

# The Problems of Housing: The Case of the Marginalized in the City of Bangalore, India

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## ABSTRACT

Deficiency in access to housing is a major manifestation of poverty. In the city of Bangalore, the poor and the marginalized constitute nearly 30 percent of the 8.47 million population (2011 Census) and are living in the nearly 640 slums in addition to squatter settlements and pavements. The city sprawls over an area of 741 sq. kms (2007 estimates) and the poor have very little access to personal living space. According to the Integrated Housing and Slum Development Program guidelines, each household with four average members should have 25 sq. meters of living space. In the case of poor of Bangalore, the attainment of even this minimum is a far cry. In recognition of this acuteness with regard to the problem of housing, the government has introduced schemes like the Jawaharlal Nehru National Urban Renewal Mission and the Rajiv Awas Yojana. And these schemes have witnessed only a limited success. Whenever the problem of housing for the urban poor is considered, the state and location of slums get into focus. The people living in slums are a crucial and inevitable support to the city economy. Relocation of slum people is fraught with loss of productivity and strain on the transport system and on the incomes of the poor. Their needs like housing, schooling, health centers, crèches, hospices etc. have to be provided for. Financial support to the poor with regard to their housing needs will have to be imaginatively provided by banks and related institutions.

**Key words:** Marginalized Population, Problem of Housing, Slums and Squatter Settlements, Vulnerable, Tenements

## 1. Introduction

Housing constitutes an important component in all kinds of anti-poverty programs. In India, this has been recognized for long and accordingly several programs and policies have been introduced. In respect of urban housing, schemes like Jawaharlal Nehru National Urban Renewal Mission (JNNURM) and Rajiv Awas Yojana (RAY) are in operation; and are seeking to address the needs of disadvantaged urbanites, witnessing varying degrees of success.

Provision of housing is associated with several types of collateral issues. Land needed for housing, provision of water supply and sanitation, roads of varying widths, waste disposal, civic amenities, the problem of transport and nearness to the work place etc. will all have to be factored in and these need a coordinated view as well as plan of action.

Official and institutional intervention is absolutely necessary in this regard. Housing the urban poor has an obvious and

intimate interface with the issue of slum development. The inhabitants of slums require to live in their own localities since their skills and jobs are very necessary in the conduct of economic activities in the nearby areas – workshops, transport, petty street side trading, running of eateries etc. Often these people are multi-skilled and changing their employers and employment. There is generally no definiteness with regard to either their earnings or their mode.

### 1.1 Defining the Slums and Squatter Settlements

The word ‘slum’ first appeared in the case of 19<sup>th</sup> century London, when the proliferating urban working class moved into overcrowded structures with poor services, close to the factories that employed them. The term gradually acquired a generic definition.

The term ‘slum’ has a wide connotation: squatter settlements, private sub-divisions, traditional inner city quarters, urban villages or any settlement which does not conform to any defined

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norms. An area categorized as a 'slum' in one state may not be called a slum in another. Furthermore, the norms and policy are influenced by local considerations. Many types of problems arise in cities where substantial areas under slums are privately owned.

While the terms slums and squatter settlements have been used interchangeably, it is worthwhile to delve into the two terms technically. Squatter settlements are the most widely seen erections in cities which are uncontrolled, temporary and spontaneous (Muttalib and Khan, 1986). These are illegal constructions erected without the permission of the owner on an overnight basis. On the other hand, slums can be seen as relatively permanent settlements, which are substandard. Though this distinction is clear, in common parlance, the two terms are almost synonymous.

The meager employment and income opportunities available to rural people work as a *push force* which compels them to migrate to cities, while the intense economic activity in the lucrative non-primary sector of cities serve as the *pull force* which draws the rural masses towards urban pastures (Wakely et al., 1976).

As per Section 3 of the **Karnataka Slum Areas (Improvement and Clearance) Act, 1973**, the slum means;

- (a) Any area is or likely to be a source of danger to health, safety or convenience of the public of that area or of its neighborhood, by reason of the area **being low lying, insanitary, squalid, over-crowded, often socially vulnerable** or/ otherwise;
- (b) The buildings in any area, used or intended to be used for human habitation are, -in any respect **unfit for human habitation**; or by any reason of **dilapidation, over crowding, faulty arrangement** and design of such building, narrowness

or faulty arrangement of streets, **lack of ventilation, light or sanitation facilities**, or any combination of these factors, **detrimental to safety, health or morals**, may, by notification be declared as a slum area.

In larger cities (Class I and Metros) many poor groups are located in squatter colonies, and the poorest of them have the most insecure tenure. For instance, the more 'temporary' settlements housing workers in the construction industry (the largest single employer, with perhaps the highest number of deprived poor families), may be mentioned here. Street and pavement dwellers who are without an 'address' (and being daily workers, are among the poorest) get omitted while reckoning the urban poor. (<http://www.el.doccentre.net/Miscell/cities/urbanisation/urban-poverty.htm>).

## 2. Background of the Study Area – Bangalore

Bangalore, the capital of Karnataka, has a history of nearly 500 years. Its origin can be traced back to 1537 when it was founded by Late Magadi Kempegowda. The eastern portion of the city was however developed by the British early in the 19<sup>th</sup> century. Perhaps, the most spectacular growth of the city started after independence of the country in 1947.

