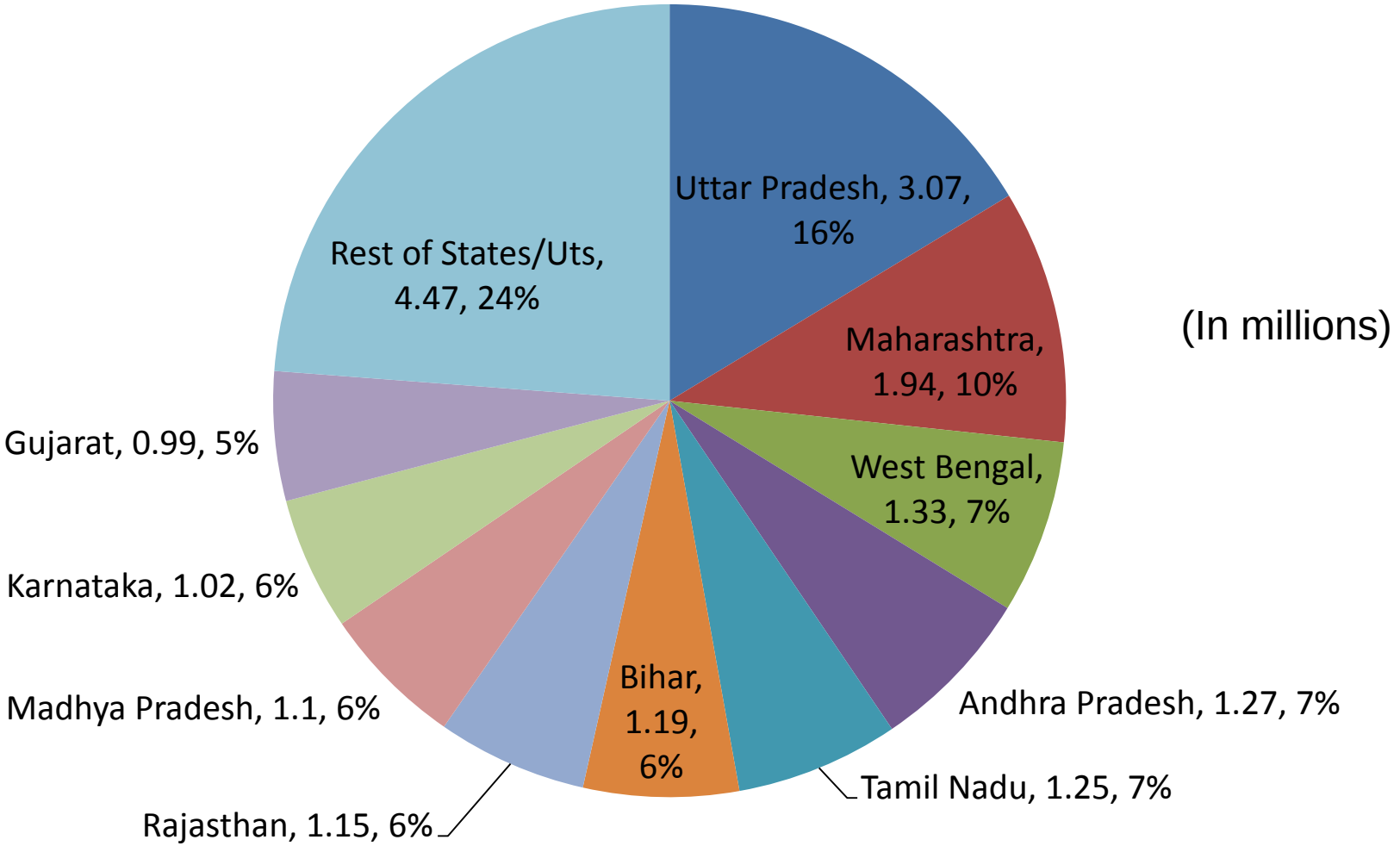
Slum Population (in million)



