

Urban Housing Policy in India: A Lesson from International Experience

Dr. Niranjana Chichuan*

Abstract

The United Nations and its constituent bodies recognized that right to adequate housing is a fundamental part of human rights. The States have been mandated to meet its public housing obligations that have been addressed in various UN declarations and conventions. India is a signatory to UN Habitat treaties and committed to make housing for all in line with the UN recommendations. Further, the right to housing has got recognition through judicial interpretation under article 21 of the Constitution of India that guarantees protection of life and personal liberty. Government has formulated various national plans and policies since independence related to housing in India. Currently, various centrally sponsored schemes are under implementation and the aim of these schemes are to create more housing stocks, in situ development and up-gradation of existing infrastructure facilities in India.

This paper traces how the housing policy has evolved over the years as a human right and a basic need, particularly from international perspective. The paper also traces the evolution of national housing plans and policies in India from the time of Independence to the present day and India's commitment to international declarations related to housing.

Keywords: Housing, Shelter, Urban, Human Rights

Failure to settle the problems of land distribution and housing in the world's cities threatens not only . . . the developing world — it also threatens world stability.¹

Introduction

According to the United Nations report, there are approximately 100 million people worldwide are without a place to live. Over 1 billion people are inadequately housed². However, it is estimated that 93 percent of the future urban population growth will occur in the cities of Asia and Africa, and Latin America and the Caribbean. Town and cities are growing very rapidly. Cities are becoming the engines of national economic development. On the other hand, the demand for adequate housing, infrastructure, education, health, safety, and basic services continue to rise. Coping with the increasing pressure for housing and other basic amenities remains a huge challenge for the governments of developing countries. India is a case in point. It is estimated the total urban housing shortage in 2012 as 18.78 million, of which almost 96 per cent pertains to the economically weaker sections and the lower income groups. At the same

time, the Population projections (Census 2011) indicate that India will reach 600 million in 2031.

Legal Framework of housing rights: International Perspective

Adequate housing is enshrined as a fundamental part of the right to an adequate standard of living and as a basic human right in several international treaties and conventions. These include the Universal Declaration of Human Rights, 1948, Convention Relating to the Status of Refugees (1951), Declaration of the Rights of the Child (1959), International Labour Organisation (ILO) Recommendation No. 115 on Worker's Housing (1961), International Convention on the Elimination of All Forms of Racial Discrimination (1965), International Covenant on Economic, Social, and Cultural Rights (1966), Declaration on Social Progress and Development (1969), Vancouver Declaration on Human Settlements (1976), Convention on the Elimination of All Forms of Discrimination Against Women (1979), Declaration on the Right to Development (1986),

Dr. Niranjana Chichuan*

Shyam Lal College, University of Delhi
New Delhi

Convention on the Rights of the Child (1989), International Convention on the Protection of the Rights of All Migrant Workers and Members of their Families (1990), Convention on the Rights of Persons with Disabilities (2006). These declarations also accepted that housing as an integral to the fulfillment of other basic human rights.

The issues related to housing rights have also received wide attention over the years across the globe. In 1973, the United Nations General Assembly had launched a general framework on 'Habitat' at the United Nations Conference on Human Settlements. The first ever United Nations Habitat Conference on Human Settlements was held at Vancouver, Canada in 1976, which was also known as Habitat-I. The aim of the conference was the goal of providing adequate shelter for all. The conference was projected that two-thirds of the world's population will be living in towns and cities in the next 50 years. Several countries were participated and there were 64 recommendations to solve the housing problems in the world. One of the important recommendations was in paragraph II (1) that "the improvement of the quality of life of human beings is the first and most important objective of every human settlement policy. These policies must facilitate the rapid and continuous improvement in the quality of life of all people, beginning with the satisfaction of the basic needs of food, shelter, clean water, employment, health, education, training, social security without any discrimination as to race, colour, sex, language, religion, ideology, national or social origin or other cause, in a frame of freedom, dignity and social justice".