Bangalore is located at the Centre of the South Indian Peninsula, equidistant from both the eastern and western coasts with an elevation of about 931 meters above the mean sea level and latitude 12° 58' north and longitude 76° 36' east in the southern corner of Karnataka. Bangalore developed not only as the headquarters of administration and an educational center but also has witnessed tremendous growth as a prominent industrial

Table 1. The Population Growth, Density and Spatial Development of Bangalore

Census Year	Pop. in Mn	% Increase	Area (Sq. Km)	% Increase	Density of Pop./sq. km
1901	0.22	-	144.78	-	1517
1911	0.26	14.5	156.43	8.05	1666
1921	0.31	19.2	160.94	2.88	1925
1931	0.39	27.5	174.55	8.76	2228
1941	0.51	28.9	181.24	3.84	2817
1951	0.99	94.9	193.08	6.53	5130
1961	1.20	21.4	255.62	32.39	4688
1971	1.65	37.0	285.95	11.87	5760
1981	2.91	76.72	366.39	28.13	7950
1991	4.13	39.89	466.63	21.14	8843
2001	5.69	37.77	531.00	19.05	10704
2011	8.47	48.85	1279.00	140.00	6622
2021(Est.)	12.60	48.76	1279.00	-	9851

Source: Census book – 2011 and BDA, Bangalore. (Compiled by authors)

center in the country. Presently, it is the Silicon Valley of India. The city has spread over an area of 741 sq. kms in 2007 under *Bruhat Bangalore Mahanagara Palike (BBMP)* (Greater Bangalore Corporation) with a population of 8.47 million as per the Census of India, 2011.

The population of the Bangalore Metropolitan Area (BMA) was 8.47 million, according to the 2011 Census, as against 5.69 million in the 2001 census. As per the 2011 Census, Bangalore ranks 5<sup>th</sup> among the largest Metropolitan Cities in India. The forecast population of BMA by the year 2021 is 12.6 million in addition to floating population around 1.5 to 2.00 million daily in the city (see Table 1). The ever-increasing population would add to the problems of the already strained infrastructure facilities accompanied by environmental decay and decline in the quality of life in addition to shortage of housing in the city.

Bangalore is expanding from the city center towards BMA periphery in all directions. Development is in an irregular radial pattern. The Revised Master Plan for 2016 is proposed for an area of 1279 sq. km wherein area for development (Conurbation limits) is 537 sq. km and green belt is 742 sq. km.

Bangalore population has been growing rapidly in the last three decades and gained all-round importance as an administrative, trading and industrial center, along with large IT and BT industries and also as a center of strategic importance due to the concentration of defense establishments. With the establishment of Indian Space Research Organization (ISRO) and several high technology electronics industries, it has become the seat for scientific and technological advancement. Naturally, Bangalore has attracted migrating population from rural areas and other centers, both within and outside the state.

The industrialization of Bangalore is apparently co-related to migration and the spurt in the number of slums in the city. Ever since factories were established and commercial activities developed, the slums too began to come into existence. Day by day the number of slums is on the increase by leaps and bounds. According to reliable sources there were 230 slums in 1975, 401 in 1989 and 545 in 1992; but presently there are over 640 of them. It is estimated that in 1981, 10.5% of Bangalore population were slum-dwellers. As per the estimates presently 30 percent of the Bangalore population is in slums and squatter settlements. It cannot be denied that considerable efforts are being made to provide shelter to the urban poor. In spite of this the number of pavement dwellers, slums and squatter settlements are increasing. There seems to be two basic reasons for the failure of these schemes – location inappropriateness and unaffordability. When

migrants move into a city, they settle themselves at a particular place where they have managed to secure for themselves a source of income and employment - nearness to the place of work and affordability of accommodation.

### 3. Actions by State Agencies

The three agencies in charge of the improvement of the living status of low-income people in Bangalore City are – (a) **Bangalore Development Authority (BDA)**, (b) **Bruhat Bangalore Mahanagara Palike (BBMP)**, and (c) **Karnataka Slum Clearance Board (KSCB)**. These three agencies have different jurisdictions, which sometimes overlap. Because of the multiplicity of State agencies undertaking similar work, the slum clearance programs have become somewhat messed up.

BDA's main functions are – land acquisitions, layout planning and development, which include construction of roads, bridges and surface drains, parks, open spaces, etc.; providing services such as water supply, underground drainage, street lighting, etc.; housing, which includes other amenities such as markets, hospitals, schools etc. The BDA proposes new layouts and allocates plots. Improvement of slums located within the metropolitan boundary is carried out by the BDA. A certain percentage of plots in the newly developed areas are allocated to the economically weaker sections. The BDA provides developed plots to slum dwellers at affordable prices; the repayment being spread over a number of years.

The BBMP has been mainly concentrating on upgrading the basic services of the slums under the Environmental Improvement Programs. No improvement of the individual hutments is undertaken as part of this program. The Corporation regularizes the slums and re-allots the plots to the individual residents, but no financing is provided. In some cases the Corporation undertakes the construction of houses in the same areas but since the cost is often beyond the means of the slum dwellers and their incomes are neither adequate nor regular, they often rent out the house assigned to them and continue to squat elsewhere. Hence the Corporation has not been able to check the growth of slums within its boundary. This ineffectiveness goes to show that, concurrent with slum improvement efforts, measures to increase incomes and skills of the poor are urgent.

Though Karnataka Slum Clearance Board (KSCB) is a statutory body, most of its executive directors come from the government. According to the terms of the Improvement and Clearance Act, 1973, the KSCB can declare areas to be slum on

the basis of overcrowding, insanitary conditions, and unfitness of buildings for human habitation. The slums thus designated are taken up for development under the Slum Clearance and Improvement Scheme financed by the Central Government.