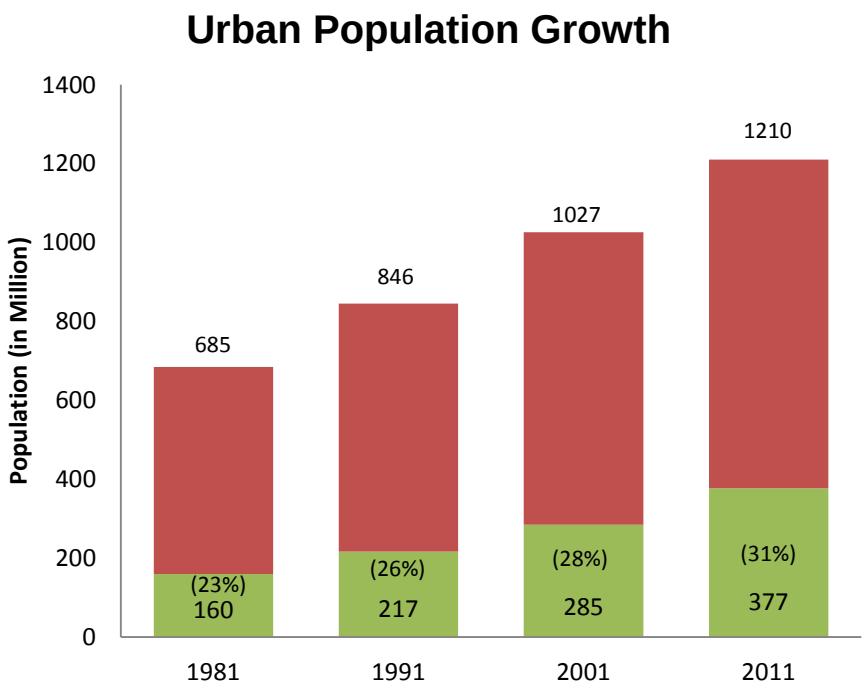
Urban Housing Shortage

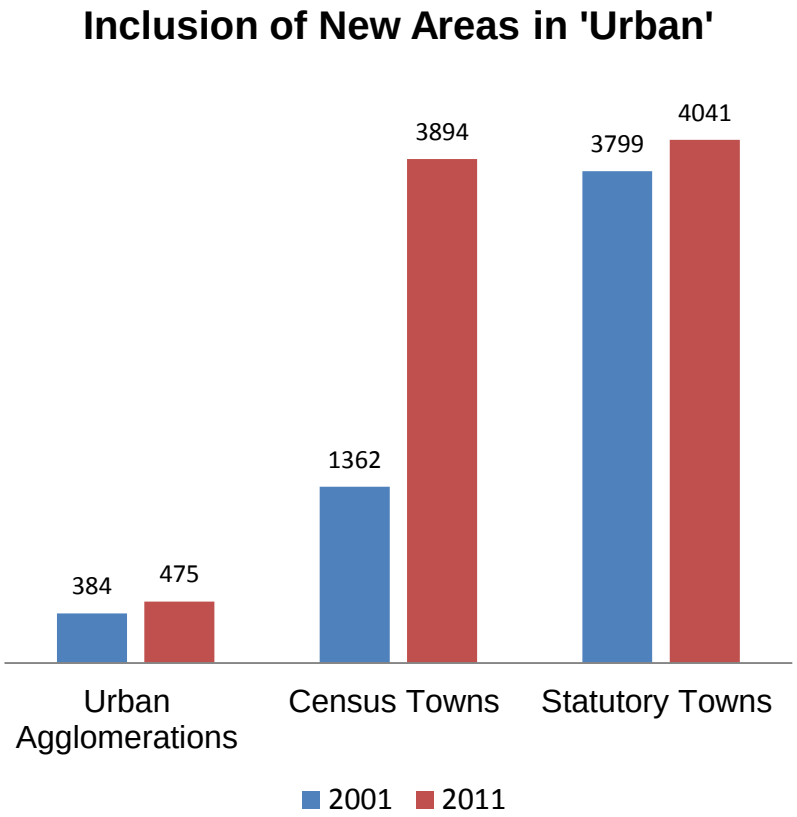
Contd…

- Housing Shortage Distribution – Top 10 States
  - 75% of the estimated housing shortage is concentrated in 10 States