The second most important one is the Istanbul Declaration on Human Settlements and the Habitat Agenda (1996). The objective was to address the two main themes: (a) adequate shelter for all and (b) sustainable human settlements in an urbanising world. The Habitat Agenda provides detailed guidelines in order to enable the right to adequate housing to all. Each paragraph in the Habitat Agenda addresses the housing shortage and solutions. Further it seeks commitment of States to the full and progressive realisation of the right to housing. However, it does not mean that Governments are duty-bound to provide free housing to all citizens. But the Governments have

to enable its citizen to have access to adequate and affordable housing.

The Special Rapporteur on promoting the realisation of the right to adequate housing, who was appointed by the Sub-Commission on Promotion and Protection of Human Rights of the UN Commission on Human Rights during 1992-1995, elaborated the misconception on the obligations of States to provide housing to all. The first progress report (E/CN.4/Sub.2/1993/15)³ provided a detailed legal analysis of the legal obligations of States to respect, protect and fulfil housing rights. The first progress report also touched on the question of justifiability of housing rights and gave an overview of housing right jurisprudence.³ The Special Rapporteur has refuted the narrow interpretation of the human rights approach and submitted that the legal recognition and obligations inherent in housing rights, at the most basic level, do not imply the following:⁴

- (a) That the State is required to build housing for the entire population;
- (b) That housing is to be provided free of charge by the State to all who request it;
- (c) That the State must necessarily fulfill all aspects of this right immediately upon assuming duties to do so;
- (d) That the State should exclusively entrust either itself or the unregulated market to ensuring this right to all; or
- (e) That this right will manifest itself in precisely the same manner in all circumstances or locations.

Article 2.1 of the Covenant is of central importance for determining what Governments must do and what they should refrain from in the process leading to the society-wide enjoyment of the rights found in the Covenant. This article reads as follows:⁵

"Each State Party to the present Covenant undertakes to take steps, individually and through international assistance and cooperation, especially economic and technical, to the maximum of its available resources, with a view to achieving progressively the full realization of the rights recognized in the present Covenant by all appropriate means, including particularly the adoption of legislative measures."

Three phrases in this article are particularly important in understanding the obligations of Governments to realize fully the rights recognized in the Covenant, including the right to adequate housing, namely, (a) “undertakes to take steps ... by all appropriate means”, (b) “to the maximum of its available resources” and (c) “to achieve progressively”.⁶

Critical Evaluation of Indian Policies and Programme

India is a signatory to various international treaties and covenants that support the right to adequate housing⁷. All such principles and provisions are enumerated in the constitution of India. Even the concept of welfare state is included in the constitution. The State is responsible for securing decent standard of life for its citizens without discrimination. The Indian parliament has enacted laws giving effect to some of its treaty obligations and these laws are legally enforceable and broaden the scope of interpretation by the courts. In this backdrop, it is important to assess the progress of India’s commitment to UN declarations, particularly related to housing as India has evolved various plans, programmes, and policies that are directly addressed the housing need in India.

Housing Plans and Programmes

First Five Year Plan (1951-56)

From the beginning of the First Five Year Plans, providing adequate number of affordable housing remains a huge challenge. At the same time, the Government control in the housing sector has increased over the years. The First Five Year Plan pointed out that “Private enterprise is not in a position to do the job so far as low-income groups are concerned. They cannot afford to pay the economic rent for housing accommodation of even the minimum standards. The State has, therefore, to fill the gap and assist the construction of suitable houses for low and middle Income groups both in urban and rural areas as a part of its own functions. This would involve a large measure of assistance which may take the form of subsidies on a generous scale and the supply of loans on a somewhat low rate of interest”.⁸ In 1952 Integrated Subsidised Housing Scheme for Industrial Workers and Economically Weaker Sections was

launched. In 1954 the Low Income Housing Scheme was also introduced. The scheme had provided a long-term house building loans at a reasonable rate of interest to persons whose income does not exceed Rs. 6,000 per annum. The approach to tackle the housing problem was purely subsidy based. The Government focused institution building and construction of houses for weaker sections and Government employees in limited scale. The National Building Organization and Town & Country Planning Organization were established and a separate Ministry of Works & Housing was also being created.