#### 4. Major Reasons for the Emergence of Slums: Housing Shortage

Bangalore is generally a low-rise city with individual plots and many open spaces in the residential areas. The city's large new extensions, which are far away from the Central Area embodying the main functions, do not serve low-income people owing both to the cost of land and to distances from their places of work. Hence the large housing shortage is being met, though unsatisfactorily, by the growth of slums which have been serving the purpose of providing basic shelter without any other basic amenities; these slum dwellings have the advantage of being located closer to people's places of work. Owing to the informal nature of jobs taken up by most people, there have been no housing schemes meant for them suitable to their economic needs and potentialities. The need for domestic labor in the higher-income residential areas has given rise to slums in the vicinities. The villages, which have been absorbed into the city as the latter grew, have also developed into slums. One finds these pockets within the

metropolitan boundary among the well-developed surrounding areas.

#### 5. Slums and Squatter Settlements for the Marginalized

In Bangalore, there are 640 slums and squatter settlements at present. Out of these 234 are notified/declared by the Karnataka Slum Clearance Board (KSCB). The remaining non-notified 406 slums and squatter settlements are spread all over the city which are not yet notified (Table 2). The government is responsible for providing basic services to notified slums and 406 non-notified slums (Revised City Development Plan Bangalore 2009), in temporary squatter colonies, on pavements and railway stations, or in transit labor camps which are temporary shelters provided by builders to migrant construction workers. Unofficial estimates from NGOs say that 1,000 odd slums exist in Bangalore, with additionally over 1.7 lakh families in them, occupying 2.5-3% of the city's land area.

The city's poor can physically as well as conceptually be divided into the **old poor and the new poor**. The **new poor** are those who may have migrated to the city during the past 1-10 years and are typically found living in temporary settlements in the city's peripheral areas, near construction sites, or in shelters provided at construction sites by builders, (or workers in the

Table 2. Number of Slums and Household in Bangalore

Agency	No. of slums	No. of household
Karnataka slum Clearance Board	234	106,266
BBMP (Core Zones)		
East Zone	65	33,990
South Zone	65	28,926
West Zone	39	10,132
Total	169	73,048
BBMP (Newly added areas)		
Batarayanapura	38	7,062
Krishnarajapuram	19	1,020
Mahadevapura	22	8,547
Bommanahalli	40	3,764
R. R. Nagar	15	1,351
Dasarahalli	16	13,497
Yalahanka	3	2,589
Kengeri	2	113
Total	155	37,943
Outside BBMP	82	unknown
Grand Total	640	217,257

Source: Revised City Development Plan Bangalore 2009, JNNURM.

city's rapidly growing export oriented Ready Made Garment industry who are found living in one room tenements in poorly serviced areas of northern Bangalore). Occupationally, the new poor in peripheral slums are predominantly in the construction industry, engaged in a range of functions, but largely as unskilled labor. It needs to be emphasized that the first group do not come under the category of slum dwellers as far as the government is concerned, as the slums in which they live are non-notified, that is not recognized officially as slum. While they are entitled to general benefits for the poor, such as the public distribution system, and their children are entitled to free schooling, they are not covered by slum development policies, or even by urban poverty eradication projects.

The **old poor** live in the inner city slums which have existed for 40-70 years and are inhabited by second, sometimes third generation of original residents. As places of poor habitation recognized by the government, these slums are entitled to certain basic services to be provided by the government, slum dwellers may demand property rights on the land which they occupy, and as older residents of the city have more entrenched links with political parties and civil society associations than do recent migrants in the peripheral slums. The older slums, on the other hand, embody a diversity of occupations, incomes and standards of living, although predominantly characterized by low incomes, multiple vulnerabilities and low levels of basic amenities.

The main occupations of these slum dwellers are construction work, road work, rickshaw pulling, taking children to school, vegetable vending, kerosene hawking, shoe repairing, hamali work in bus stand and railway stations, etc. However in services, work remains in the casual/contract mode with no security of service, insurance or pension, almost always in the informal sector. And the incomes are low and the incumbents are almost forced into slums.

Slums are an integral part of urban areas and contribute significantly to their economy through not only their labor but also informal production activities. The government has recognized the contribution of these urban poor in helping to build urban prosperity and proposes to enable them to have access to affordable land, house sites and services. The planning and development framework tends to be inclusive of slums and informal settlements. The informal land and housing market is exploitative and has several negative elements. First and foremost, informal settlements are often located on marginal land (along storm water drains, railway lines, steep slopes of hillocks and on or near garbage dumps) and are prone to natural and

manmade disasters. They are also often illegal and those living there do not have security of tenure. Because of their illegal status, they are often not provided with formal basic infrastructure and services such as piped water, electricity, wastewater disposal and solid waste collection by urban local bodies. Because there is often no security of tenure in illegal settlements and the fear of imminent eviction exists, the poor do not have incentive to invest in improving either their housing and related needs.

**(a) Distribution of Slums in Bangalore:** There has always been a gray area with regard to the number of slums in Bangalore, one reason being that many slums are not "declared" and therefore not counted by official agencies. The suburbs with the highest number of slums, Malleswaram, Jayanagar, Uttarahalli are located in three different corners of the city. The earliest notified slums are in Gandhinagar (Gous Land-1977), Binnypete (Kanakanagar slum-1974), Jayamahall (K G Bydarhalli-1974) and Bharatinagar (Nagappa garden-1974). The date of notification, however, cannot be taken as the right indicator of the age of the slums. Many of these slums were present either in the present form or as squatter settlements even before notification. The fact that complicates this data is the lack of information on the history of the growth of these slums. It is not clear how many of these slum people have been living since the date of notification and how many are just seasonal inmates. Bangalore's slums vary in size and population. Ambedkar Circle slum has just 60 persons, whereas Pillaganahalli slum, near Gottigere (in south Bangalore), has over 2,258 households. Though Ullal is the second largest in terms of households (2,076), it's largest in terms of population with 10,380. The third largest is Ashraya Nagar slum located in Rajarajeshwari Nagar with 1,379 households.

