

URBAN DEVELOPMENT, HOUSING AND 'SLUMS'

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INTRODUCTION

The popular idea of the 'slum' is often made up of a bundle of perceptions that characterise such areas as overcrowded, unplanned, squalid and dilapidated. The areas are considered crime-prone or even crime-infested, and the people here are generally considered to be living in extreme, if not relative, poverty. Most official Indian definitions, such as from the census, and state level laws and regulations, rest largely on the physical characteristics of areas, such as state of repair and stability of structures, light and ventilation conditions, the availability of basic services, etc. (Census, 2011; Government of Karnataka, 1973; Government of Maharashtra, 2013).

The United Nations notes five basic characteristics that define a slum area—lack of access to water and sanitation, poor quality housing, overcrowding, and an insecure residential status (UN-HABITAT, n.d.). The last defining characteristic of the UN definition—insecure residential status—is an important addition over popular and official Indian definitions, and this distinction will be referred to later.

According to the UN, about a third of the urban population in developing countries lives in areas that can be described as slums (UN-HABITAT, 2012), and according to the Census of India, 2011, about 17 per cent of our urban population lives in slums (Registrar General, 2013a). A look at the distribution of the proportion of urban households living in slums across states (Figure 1), while calling out the usual suspects, such as more urbanised states,

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brings to attention the rather implausible outliers that emerge from definitional issues (Bhan and Jana, 2013). States like Bihar and Jharkhand report very few slums, while some states in the north-east report no slums at all. This clearly points to the inadequacy of the definition of 'slum' insofar as the census is concerned, implying that there may be an undercount of slums, and, as Bhan and Jana further state, that slums are not necessarily the only sites of poverty or lack housing and services (ibid.). They may, in fact, be symptomatic of a general challenge in the developmental pathway of our cities.

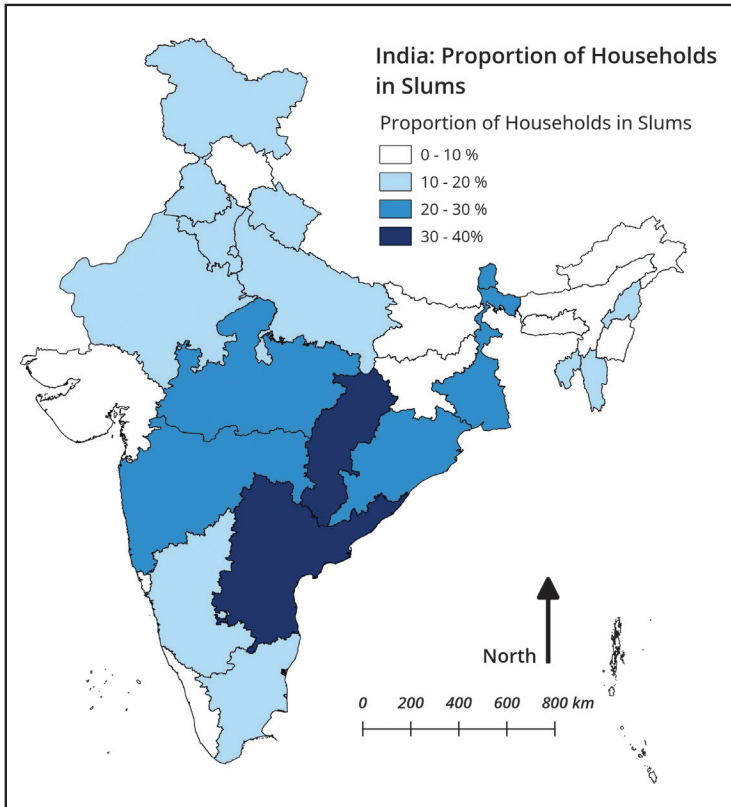


Figure 1: Distribution of proportion of households in slums: states of India

Source: Registrar General; Map: Author.

In other words, addressing slums and 'housing poverty' is a key element of urban development policies, programmes and strategies.

In resource and capacity-deficient contexts such as India's, it is imperative to think of urban development not only as a 'plan' or bundle of projects, but also as a paradigm of incremental growth and resolution—reflective of, and responding to, actual practices—to be realised by framing progressive legislation and regulations that are able to balance orderly *and* equitable development. These, typically, include procedures for land titling, land use reservations, development controls, and building bye-laws (Payne, 2005) that can enable a financial and institutional environment that encourages incremental growth as an equally effective and efficient process of urban development as compared to one that depends on the implementation of master plans and mega projects.

It is in this context of a paradigm of incremental growth that the question of 'slums' and housing for the income-poor will be addressed.