Second Five Year Plan (1956-61)

In the Second Plan period, in order to cover all workers, five new schemes were launched, namely, Middle Income Group Housing Scheme, Rental Housing Scheme for State Government Employees, Slum Clearance and Improvement Scheme, Village Housing Projects Scheme and Land Acquisition and Development Scheme. The plan document highlighted that “On account of high land prices and the lack of suitably developed sites, progress in the construction of houses under the scheme has not been as rapid as was hoped for”. The Plan document had recognized for the first time that the “provision of developed land on an adequate scale and at reasonable cost is crucial to the success of all housing programmes in India”. New institutions were set up to draw up phased programmes of slum clearance and social and economic surveys of their worst slum areas in the larger towns. Several States were enacted Town & Country Planning Legislations in this period.

Third Five Year Plan (1961-66)

The success of the rehabilitation during First and Second Five Year Plans were limited. The focus was on low income groups housing. Apart from existing housing schemes, another additional Rs. 300 crores invested during this plan. The major share of the investment on housing came from the private sector. During this plan a serious emphasis was given to prepare master plans and regional development plans of metropolitan, industrial cities and resource regions. The master plan was prepared for two cities of State capitals of Gujarat and Odisha (Gandhi Nagar and Bhubaneswar) in this plan period. Provisions have also

been made in the Third Plan for research and experiment in housing and housing related issues.

Fourth Five Year Plan (1969-74)

The Fourth Plan emphasized a well balanced urban growth and to prevent further growth of population in cities. It focused on expansion of urban community development and established Housing and Urban Development Corporation (HUDCO). The aim was to support financial assistance particularly to the poor. The Environmental Improvement of Urban Slums (EIUS) was also launched in order to provide minimum level of services like, water supply, sewerage, and drainage, street pavements in eleven cities with a population of eight lakhs and above. Further, it was extended to 9 more cities in India.

Fifth Five Year Plan (1974-79)

The fifth Five Year Plan emphasized to provide a minimum acceptable standard of housing to the backward sections of the society. It also stresses to provide drinking water supply and sanitation facilities, sewerage and drainage facilities which were not at all satisfactory. The first ever housing finance company, named Housing Development Finance Corporation (HDFC) was set up in 1977 to meet the expanding housing demand. The Urban Land (Ceiling & Regulation) Act was enacted to prevent concentration of land holding in urban areas and to make available urban land for construction of houses for the middle and low income groups.

Sixth Five Year Plan (1980-85)

Till sixth plan period, public investments in housing were estimated to be Rs. 1253 crores. Apart from this, several new schemes were introduced, namely, Sites and Services Schemes, Scheme of Urban Low-Cost Sanitation for Liberation of Scavengers and Indira Awaas Yojana in order to provide direct public sector assistance for housing to the poor. It was also to provide integrated provision of services along with shelter. The Integrated Development of Small and Medium Towns (IDSMT) were launched in towns with population below one lakh. The Sixth Plan came up with an assessment that⁹ “a review of past performance in public sector as well as private sector housing investments makes it clear that the country’s housing

problems—both rural as well as urban—cannot be solved in the Sixth Plan period. It should, however, be feasible to catch up with the housing requirements of the country if a sustained programme of investment and construction is undertaken over the next 20 years. This programme would attempt to cover ‘the existing housing shortfalls as well as providing for the expanding population’.

Seventh Five Year Plan (1985-90)

In the Seventh Plan, the Government realized that “the gigantic magnitude of the housing problem in India. This problem cannot be tackled in a meaningful way, if housing activities are left to follow the past pattern of slow and unsystematic growth. There is need for radical orientation of all policies relating to housing. The most important among these are: the provision of finance for house construction on a large scale, development of suitable land sites in urban areas, provision of house sites in rural areas, developing and applying low-cost technology in house construction and policies relating to rent control”. The Government launched several new schemes, namely, Urban Basic Services Scheme (UBS), Nehru Rozgar Yojana’s Scheme of Housing and Shelter Upgradation, Urban Basic Services for the Poor and Night Shelter Scheme for Pavement Dwellers for weaker sections in order to tackle the housing problem. The National Housing Bank (NHB) was set up to expand the base of housing finance and Building Materials and Technology Promotion Council (BMTPC) was replaced by National Building Organisation (NBO). During this plan period the National Housing Policy was announced. It was stressed private sector involvement.