**(b) Ownership of Slums:** Slums and squatter settlements often come up on privately owned lands, subjecting the settlers to demolitions and evictions. Out of these 231 slums for which data are available, 139 or 60.2% are standing on private lands (Table 3). Devoid of land titles or formalized tenures, most of the slums are in fact illegal and encroached. The situation worsens when the

Table 3. Ownership of Notified Slums in Bangalore

Owner	% of Slums
Government	22.1
Private	60.2
Railways	4.3
Bangalore Development Authority	7.8
Others	5.6

Source: KSCB, 2008.

private parties themselves lack proper documents on land registration and titles making the process of resettlement even harder. In some of the congested areas, particularly where land is scarce, the slum-dwellers are proposed to be provided with flats in multi-storied apartments.

**(c) Slum People and their Profile:** There is a high degree of variation in terms of justness of wage, earnings, assets, skills, opportunities and prospects. This diversity is indeed the most important characteristic of informal work. The diversities at different levels: within the same slum, between slums within the same Ward, and slums within the same municipal jurisdiction. While there are slums in which a large number of households, if not all, belong to the below poverty line category, there are slums where we find large variations in incomes, consumption, education levels, and so on. Secondly, within the same Ward, we find slums that are significantly different in terms of income levels, career paths, availability of physical infrastructure and so on.

## 6. Approach to Housing Development

After independence, housing was accorded a relatively low priority in the national development program in India, presumably with the objective of keeping it basically a private sector activity. The low budgetary support given to the housing sector is evident from the fact that the First Five Year Plan of India allocated 7.4% of the total plan resources for housing; the share of housing in the subsequent plan resources ranged between 1.2% and 4.9%. The governmental agencies, however, played a strong supporting role for the provision of housing for the poorer sections of society, including allocation of land. Over the years there has been a gradual shift in the role of the Government from a 'provider' to a 'facilitator', ensuring access to developed land, basic services, building materials, technology, construction skills and finance so that housing can be undertaken as a people's program. The facilitating approach aims at fostering strong public-private partnerships with the provision of appropriate incentives to the private sector, promotion of housing finance institutions, propagation of alternate building materials and technologies and extension of support to NGOs, CBOs, co-operatives and the private sector.

The Government of India and State Governments have adopted a two-pronged approach to housing development for the poor in the past, i. e., sites and services and permanent housing. Under sites and services, basic infrastructure facilities like

drinking water, internal roads, approach roads, drainage, community toilet, etc., were provided to develop layouts. The beneficiaries were also given construction assistance for erecting a small shelter. The permanent housing program, which has replaced sites and services, was initially confined to those beneficiaries who could avail loan facility. Later, several modifications have come up in the program to address the housing needs of different target groups. The broad elements of the approach of the Government of India to tackle the problem of housing the poor are: special programs/targeted subsidy to the poor and vulnerable groups, loan assistance to governmental agencies/beneficiaries at reduced interest rates for housing and at normal rate for infrastructure through the Housing and Urban Development Corporation (HUDCO), creation of housing assets as part of employment and income generation programs, promotion of cost-effective and eco-friendly building materials and technologies and creation of an enabling environment for private sector initiative.

## 7. Policies and Legislations

A symbolic gesture of a few thousand houses a year would not help in solving the huge task in front of us. Efforts are therefore required to accelerate housing efforts. Housing should be seen as a basic right under Right to Life. To clear any misunderstanding, this does not mean that any one who migrates into the city can claim the right to be provided shelter by the administration. Instead, the housing policy should carefully examine the rate of migration into the city and accelerate its housing efforts.

The Constitution of India enshrines it as the responsibility of the Municipalities to take up the task of Slum Improvement and Up-gradation (Part IX A, Article 243W and the Twelfth Schedule, No.10). Whether housing is a state subject or concurrent subject is not explicitly mentioned. The constitution enlists social security under the concurrent list, tax on land and buildings under the state list and inter-state migration under the Union List. However, both the central and state governments have enacted legislations with regard to housing.

The Ministry of Housing and Urban Poverty Alleviation has come up with its housing policies time and again. While all of them recognize shelter as a fundamental human requirement, few of them have set targets to free the country's cities of slums. A few of the noteworthy legislations and policies are reviewed here.

**The Urban Land and Ceilings Regularization Act (ULCRA)** was passed in 1976; it aims at checking the concentration of land

in a few hands. The act imposed a ceiling on the quantum of vacant land that an individual can possess in an urban agglomeration. The excess land identified was to be used for housing the urban poor after compensating the owner. This act, however received a lot of flak from many, particularly because it allowed the landowners to claim exemptions under its sections 20 and 21 (Mahalingam, 1998). The legislation was termed as a failure in achieving its goal. Many states including Karnataka, in reaction, passed an ULCRA Repeal Act in 1999.

In 1962, the Government of Karnataka passed the **Karnataka Housing Board Act** which led to the institution of the State Housing Board (DPAL, 1963). The Act as such doesn't recognize slum housing as a priority except for the recognition of "provision of accommodation for any class of inhabitants" as the board's duty.