DIMENSIONS OF AFFORDABLE AND ADEQUATE HOUSING

Development policy in the country is now increasingly engaged with the question of urban development and 'affordable' housing. Starting from the Jawaharlal Nehru National Urban Renewal Mission (JNNURM), successive governments at the centre and the states have formulated and implemented policies and programmes aimed at accelerating equitable and efficient urban growth, and the provision of housing for income-poor groups. While urban development programmes have largely focused on the system-wide development of basic services and policy reform, housing programmes have aimed to streamline the delivery of 'affordable' housing.

Affordable housing is typically defined as housing that is available to the median income group of a particular region. Another definition of affordability is formed by benchmarking the house price to five times a household's annual income, i.e., if all the members of a household together earn, say, ₹5 lakh per annum, then the household can afford to buy a home that costs ₹25 lakh. This definition gives a clear methodology to policymakers to estimate the shortage and formulate programmes to address it. Official data show that in Karnataka, the annual income of up to 70 per cent of the urban population of the state may be ₹2 lakh or less (MoSPI, 2013), critically implying that affordability for the vast majority needs to be seen as a house price in the range of ₹10 lakh or less.

Considering that Karnataka is quite urbanised and is a middle-to-higher income state of the country, it is incumbent upon us to refer to this house price range as the upper end of affordable housing for the vast majority of households in Indian cities.

The Ministry of Housing and Urban Poverty Alleviation (MoHUPA), Government of India, estimated that urban India faces a shortage of just under 190 lakh housing units, of which more than 95 per cent was faced by households in the Economically Weaker Section (EWS) and Lower Income Groups (LIG) (MoHUPA, 2012). Significantly, it noted that homelessness was not a very common condition in Indian cities. Rather, it articulated the housing condition in our cities in this way—affordable housing that is inadequate, and adequate housing that is unaffordable—underlining the deeply paradoxical condition that there are crores of houses that are vacant, while vast populations live in slums or slum-like conditions (Registrar General, 2013b).

Disaggregating census data from 2011 over social groups reveals further structural issues in the housing condition in urban India. If we visualise three typical conditions that describe adequacy of housing (Figure 2)—*kutcha* or semi-*pucca* building, congestion and access to basic services—over socio-economic categories, patterns of housing inadequacy start becoming apparent. Households of Scheduled Caste and Scheduled Tribe categories face higher levels of inadequacy. Typically, female-headed households face higher levels of inadequacy than male-headed households, with

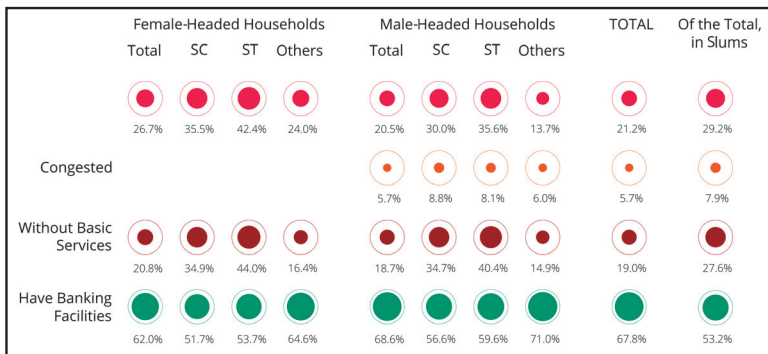


Figure 2: Proportion of components of housing inadequacy: social groups in urban areas
 Source: Registrar General; Visualisation: Author.

26.7 per cent not living in a pucca house and 20.8 per cent of them without basic services, while the same numbers for male households stands at 20.3 per cent and 18.7 per cent, respectively. Households in slums are far more likely to lack access to basic services, and live in a kutchra or semi-pucca house. The same pattern is visible in levels of access to banking services, with significant downward movement with increasing socio-economic vulnerability.

This condition then reinforces the ministry's restatement of the housing condition, and compels us to think of housing not merely as a house or unit, but a bundle of needs. The key question that emerges in such a scenario is: How can housing be made affordable *and* adequate?

A third concept to grasp in order to approach the question of housing is of *viability* (Deb, 2016), especially in the context of programmes to develop new affordable housing. Viability in the context of urban housing can be seen as the combination of access to development opportunities, such as employment, integration with the urban fabric and sufficient access to social infrastructure, like schools and health facilities. In slums that are often located in city centres or in areas that provide at minimum a set of options for gainful employment, these criteria are resolved to a certain extent.