Eighth Five Year Plan (1992-97)

The Eight Five Year Plan recognized housing as one of the major employment generators and an important element in the mobilisation of domestic savings. It also recognized as a major economic sector. The State intervention still considered to be best option to meet housing requirements of a majority of vulnerable sections and to meet the goal of Shelter for All. In this plan period the “Global Shelter Strategy” adopted by the United Nations in November 1988 which calls upon different Governments to take steps for the formulation of a National Housing Policy (NHP) to

achieve its goals. The Government of India has formulated National Housing Policy in 1994 which aimed to provide affordable housing for all.

Ninth Five Year Plan (1997-02)

The Ninth Plan accepts “Housing has been largely a people’s activity, but constraints of finance, land, other inputs and the absence of a stimulating environment has pushed the urban housing solutions beyond the reach of the majority of the people.” The plan document further stressed that apart from new construction, the Ninth Plan agenda will take up the massive task of upgradation and renewal of old and dilapidated housing stock. In the urban, this is a major challenge in the inner city areas and in the growing slum and squatter settlements, which have become an “ingenious solution to get shelter perfected by the people who cannot enter the formal housing market”.

As India is a party to the Habitat II National Plan of Action (NPA) which was held at Istanbul, Turkey in 1996. To promote the goal of shelter for all, the Ninth Plan used composite credit instrument, modified land-use patterns and city master plans and strengthens the linkages between the farm and the non-farm sector in the rural and semi-urban areas. Apart from financial arrangements, two new schemes were introduced, namely, Two Million Housing Programme and Valmiki Ambedkar Awaas Yojana (VAMBAY). The aim of the Two Million Housing Programme was a loan based scheme funded by Housing and Urban Development Corporation (HUDCO) and Housing Finance Institutions (HFIs). VAMBAY was a scheme with an in-built subsidy for undertaking construction of dwelling units for slum dwellers. The scheme was successful in providing affordable houses to the urban poor.

Tenth Five year Plan (2002-07)

Housing shortage pertains to all segments from Economically Weaker Sections to Middle and Higher Income Groups were highlighted in this plan period. The Working Group on Housing has estimated the urban housing shortage at the beginning of Tenth Plan was 8.89 million units. It includes the ‘congestion’, obsolescence, replacement of old houses, and upgrading of all the kutchha houses. The total number

of houses required during the Tenth Plan period was 22.44 million. The Two Million Housing scheme was accommodated 3.5 million houses for the urban poor. In this plan period top priority is given for the urban weaker sections and low income groups .These priorities include: provision of land at affordable prices, creation of land bank for the poor and land assembly methods, vacant land tax and transferable development rights and simplification of sub-division regulations etc.

Eleventh Five Year Plan (2007-2012)

An additional housing shortage was highlighted during Eleventh Five Year Plan period. According to the report of the Technical Group on estimation of housing shortage constituted in the context of formulation of the Eleventh Five-Year Plan, housing shortage is estimated to be around 24.71 million. About 99 per cent of such households are from weaker sections and low income groups. During the Eleventh Plan period, total housing requirement, including the backlog, is estimated around 26.53 million. In this backdrop, a High Level Task Force was set up by the Ministry of Housing and Urban Poverty Alleviation on 15th January 2008 under the Chairmanship of Shri Deepak Parekh, Chairman, HDFC Ltd. to look into various aspects of providing “Affordable Housing for All” and recommend ways and means.

Twelfth Five Year Pan (2012-2017)

The Twelfth Plan has estimated that at present the urban population of India is 380 million which constitutes about 31 per cent of the country’s population and is projected to reach 600 million by 2030. In other words, there will be 200 million urban population growth in just 20 years. Plan document pointed out that providing reasonable quality services to the growing urban population presents a major challenge. Urban services are very poor, particularly sanitation, solid waste removal, water, roads and public transportation. Affordable, decent housing is woefully inadequate in all Indian cities, leading to the formation of slums, health and living conditions in which are aggravated by poor water and sanitation services. Recently, the Central Government launched a national housing scheme which is known as Sardar Patel Urban Housing Mission: Housing for All by 2022. The aim

of the scheme is to provide 30 million houses by 2022.