An attempt to initiate policy-bound development was seen in the enactment of the **Karnataka Town and Country Planning Act, 1961** (DPAL, 1961). With regard to slum clearance, the only provision that the Act contained was one which allowed the city planning authority concerned to collect a cess from land owners for the purpose of slum improvement, in return for permission to undertake development activities.

**The Karnataka Slum Areas (Improvement and Clearance) Act** was passed in 1973 which constituted the Karnataka Slum Clearance Board, the chief agency instrumental in rehabilitating slum dwellers in the state. The Act was amended in 2004 to bring more clarity into the clauses, stipulating the conditions of lease-cum-sale of dwelling units and tenure. Beneficiaries are identified by a series of clauses, abridged as follows:

- One whose name is registered in the socio economic survey conducted by the Board, soon after the declaration of the slum area or if there is no such list a list shall be prepared by conducting socio economic survey in the slum.
- One who possesses identity card or registered certificate issued by the Board.
- One who has lived in a slum area for more than ten years on the date of coming into force of The Karnataka Slum (Improvement and Clearance) (Amendment) Rules 2004 and who produces satisfactory proof in respect of his/her occupation in the slum area.

Lately arrived and seasonal residents might possibly be left out of the list of beneficiaries. At the same time, if the occasional residents are not dealt with, slums would remain a persisting problem. Provision of dwelling units rented out on lease for

pre-determined periods of time would thus be required, adding to the escalating need for housing.

## 8. The Housing Policies through the Five Year Plans

The policies of urban development and housing in India have come a long way since 1950s. The pressure of urban population and lack of housing and basic services were very much evident even in the early 1950s. However, the general perception of the policy makers was that India is pre-dominantly an agricultural and rural economy and that there are potential dangers of over urbanization which will lead to the drain of resources from the countryside to feed the cities. The positive aspects of cities as engines of economic growth in the context of national economic policies were not much appreciated and, therefore, the problems of urban areas were treated more as welfare problems and sectors of residual investment rather than as issues of national economic importance. However, in the course of the successive five year plans, emphasis on urban housing, particularly for the poor, has gone on increasing. But, yet a serious dent on the problem has not taken place. This needs added efforts from the poor as well as the government.

In this connection, National Housing Policy (NHP) was formulated in 1988. The long term goal of the NHP was to eradicate houselessness, improve the housing conditions of the inadequately housed and provide a minimum level of basic services and amenities to all. The role of Government was conceived, as a provider for the poorest and vulnerable sections and as a facilitator for other income groups and private sector by the removal of constraints and the increased supply of land and services.

In the plan period, they prepared a report on the **National Commission of Urbanization** which specifically pointed out the reality of continuing and rapid growth of urban population as well as the scale and intensity of urbanization, the critical deficiencies in the various items of infrastructure, the concentration of vast number of poor and deprived people, the acute disparities in the access to shelter and basic services, deteriorating environmental quality and the impact of poor governance on the income and the productivity of enterprises.

In the backdrop of this report the Eighth Plan (1992-97) for the first time explicitly recognized the role and importance of urban sector for the national economy. The Plan identified the key issues in the emerging urban scenario:

- the widening gap between demand and supply of infrastructural

services badly hitting the poor, whose access to the basic services like drinking water, sanitation, education and basic health services is diminishing;

- unabated growth of urban population aggravating the accumulated backlog of housing shortages, resulting in proliferation of slums and squatter settlement and the decay of city environment; and
- high incidence of marginal employment and urban poverty.

In the **Ninth Plan, Tenth Plan and Eleventh Plan** several initiatives at the centre and state levels have focused on “housing” as an integral part of the growth process. Housing initiatives must be viewed in the background of the overall economic development and the needs of the people. An assessment of the magnitude and nature of housing shortage in the state will determine the nature of policy interventions. Good and timely policy prescriptions help in establishing a well functioning and sustainable housing market. The proposed **State Housing Policy** for the state of Karnataka is expected to serve the larger overarching goal of ‘**Affordable Housing for All**’.

Providing housing and better living conditions for people across all market segments is a challenge before the policy makers and the institutions responsible. In this context, urban planning and governance structures are critical in any policy framework, needing to be made more effective, functional and responsive to the ground realities.

The National Urban Housing & Habitat Policy 2007 (NUHHP-2007) has been formulated keeping in view the changing socio-economic parameters of urban areas and growing need for shelter and related infrastructure. The Policy seeks to promote various types of public private partnerships for realizing the goal of “Affordable Housing for All” with special emphasis on the urban poor. The Policy seeks to promote sustainable development of habitat in the country with a view to ensuring adequate supply of land, shelter and services at affordable prices to all sections of society. An “efficient and easy to implement” state housing policy will enhance the confidence of all stakeholders, including the financing and construction agencies.

The Ministry of Housing and Urban Poverty Alleviation (HUPA) is implementing various plans and policies in India to address the concerns of housing, infrastructure, slum development and basic civic amenities with special emphasis on the needs of the urban poor including slum dwellers. Some of the Major Programs of this Ministry are:

- Jawaharlal Nehru National Urban Renewal Mission (JNNURM):

Basic Services to the Urban Poor (BSUP) & Integrated Housing and Slum Development Program (IHSDP).