Last, but not least, is the question of security of residence, which refers to the degree of the right to stay in a particular location. This could range from illegal squatting on land to full ownership rights, with a range of intermediate conditions such as no-eviction guarantees, occupation or use rights, and rental/lease. The conceptualisation of actions based on tenure range from Hernando de Soto's notion of unlocking land potential through the grant of titles to occupying households, to harsh, and often lethal, evictions of slums and squatter settlements without any rehabilitation.

Thus, it is the nexus between affordability, adequacy, viability and security of residence that forms the condition of housing.

THE 'SUPPLY' OF HOUSING

In order to address the housing condition in this context, it becomes key to understand the potential of different supply streams of housing. First of all, is the government able to sufficiently provide the required housing? The simple answer is, no. In an action

research conducted by the Indian Institute for Human Settlements, which helped the Government of Karnataka formulate its affordable housing and slum development policies in 2016, it was found that in the last 10 years, the government was able to provide approximately 2 lakh housing units and 1.5 lakh house plots for economically weaker sections, as compared to a calculated current demand of more than 11 lakh units. This demand increases to about 20 lakh units if future projections of urbanisation are taken into account. Even the much celebrated Slum Rehabilitation Authority of Maharashtra has produced 1.27 lakh units for slum-dwellers in Mumbai from its inception till 2011 (Supreme Audit Institution of India, 2011). The number of households living in slums in Mumbai is estimated at 11 lakh in 2011. A back-of-the-envelope calculation on the financial resources required to build new housing for all slum households in Mumbai shows that this may be in the order of ₹1.1 lakh crore, based on an average house price of ₹10 lakh. The entire budget of housing programmes of the central government, such as NDA's Housing for All or UPA's Rajiv Awas Yojana, does not amount to this. Clearly, the government in itself does not have, or aim to commit, the resources necessary for supplying the new housing required.

The other supply stream that can be considered is from private developers. Private developers tend to supply premium and upper-income group housing segments far more than the affordable segment, as this largely suits their core profit motive. However, in the last decade or so, there has been an increase in the number of developers and projects that are aimed at the relatively lower income groups (Agarwal, et al., 2013). Yet this does not satisfy the sheer scale of demand, especially from the sub-₹10 lakh house price range. Few, if any, developers are looking to develop housing in this price range.

This leaves one last stream of housing production—people themselves. Considering that homelessness is not massive in urban India (2.5 households) (Registrar General, 2011), it can only be estimated that urban citizens have themselves provided the housing that they need. While a proportion of these will be auto-constructed, i.e., physically built by households themselves with inputs from relatives and friends, it can be surmised that many households leverage the existing building materials and labour

market to develop their homes. Invariably, this form of development is incremental, i.e., households invest in their housing based on the creation of a small corpus, or the ability to raise funds from the local market from time to time. This manner of housing may or may not satisfy planning norms and regulations, but often is developed in areas that satisfy basic conditions of access to work and social infrastructure. In this form of housing development, slums are a key location. Slums, in their physical location and ability to absorb diverse financial capacities of income-poor households, address two of the four main concerns to a certain extent—of affordability and viability.

The core question, then, can be finally formed in the following manner: What strategies can help slums and other forms of inadequate housing become vibrant, secure, sustainable and efficient neighbourhoods?

APPROACHING URBAN HOUSING

At the outset, it has to be accepted that we cannot build enough new housing to satisfy the demand, considering the resources required. Again, a quick calculation will show that if we were to build 190 lakh new units at ₹10 lakh each, the total investment required would be in the range of 30 per cent of India's annual GDP. Even if we consider that this investment be phased over a period of 10 or 15 years, the provision would fall short of catering to future urban growth and housing requirements. While it can be said that development and building activity significantly boost employment and productivity, it should also be considered that building at this scale may lead to potentially severe environmental degradation. Lastly, it has to be accepted that there simply isn't that kind of appetite within development stakeholders to make these scales of investment on urban housing, considering the range of pressing developmental issues that compete for their attention.

This article does not make the argument that we should not build new housing. It merely points to the fact that the approach to addressing the urban housing condition needs to be forged in the context of the aspects stated so far. For example, governments at different levels have taken steps to encourage investment in affordable housing by private developers by offering incentives in the form

of financial and non-financial benefits (Government of Karnataka, 2016a; Government of Maharashtra, 2007; Government of Rajasthan, 2012; MoHUPA, 2013). These initiatives are indeed laudable and will help lower the pressure on the housing market at the top end. Yet they are not enough to address the housing conditions at the very low income segments that constitute the majority of the demand.