In the beginning of the plan period, the Government of India accorded a high degree of importance to the housing sector and increased its control on the housing market. But the problem of housing shortage has not been solved. The Government of India has realized that unless and until it changes its own role and approach to create a facilitative environment for all sector's involvement, the housing problem cannot be solved easily.

Housing Policies

Apart from the Five Year Plans, Government of India has formulated various housing policies beginning with the first National Housing Policy in 1988. Subsequently, a new National Housing Policy was announced in 1994 due to change of the Government in 1990. It was followed by a number of public sector interventions in the housing sector. The 74th Constitutional Amendment Act 1992 and a new National Housing & Habitat Policy 1998 brought out significant changes in the housing sector in India. The aim of the National Housing Policy was to provide houses to houseless and to provide minimum level of amenities to all. Private sector participation was encouraged in construction, financing and infrastructure development. Government initiated major legal, financial and regulatory reforms in housing sector. The government initiated many policy measures to repeal the Urban Land Ceiling Act in most states in India. The government has also permitted Foreign Direct Investment (FDI) in housing and real estate sector through automatic route. However, these policies were common for rural and urban areas.

Taking into account the magnitude of housing shortage, the Ministry of Housing and Urban Poverty Alleviation has again drawn up a housing policy for urban areas. The first ever urban areas specific policy is National Urban Housing and Habitat Policy (NUHHP), 2007¹⁰. The policy aims at promoting sustainable development of habitat with a 'Regional Planning approach' in the country. It also ensures equitable supply of land, shelter and services at affordable prices to all. The policy stressed that the Government would act as a facilitator rather than direct role in investment in Housing. But Government retains

its role in social housing project in order to support the weaker sections and lower income groups in purchasing houses in urban areas. This policy is now supported by three major national programmes, namely, housing under the Basic Services for the Urban Poor (BSUP) component of the national level urban development programme called Jawaharlal Nehru National Urban Renewal Mission (JNNURM) launched in 2005 and Rajiv Awaas Yojana (RAY), a slum redevelopment programme and Affordable Housing in Partnership (AHP) programme

International Trends and Good Practices

Till 1970s, housing was viewed primarily through a prism of welfare good not linked with economic growth. As a result, Governments have increasingly controlled the housing sector and very limited role has given to the private sector in construction and building of houses, particularly the third world countries. No criteria were fixed. The Committee on Economic, Social and Cultural Rights (CESCR) identified seven key criteria which comprise the right to adequate housing. The basic elements of adequacy included (1) legal security of tenure (2) availability of services (3) affordability (4) accessibility (5) habitability (6) location and (7) cultural adequacy. Legal security of tenure guarantees access to, use of and control over land, property and housing resources. Adequacy of a house cannot be effectively realized without access to public goods and services, including water, healthcare, transport, fuel, sanitation, electricity, etc. Affordability and habitability are the two sides of the same coin, i.e. access to housing is must at affordable price and must also provide adequate space to live in dignity and peace.

In order to comply with the international resolutions, declarations, the State's obligations fall into three categories, namely the obligations to respect, protect and fulfill.¹¹ Accordingly, some countries have included housing as a right in their respective Constitution and some have directly enacted legislation to guarantee housing for their citizens. Several countries have adopted national legislation recognizing the right to adequate housing and explicitly fixing the responsibility on their Government to guarantee adequate housing to the entire population. There have been a major shift in international trends in housing,

particularly after 1990s and it is important to learn certain best practices from international experience.