- Swarna Jayanti Shahari Rozgar Yojana (SJSRY).
- Affordable Housing in Partnership (AHIP).
- Interest Subsidy Scheme for Housing the Urban Poor (ISHUP).
- Urban Statistics for HR and Assessments (USHA).
- Integrated Low Cost Sanitation Scheme (ILCS)

**a. The Jawaharlal Nehru Urban Renewal Mission (JNNURM)**

The JNNURM proposes to bring in sweeping changes to the face of Bangalore with projects worth Rs 14000 crores over a period of seven years from 2005 to 2012. Bangalore is among the 63 targeted cities in the country and the second, along with Mysore, from Karnataka. Urban Renewal should have ideally addressed the issue of the 400 odd slums in the city. The plan, however, covers only a limited number of slums.

The JNNURM identifies transfer of land titles as a primary measure. The simple methodology already in vogue is to regularize tenures formally in the form of leasehold titles at the settlement level. Better ways of implementing this can be thought of. Provision of protective legal measures against forced evictions can be explored as an alternative. The UN Habitat suggests the setting up of a simplified registration system where tenure can be incrementally upgraded to real rights in accordance with the needs and resources of individual households (UN Habitat, 2003). Long term tenures and consolidation of occupancy rights would then be required as complements. To reduce risk, the government can transfer such rights to collectives rather than individuals.

**i) Basic Services to Urban Poor (BSUP):** Provision of BSUP including security of tenure at affordable prices, improved housing, water supply, sanitation and ensuring delivery through convergence of other already existing universal services of the government like education, health and social security. Care will have to be taken to see that the urban poor are provided housing near their place of work. Secure effective linkages between asset creation and asset management so that the Basic Services to the Urban Poor created in the cities are not only maintained efficiently but also become self-sustaining over time. Ensure adequate investment of funds to fulfill deficiencies in the BSUP.

The Karnataka Slum Clearance Board prepared Draft Plan Reports under BSUP for construction of 11603 houses and infrastructure in the selected 30 slums of Bangalore city and submitted to Govt. of India. The Central sanctioning and monitoring committee has accorded sanction in 2006 for



Table 4. Status of BSUP – Bangalore

Projects	Phase - I	Phase - II	Phase - III	Total
No. of Sanctioned Dwelling Units	11,603	3,151	3,426	18,180
Total Project Cost (Rs. in Crores)	261.17	124.27	136.79	522.23
Date of Sanction by CSMC	28-11-2006	28-11-2007	21-2-2009	-
Date of Start	Nov - 2008	Dec - 2008	Feb - 2010	-
No. of Slums	34	15	9	58
No. of DU's in Progress	7,926	784	210	8,920
Amount Released (Rs. in Crores)	109.63	50.57	28.61	188.81
Expenditure (Rs. in Crores) so far	67.67	21.81	3.08	93.56

Source: KSCB, Bangalore, 2012.

Rs.189.17 crore to take up this work along with infrastructure needed and in the Second Phase 3151 houses and infrastructure was sanctioned at an estimated cost of Rs. 124.27 crore and Third Phase 3426 houses at an estimated cost of Rs. 136.93 crore covered in 9 slums of Bangalore city (Table 4).

Under this scheme construction of 18180 dwelling units in Bangalore has been accomplished at a cost of Rs. 522.00 Crores and so far Rs. 188.81 Crores has been released and an expenditure of Rs. 93.56 Crores has been incurred.

Construction of 5066 houses in Bangalore has been take up adopting Cost Effective Fast Track Technology under Design Built and Transfer scheme for the first time in the State. This scheme completed by March 2011.

The unit cost of each house is Rs. 1.25 lakhs, out of which the Govt. of India share will be 50% and remaining 50% will be borne by State Government/ Urban Local Bodies. The state share includes beneficiary's contribution of 10% for SC/ST and for others 12%.

**ii) Interest Subsidy Scheme for Housing the Urban Poor (ISHUP):** The economic determinant of Economically Weaker Section (EWS) is defined as households having an average monthly income up to Rs.5000 and that of Lower Income Group (LIG) is defined as households having an average monthly

income between Rs.5001 up to Rs.10,000. This will be subject to revision by the steering Committee of the Scheme from time to time. The subsidy will be 5% p.a. on interest charged on the admissible loan amount for EWS and LIG, over the full period of the loan for construction or acquisition of a new house. The subsidy will be given to the participating banks by Government of India through two central Nodal agencies: (a) National Housing Bank and Housing and (b) Urban Development Corporation. The State Government has amended the provisions of Karnataka Slum areas (Improvement and Clearance) Act 1973 for giving title deed or formalizing the ownership to the slum dwellers to improve their economic condition.

The fundamental problem confronting the poor is their inability to procure land and shelter through open market transactions. Under JNNURM, one of the optional reforms is earmarking at least 20-25% of developed land in all housing projects (public and private agencies) for EWS / LIG category with built in cross-subsidization. The Urban Development Authorities have a policy of earmarking 30% of the sites in any layout for the urban poor. Keeping in view the high urban land prices as well as the difficulty of procuring land, the government must discontinue the practice of allotting the individual sites and go in for Group Housing programs. In the case of slums, the

Table 5. Milestones for Project Completion (DU'S) – BSUP – Bangalore

Sl. No.	Quarter Ending	Phase-I		Phase-II		Phase-III		Total
		Physical	Financial	Physical	Financial	Physical	Financial	
1	March 2010	-	-	-	-	-	-	-
2	June 2010	3,000	65.10	624	24.60	0	10.00	3,624
3	Sep. 2010	1,500	32.55	300	11.80	400	5.90	2,200
4	Dec. 2010	3,103	67.33	2,227	87.87	1,000	39.90	6,330
5	March 2011	4,000	86.88	0	0	2,026	80.83	6,026
Grand Total		11,603	261.17	3,151	124.27	3,426	136.79	18,180

Source: KSCB, Bangalore, 2012.