The key argument here is that we need to utilise our resources, especially our limited public resources, in the most efficient way possible—by improving existing housing. Whether it is housing that is developed in contravention of planning norms, such as land use or physical layout planning, or it is slums, notified and non-notified, this article argues that there are legally viable and physically feasible methods to incrementally integrate them into the city. Key to the effort will be taking a holistic approach that addresses concerns of tenure, infrastructure, quality of housing, financial ability, and last but not least, maintenance of social and economic relations between, and within, settlements. Three approaches are elucidated in the following sections—upgrading, reconfiguration and redevelopment—that are not necessarily exclusive, i.e., a single or combination of the approaches may be suitable to a particular location. The key common factor to the approaches is that they address the question of improving housing in the same location, i.e., in situ, thereby maintaining critical social and economic relations that have likely evolved over significant periods of time.

SETTLEMENT UPGRADING AND RECONFIGURATION

Upgrading refers to the incremental development of some of the components of inadequacy in a settlement. Upgrading can address questions of tenure of residence, and physical and social infrastructure. Reconfiguration involves some interventions in, or changes to, the layout and buildings of the settlement along with upgrades in tenure and/or infrastructure, largely in order to enable these provisions in an unsuitable physical environment.

Upgrading tenure of residence is a wrought affair in most circumstances, and almost always so in the case of slums. About 57 per cent of slums in India are on public land, i.e., land that belongs to the central, state or city government, or any of their agencies (MoSPI, 2010). This means that the households in

these slums would be dependent on public authorities to enable or increase their security of residence. Most public authorities, however, are not in favour of providing such slum-dwellers any security of residence since it may condone squatting behaviour (Jain, et al., 2016). Of the 40 per cent of slums that are on private land, it is not known how many slum-dwellers actually own the land or may be squatting on another private entity's land. This means that upgrading of tenure requires the concurrence of at least another party besides the government and slum-dwellers.

At the same time, there are enabling provisions within most state Acts on slums to provide forms of security of residence. The declaration of slums, i.e., the official recognition of a settlement as a slum, along with the provision of identity cards to slum-dwellers, leads to a condition wherein the state can intervene in the physical condition of the settlement in order to either improve them, or, if required, rebuild them (Government of Karnataka, 1973; Government of Maharashtra, 2013). However, the application of such provisions is sometimes lax due to definitional and procedural issues, or sometimes mired in political interests, considering interests in large populations in slums as socio-political support groups. In this context, it is interesting to note the provisions in the Karnataka Slum Areas Development Policy, 2016, which aims to streamline the process of declaration through clear definitions and institutional structures, and a time-bound structured process (Government of Karnataka, 2016b).

Another form of security of residence is the right to use land. Some state agencies rely on instruments, such as occupancy or possession certificates, which confer a right to the holder to occupy and use a public land asset. Typical slum upgrading projects come bundled with such rights with restrictions on inheritance, exchange and transfer. In the city-wide slum upgrading project in Ahmedabad called *Parivartan* (transformation) that aimed to connect the slums to the city's infrastructural network, the Ahmedabad Municipal Corporation included a 'no-eviction' clause to slum-dwellers that guaranteed that they would not be evicted from their locations if they signed up and invested in the programme (MoHUPA, n.d.). Scholars and institutions have noted the positive outcomes of the programme, finding that many households invested in toilets and maintenance mechanisms, and improved their quality of life,

once trunk infrastructure was provided to them (WIEGO, 2010; WSP, 2007). It was further also found that there are perceived to be critical changes in the idea of legitimacy of these settlements, including increased willingness on the part of the slum-dwellers to pay property tax.

Elsewhere, I have proposed an advanced version of a similar regime—converting slums on Urban Local Body (ULB) land to rental housing (Harish, 2015). In this approach, the slum house is unbundled into the house asset and the land asset, and rightful ownership is applied to both—the local body owns the land, but the house unit is an investment made by the slum-dweller. This protocol consists of allowing such slum-dwellers to continue to live there under a no-eviction guarantee, in exchange for a nominal or subsidised rent for the utilisation of the land. If such a condition can be created, it can lead to significant developmental goals for the slum-dwellers as they gain security of residence, and significant revenue for the ULB. Such revenue can then be cycled back into infrastructure provision or its maintenance. Since the ULB would gain a clearer claim on their own land in such a scenario, its credit rating, as well as financial independence, could potentially grow as well. Considering that about 40 per cent of all slums in the country are on ULB land, such a model can make a massive positive impact on the quality of life of the slum-dwellers and the city in general.