Urbanization





By 2026, 40% of Population will live in urban areas

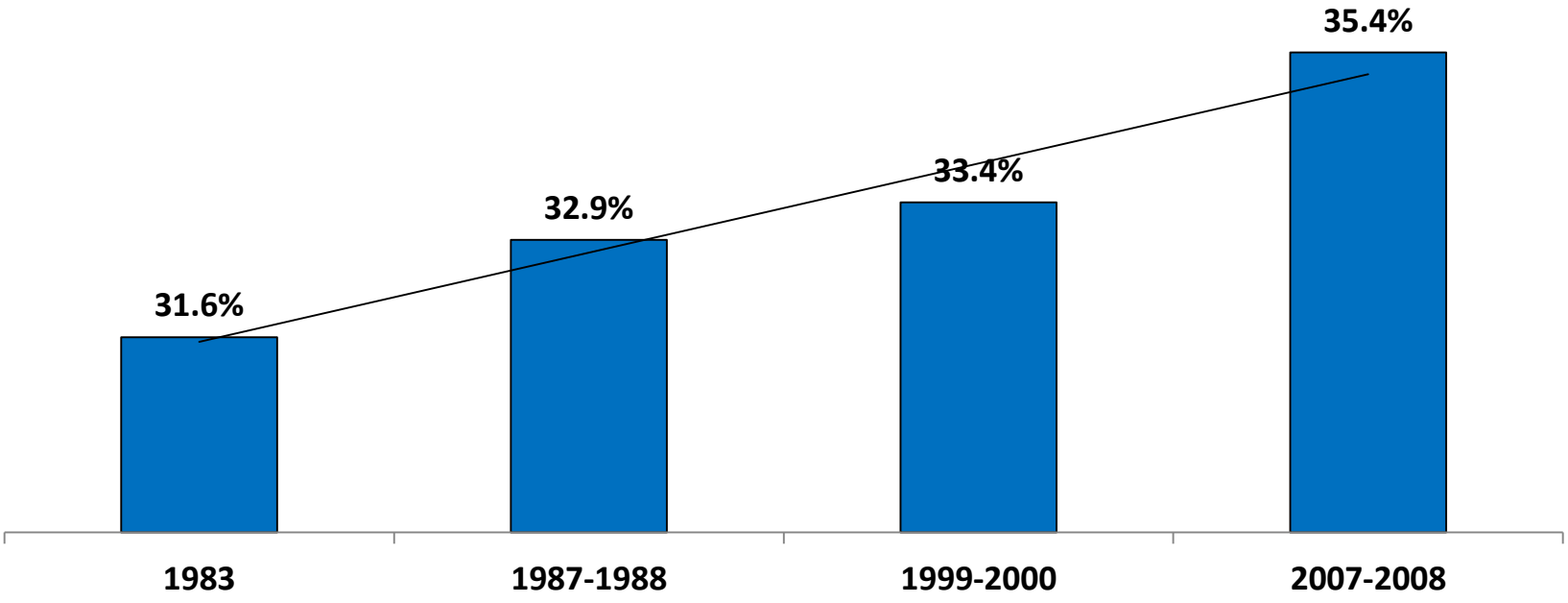
No. of Towns have grown more than 50% over last decade

1. Census of India 2011, RGI, 2011.
2. Population Projections for India and states 2001-2026, RGI, GOI, 2006

Urbanization-Migration

- One in three persons in Urban areas is a migrant

Increasing Proportion of Migrant Population in Urban Areas



Among the migrants in the urban areas, nearly 60 per cent migrated from the rural areas.