Table 6. Minimum a Dwelling Unit Carpet Area of 25 sq. m. Comprising of:

	In sq. m	In sft
Living room	9.85	105.99
Bed room	6.55	90.48
Kitchen	4.70	50.57
Toilet	1.08	11.62
Bath	1.20	12.91
Staircase, corridors & balcony	1.62	17.43

Source: KSDB, 2012, Bangalore.

policy should be in-situ development to the extent possible, and in respect of slums in locations which are untenable (for example, along storm water drains) re-location can be effected.

#### Guideline for Redevelopment of Slums:

- i . Steps to be followed by KSDB
- ii. Construction requirements (see the Table 6)
- iii. G+3 and above units to be constructed
- iv. Facilities in the redeveloped area to be provided as per 7 Point Charter
- v . Adoption of fast-track construction technology

#### b. Rajiv Awas Yojana (RAY)

The President's address to both the houses of Parliament on June 4<sup>th</sup> 2009: My Government proposes to introduce Rajiv Awas Yojana (RAY) for the slum dwellers and the urban poor on the lines of the Indira Awas Yojana for the rural poor. The schemes for affordable housing through partnership and the scheme for interest subsidy for urban housing would be dovetailed into the RAY which would extend support under JNNURM to States that are willing to confer property rights to people living in slum areas. My Government's effort would be to create a slum free India in five years through the RAY ([http://mhupa.gov.in/ray/Ray\\_index.htm](http://mhupa.gov.in/ray/Ray_index.htm)).

**Need for RAY** - Estimated 25% of Urban Population are living on incomes below the poverty line. About 80% of their meager earning goes towards food and energy leaving little for meeting other requirements. Large numbers of people are living in slums in inhuman conditions. The poor in cities contribute to functioning of the city in very crucial ways.

**Vision** - Tackling the shortages of urban land and housing to make shelter available to the urban poor.

#### Duration

- Beginning from 2009-10 and ending 2016 -17 (12<sup>th</sup> Five Year Plan)

- All required legislations to be initiated and Centre, State Declarations on slum free India to be endorsed
- State to draw plans to complete reviews / slum survey and data to be sent for Central Clearance in 1<sup>st</sup> quarter of 2010
- Action to begin on the ground by April 1, 2010

**Components** - Development / Improvement, maintenance of basic services including water supply, sewerage, solid waste management, internal roads, street lighting, community facilities, child care, pre-school, schools, health care. Creation of new housing stock for economically weaker, low-income sections with infrastructure on ownership, rental or rental purchase basis.

#### Plan of Action

- State to prepare **Plan of Action** by including different categories of cities for up-gradation / rehabilitation in phased time bound manner.
- In-situ development will be the preferred made.
- Whole city to be proposed as project-including notified / non-notified covering State / Central / PSU/ Private (whole city approach).
- Legislative changes for reservation of 10-15% of land in public / private housing or 20-25% FAR whichever is greater for Urban poor.
- Each slum to be taken as a whole to ensure universal provision of infrastructure and supremimally decent housing.
- Size of housing 25 sq. m. carpet area as under JNNURM norm with hall, bed room, kitchen, bath & toilet.
- State to forward POA for clearance along with states legislation providing property rights.
- Centre intends involvement of private sector – encouraging PPP model.

#### Financing Mechanism

- Centre proposes to spend Rs. 1,50,000 crores during 12<sup>th</sup> Five Year Plan for the scheme.
- Central support depending on State and City plans of action (POA) as above.
- Includes assistance for up-gradation of infrastructure in existing slums.
- New colonies to accommodate dwellers in slums that cannot be regularized.
- Funding for housing.
 

Central subsidy	40%
Beneficiary Loan Component	45%
Beneficiary contribution	15%

- Interest subsidy 5% on loan up to Rs. 2 lakhs by centre (comes to 13% as central subsidy )
- State to create Rajiv Awas Shelter Fund

#### Field Constraints

- As per experience, ideal for each slum house, carpet area is to be 25 sq. m and plinth area 29 sq. m.
- In cases where pattas are issued the area may vary depending on site dimensions single or multi storied houses to be constructed.
- All relocated slum units are housed in G+3 construction tenements.

### 9. Implementing Agencies for Housing Programs

Karnataka is the first in the country to initiate the cooperative housing movement in the first decade of the 20th century. Similarly, a number of public institutions came into existence to meet the housing needs from the early sixties and finally housing finance Institutions since late eighties.

The slum-dwellers may obtain housing loans, through the KSCB and other government agencies, undertaking construction of houses for the poor on a massive scale. Under the scheme, the Government Agencies would obtain loans from financial institutions and thereafter sell the flats to the beneficiaries with an inbuilt subsidy provided by the Centre and the State Government.

The government agencies operating in Bangalore are Karnataka Housing Board (KHB), Rajiv Gandhi Rural Housing Corporation (RGRHC), Karnataka Slum Clearance Board (KSCB), Bangalore Development Authority (BDA), Bangalore Metropolitan Regional Development Authority (BMRDA), Karnataka Rajya Nirmana Kendra (KRNK) and Karnataka Urban Infrastructure Development & Finance Corporation (KUIDFC). The first four are:

**a) Karnataka Housing Board (KHB)** was formed in 1962 under the Karnataka Housing Board Act. The primary objective of KHB is ‘to make such schemes and to carry out such works as are necessary for the purpose of meeting the need of housing accommodation’. KHB undertakes housing projects to provide habitable and affordable shelter to the people of Karnataka complete with all the basic infrastructural amenities, under the LIG, MIG, and HIG categories.