The physical component of upgrading and reconfiguration consists of interventions in the settlement in order to provide basic services, such as water supply and sanitation (WSS) infrastructure, paved roads and pathways, street lighting, etc. Where required, community facilities, such as common areas, working areas, *anganwadis* and schools, primary health centres or sub-centres, etc., may also be provided. Figure 3 is a visualisation of typical physical interventions for settlement upgrading and reconfiguration. As can be seen, while upgrading with physical and social infrastructure can be the key step, there may be a requirement to intervene in the housing units and street pattern in order to enable the provision of water and sanitation pipelines and facilities, as well as the development of community facilities, and green or open spaces.

Institutionally, the most favourable arrangement for upgrading settlements would be a partnership between the government, especially the ULB, the slum- or settlement-dwellers, and potential



Figure 3: Physical components of settlement upgrading and reconfiguration

Source: Author.

private and non-governmental organisations (NGOs). While the NGO can play a key role in the mobilisation and articulation of the demand, the community of dwellers can form key interest groups that assist the state in making lists of dwellers, planning, the monitoring of implementation, and subsequent operation and maintenance of assets created. Private parties can contribute financially either directly or through Corporate Social Responsibility (CSR) channels, and a proportion of the investment can be borne by the local government, as well as the dwellers themselves. This arrangement has successful precedent in *Parivartan* (WIEGO, 2010; WSP, 2007).

SETTLEMENT REDEVELOPMENT

In situations where the physical attributes of a settlement are in no shape to be upgraded, a redevelopment scheme is an option to address housing inadequacy. Redevelopment involves a significant interruption in the lives of dwellers as well as a substantial resource investment. A decision to redevelop must be taken after a thorough

examination of the current physical situation of the settlement, keeping in mind the age of the settlement, the quality of housing, the status of tenure, and the effort required to provide basic services (Government of Karnataka, 2016b).

The key action in a redevelopment is the demolition of all or most of the structures of a settlement, and the development of new housing and infrastructure. A redevelopment plan can be imagined as a plotted layout with small houses or rooms with toilets. This kind of a plan is typically referred to as a 'site with shell and services' project. The key advantage of such a plan is that the settlement-dwellers are accommodated on individual parcels of land. This allows them to continue their socio-economic activities in a largely similar manner as before, while, at the same time, incrementally develop their house according to their specific requirements over time.

In situations where the density of an existing settlement is too high to accommodate all the households on individual plots, the option of multi-floor apartments can be considered. While such a redevelopment model has the advantage of rehabilitating settlement-dwellers in the same location and, therefore, potentially maintaining their socio-economic relations, there are usually concerns regarding adapting lifestyles to apartment living. These concerns typically take the form of challenges in accessing upper floors, ability to continue professions that involve use of ground spaces, livestock maintenance, etc. In an action research conducted by the Indian Institute for Human Settlements on comparing quality of life in occupied apartments for relocated slum-dwellers—an older site, shell and services schemes in Mysuru, Karnataka—it was found that income-poor families and slum-dwellers almost unequivocally felt that the option of individual plots, even if small, was better than apartments. Figure 4 visualises the two planning options for a redevelopment project.

Redevelopment, as mentioned earlier, requires significant investments. While under the UPA's Rajiv Awas Yojana the central government was willing to provide the bulk of the funding for approved redevelopment projects (MoHUPA, 2013), the NDA's Housing for All has reduced the allocation per unit, with the assumption that states or cities would invest in the gap-funding required (Government of India, 2015). It further encourages states



Figure 4: Options for settlement redevelopment

Source: Author.

to formulate policies that would encourage private investors and developers to redevelop slums in return for incentives, such as extra buildable areas. The developers are expected to leverage this extra area in the market and generate the funds to cross-subsidise the redevelopment scheme. While this mechanism sounds attractive in principle, it is a point of caution that such leverage may not exist in many markets in the country, especially in smaller towns or the urban periphery.

CONCLUSION

The conclusion this article draws largely reinforces certain approaches and tenets of urban development and housing provision in a limited resource environment. The two key arguments made here are for an enabling environment for increasing security of residence, and for improving existing housing through upgrading and redevelopment in situ. In a way, it supports the articulation that a resident of the Ahmedabad Slum Networking Programme

responded with, when asked by this author what the key outcome of the upgrading programme was—*Parivartan*, or transformation, was the emotional response.



*The Indian Institute for Human Settlements which has helped the Government of Karnataka formulate the Karnataka Affordable Housing Policy, 2016, and the Karnataka Slum Areas Development Policy, 2016. References have been made to these documents with the aim of elucidating some of their key provisions that support the arguments of this article.

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