Source: NSSO 2007-08

Strategy

- Housing Shortage is gigantic and more pronounced in certain states and big cities.
- Universe of Urban Poor requiring Houses can be divided amongst
  - Slum Dwellers
  - Urban Poor living in Non Slum areas
  - Prospective Migrants
  - Homeless and Destitute
- Different Strategies to meet the needs of Different Groups

Strategy for Slums

- As per Census 2011, 13.78 million Slum Households
- Two types of Slums – Tenable, Non- Tenable
- Slums on the basis of land classified as
  - Slums on Central Government land/State Govt land/ULB land
  - Slums on Private Land
  - Unauthorised Colonies as Slums
- Categorisation of Slums on land Ownership basis
  - Slums Dwellers with patta or some other **security of tenure**
  - Slum Dwellers with no **security of tenure**
- Similar Treatment irrespective of Security of Tenure with **cut off date**

Strategy for Slums - **TENABLE**

In-situ redevelopment/upgradation

- **Slums on Govt/Central Govt Land**
  - On **Private Partnership** basis by using **land as a resource**
  - Such slum lands to be given **Additional FSI/TDR** by **State/ULB**
  - Private builders to exploit part of the land or FSI/TDR for **Commercial Purposes**
  - Private builders to **build houses for eligible Slum Dwellers** at free of cost
  - Private builders through **transparent bidding** process
  - **Not all slums** amenable for cross subsidization
  - Other slums will require **funding from Government**

Strategy for Slums - **TENABLE**

Contd…

- Government of India and State Governments to share financial burden in case of viability gap (60-75%)
- Some slums may result into surplus to State Government/ULBs to be used for cross subsidization of other slums

- **<u>Slums on Private Land</u>**
  - Slums on private land to be developed by giving additional FSI/TDR to owner for providing in-situ housing to existing slum dwellers
- Government of India/State Governments to **prescribe Technical Specifications and Area norms** for housing to Slum Dwellers

Strategy for Slums - **UNTENABLE**

UnTenable Slums – Slums located on sites not fit for Residential Purpose like river bed, forest, drain lines, High tension lines etc.

- Relocation of Slums to Tenable Sites
- State Govt/ULBs to identify alternate land with civic and social infrastructure
- Expenditure to be shared between GoI, State Govt and ULB

Strategy for Slums – Government of India Land

- A **large number of slums on GoI land**, mainly on
  - Railways – 1198 acres
  - Ministry of Defence – 2876 acres
  - Department of Public Enterprises – 5800 acres
  - Ministry of Steel, Heavy industries etc – 5000 acres
  - Port trust -
- General Reluctance of these agencies for In-situ or **slum relocation** on their land and at their cost
- Ministries/Agency should spare non-essential land for In-situ Relocation
- In case of Relocation, these agencies should fund for alternate land
- A separate Cabinet Note may be required for this purpose

Strategy for Slums – **UNAUTHORISED COLONIES**

- Unauthorised Colonies due to Lack of Infrastructure and Irregular Lay Outs degenerate into Slums
- Generally the Land Sites are owned by Slum Dwellers
- Regularisation of **Such Colonies** to bring to Formal System of Habitats
- Roads, Sanitation, Drinking Water, Drainage etc to be Improved with GoI support after Regularisation
- Housing Deficiency to be taken care by Individual through Bank Loans etc
- Improving infrastructure may also be a strategy where slum dwellers not willing for relocation

Strategy for Other Urban Poor

Affordable Housing with Private Partners

- Sizeable Need from Urban Poor not living in slums
- Future Migrants also Important Target Group
- Such Households to be catered by Affordable Housing by Private Sector and State Boards.
- Creation of Demand by **Interest Subvention**
- Efforts Required to **Augment Supply** of Houses **otherwise Prices will go up**

Strategy for Other Urban Poor

Contd…

Affordable Housing- Supply Side Interventions

- **Enhancing Supply** of Urban Land
- **Extra FSI/TDR** for Affordable Housing
- Relaxation of **Density Norms**
- **Deemed NA Permission** if land falls in Residential zone in Master Plan
- **Single Window Clearance** for Building Permissions
- **Deemed layout and building permission** for pre-approved designs
- Improvement in Construction Technologies
- Project Finance to Private Developers

Strategy for Other Urban Poor- Urban Land

- Availability of **Suitable** and **Sufficient** Urban Land is **most critical**
- Land should be with basic civic and Social Infrastructure
- **Steps to Augment Land Supply**
  - Government/ULB land within city limit be kept for affordable housing
  - Land on fringe of city to be converted into urban land by developing and expanding trunk infrastructure
  - Land pooling of such other methods to be adopted
  - Mandatory 10-15% reservation of land in new lay out for EWS/LIG housing
  - Additional FSI/TDR and relaxed density norms for EWS/LIG housing