**b) Rajiv Gandhi Rural Housing Corporation (RGRHC)** is a

government company established by the Government of Karnataka to cater to the housing needs of the economically and socially weaker sections of society. The Corporation implements housing programs through self-help for the economically and socially weaker sections, ensures smooth flow of funds through ‘JUST IN TIME’ fund releases. It has been organizing manufacture or bulk procurement of cost effective building materials. The Company promotes Self-Help housing and supports the initiative of the beneficiaries.

**c) Karnataka Slum Clearance Board (KSCB)** was constituted during July 1975 under the Provisions of the Karnataka Slum Areas (Improvement and Clearance) Act 1973, for providing basic amenities namely drinking water, street light, community latrines, community bathroom, drains, roads, storm water drain in the declared slums. The Karnataka Slum Clearance Board intends to cover all the declared slums existing in the jurisdiction of City Corporation/ city municipalities/ town municipalities and town panchayats in the State.

**d) Public-Private-Partnership Programs** have been under envisaged for the past few years, but has not taken a concrete shape. So far as providing shelter to the urban poor is concerned, efforts of some NGOs such as Association for Voluntary Action and Services (AVAS) in Bangalore have yielded very good results. Government should actively encourage NGOs and CBOs in providing shelter to the poor through stakeholders’ participation. A World Bank study on housing policies in developing countries has found that community organizations do a better job of targeting funding to the needy households than the government.

Slums covered under different schemes in Bangalore (in %)	
Total slums covered so far	19%
To be proposed under PPP	25%
Proposed under RAY	56%

### 10. A Case Study: The Wahab Garden Model Slum

Wahab Garden is a layout of 129 families located in Frazer town in the Jayamahall constituency of Bangalore. Built through a tripartite working relationship between the KSCB, the HUDCO and the community dwellers, Wahab garden presents an example for community participation as a possible alternative to centralized building activities of the KSCB (AVAS, 2003).

AVAS organization attempts to work as a catalyst in resolving

land problems and mobilizing the community to take up to the task of development on a self-help basis. A comprehensive plan for the revamp of the respective area was prepared by the organization with technical expertise from its own engineer. The KSCB, meanwhile, declared guaranteed land titles to the dwellers. The plan was accepted by HUDCO as an EWS housing project and lent an amount of Rs.14.30 lakhs at an interest rate of 9.5% for a period of 15 years. The split up of the cost of construction of each dwelling unit is from community members to foundation Rs.10,000, HUDCO Rs.27,000, KSCB Rs.8,750, AVAS fund Rs.5,000.

The project site was divided equally into sites measuring 15ft x 20 ft. This area size was decided based on the community's affordability and the loan procurement conditions. adjunct infrastructure, i.e. roads and drainage canals were also provided.

The government's erstwhile *Bhagyajyoti* scheme provided them with free electric meters and wiring. Free water for limitless use has also been provided. Water is supplied to Wahab Garden on alternate day now, because of general scarcity.

The community members, side by side, opened savings bank accounts and repaid instalments of Rs.300 every month. The last instalment to HUDCO is to be paid by 2017. The members already enjoy guaranteed ownership over the land and possess voter and ration cards. Also to be noticed is that there have been no school dropouts in the last five years.

## 11. Directions for Future and Conclusions

Part of the resources needed for the shelter of the urban poor could be derived from current outlays by an objective review of all subsidies and mis-applied resources, and by channeling institutional finance. Additional resource mobilization could be through a combination of measures to activate beneficiary savings and channeling loans on viable terms by financial institutions. These measures could be catalyzed and leveraged by budget provisions for land and services, equity for housing agencies and support to open market lending on reasonable terms. Steps are needed for avoiding implicit subsidies, to provide for transparent and well-targeted subsidies, and to prevent the leakages of subsidies under government programs and unwarranted fiscal concessions to better-off sections. Subsidies may perhaps be administered in the form of subventions through credible NGOs for group shelter activity and savings effort.

The State governments need to adopt a state-wide policy on the regularization of tenure and conferment of leasehold or

occupancy rights to slum-dwellers at least in areas not within public priorities. The National Housing and Habitat Policy emphasize the grant of occupancy rights to slum-dwellers and providing support for progressive slum redevelopment and up-gradation schemes. The slums and squatter settlements could be categorized as those needing urgent relocation, those that can be considered for conferment of occupancy rights/title and up-gradation or redevelopment in situ, and those which can be provided with basic services without conferment of title. This categorization process should be dovetailed with the process of Master Plan revision and formulation of development planning norms. It would enable the relocation of slum-dwellers and change in land use plans to incorporate the regularized slums into the plan-scape of the city. Also, physical and social planning should be on a city-wide basis so as to integrate the informal sector into the city's economy and social life. The city agencies need to be encouraged to formulate city plans for developing varied shelter options for the urban poor, such as the provision of essential services, shelter up-gradation and extension including toilets, renewal of congested inner city area, serviced sites for the poor, in situ redevelopment of slums with assistance of the private and co-operative sectors, night-shelter and sanitation facilities for the new migrant shelter-less persons, relocation of families from sites urgently required for public purposes, and financial and technical assistance on a group or individual basis for incremental construction.

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