Strategy for Migrants

- Migrant Family to Purchase Affordable House with Interest Subvention
- Migrants can also Avail Temporary Rental Accommodation
- Single Migrants may prefer Dormitories etc
- Rental Units & Dormitories to be available to individual / family for 3-5 years at Subsidized Rent
- Rental Housing and Dormitories by ULBs with GoI support (60-75%)
- Labour Welfare Boards, Construction Workers Welfare Boards etc to be involved

Strategy – Rental Housing

- Rental units/Dormitories through ULBs or Private Partner
- If through ULBs or State Board, GoI one time support
- ULBs/State can engage Private Developers to Provide and Maintain rental units for 15-20 years
- ULB/State to pay Pre-decided Rent for Fixed Occupancy to Private Developer
- ULB/State to Select Beneficiaries to live in these units and Collect Subsidized Rent from them
- ULB/State to Provide Land or Extra FSI/TDR for such unit
- Private Developer to be Selected through Transparent Bidding Process.

Strategy for Homeless and Destitute

- Government Sponsored Rental Housing for Homeless and Destitute
- Provision of Night Shelter
- NGOs/Private Sector to help ULB in running those Homes/Shelters
- Convergence of other Govt Services in such units
- GoI may support with 60-75% Contribution

Resources for Mission

- Government Support Required for
  - to bridge the gap in Slum Redevelopment in PPP mode
  - Interest Subvention for Affordable Housing
  - Rental Housing and Housing for Destitute & Homeless
- **Difficult to Estimate** the Required Resources **at Present**
- Depend on outcome of Bidding of **PPP Projects** and need of **Interest Subvention**
- Additional three crore houses at a average Cost of **Rs. 7.5 lakh** per house require Investment of **Rs. 22.5 lakh crore.**
- Largely to be met by private entrepreneurs through Banks, Financial Institutions
- At a rate of 20% , Central and State Governments expected to collect **Rs. 4-5 lakh crores as Tax**

Resources for Mission

Contd…

- Large Percentage of 13 million Slum Households to be Provided houses through **Redevelopment of Slum Land**
- Slum Redevelopment in PPP mode will involve **other Construction** for Cross Subsidization
- If Profit for Private Developer is 20%, then Additional Construction of almost **10 times of Value of Slum Houses**.
- More additional taxes to Central and State Governments to **help fund Mission.**
- Escrow Account for Additional Tax is one of the suggested Mechanism
- Alternatively seeing **Constitutional and Administrative Complexity** involved in escrowing it, Resources **through Budgetary Support.**

Mission Structure

- A Strong Mission required at Central, State Government and Big Cities
- Mission to have four distinct components/wings
  - Slum Redevelopment
  - Affordable Housing through Interest Subvention
  - Rental Housing for Migrants
  - Housing for Urban Destitute and Homeless
- Slum Redevelopment will require Experts on PPP and Finance
- Integrated Finance Division be part of Mission
- Existing Mission in Ministry to be strengthened
- Project approvals at State Level for Slum Redevelopment, Rental Housing etc. to be considered

Mission Way Forward

HOUSING FOR ALL

- States to sign MOU agreeing for Mandatory Conditions like
  - Development of slums through PPP mode
  - Granting Additional FSI/TDR for slums and Affordable Housing Projects
  - Single Window Clearance for Building and Lay Out Permission
  - Pre-approved Lay Out and Building Design for EWS/LIG Housing
  - Deemed NA Approval for Residential Zone in Master Plan
  - Different Planning Norms for Unauthorised colonies
  - Rationalising Rent Control Act
  - De-notification of Slums after improvement or redevelopment

Mission Way Forward Contd...

- Mission will start working with States signing MOU
- Convergence with RD, UD & Power at ULB Level
- Quick survey to ascertain quantum of shortage in the States
- Formation of the State-Wise and City-Wise Action Plan with various components of Strategies
- Assessment of the required resources by adopting various mix of solution
- Allocating Budget resources available to States
- Projects as per City Action Plan with available resources.