Chile

With the aim to address the basic needs for the people, the Government of Chile initiated several reforms including financial and housing sectors since 1970. In 1977, Chile pioneered the capital subsidy approach and subsequently the Government had modified the schemes and created a successful model. This model has influenced housing policy in many countries. Today, it is widely regarded as a successful model and considered as one of the best practices in the world. "Chilean housing policy is exemplary. It is meeting many of the goals set by all developing countries, such as bringing an end to the illegal occupation of land, providing housing solutions for all families that need them (including the poorest), and making basic services available almost to the whole population".¹² It further added that "not only have large numbers of homes been provided for the poor but the policy has been run honestly, transparently and effectively".¹³

The Ministry of Housing and Planning (in Spanish, Ministerio de Vivienda y Urbanismo, MINVU), was the key actor in the success of the Chilean model. Since its inception, MINVU has been funding and managing the subsidy programmes in the country. Equally, the private sector's participation is also remarkable in this success story. Presently, the MINVU has operates five housing schemes for whole population in the country. These include, (1) The Progressive Housing Programme which is replaced by the Dynamic Low-Cost Housing without Debt programme in 2001, (2) The Basic Dwelling Programme, (3) The Special Workers Programme, (4) The Rural Subsidy Programme, (5) The Unified General Subsidy programme. Each programme targets certain income groups and set a specific limit of subsidies for construction of houses and provides direct capital subsidies by the government. The Direct Housing Subsidies covers all the income groups and enables to buy the houses. The subsidy has a tripartite system of finance: the direct subsidy, prior saving of the beneficiary family, and a long term mortgage loan¹⁴. In this process, the schemes provide affordable housing for both poor and middle class. It also provides both

supply-side and demand-side subsidies. It further, makes a choice of both contractor-built housing and self-help housing. The government had made different financial arrangements and condition including households to show the proof of their low income and a minimum amount of savings.

From 2002 the MINVUS has began to changes its housing policy. The MINVUS also stopped providing mortgage loans and construction of houses. In fact, in 2004, only 4 per cent allocated for construction and rest 96 per cent targeted to subsidy programme.¹⁵ It has fixed different types of subsidy programmes. The MINVUS introduced a subsidy programme which is known as Fondo Solidario de Vivienda (Funding for Cooperative Housing). In this policy, applicants need to have savings of US\$300 and required to submit a housing proposal. Government will provide up-front subsidy of US\$ 8,400 subsidies per household. The subsidy covers the cost of land, infrastructure and a 35-square-foot unit which includes a bathroom, kitchen, bedroom and multi-propose space¹⁶. The second subsidy programme was introduced for low-income people above poverty line. In fact, this income category people were the main consumers in the previous housing projects. The subsidy of US\$ 4,500 is given for this category assuming that the maximum housing cost will be \$9, 000 or less. Nearly 40,000 units have been granted annually under this programme.¹⁷

Chile has been successful in addressing its housing shortage. According to the OECD report, "in 1990 close to 30% of the Chilean population lived in poor housing conditions". This figure dropped to 12% in 2000, and to less than 10% in 2009. Among the factors behind this success include housing stock that increased at a rate faster than the population and a rise in public housing subsidies: between 1976 and 2007, roughly two out of three households in Chile were built using some form of public support. While social expenditure in Chile is among the lowest in the OECD area, public spending on housing in Chile as a per cent of GDP is much higher than in most OECD countries and highlights the importance Chile has placed on solving its housing deficit"¹⁸.

Although it is due to a range of housing subsidies the housing shortage has been reduced to some extent.

The policies have also helped to ensure that adequate housing reaches all segments of society. The housing ownership has increased significantly in the middle income segments, still around 10 per cent of the population lives in poor conditions¹⁹. It is due to two factors, first, the limited willingness of the private sector to finance for low cost dwellings and second, the absence of a secondary market for low- cost dwellings of the type covered by the subsidies²⁰. It means the public sector has to assist in purchasing houses for the poor. Apart from this, there are huge numbers of gaps in housing policy in Chile. First, the banks do not want to lend the poor assuming that it is unprofitable and problematic exercise. Second, it does not have planned and an integrated development approach in constructing social housing. Third, there are complaints about the quality of construction and its design. Fourth, new housing projects are located far away from the main centres of employment due to high land price. Fifth, increased violence and crimes are reported in the new residence.

South Africa

Section 26 of the Constitution of the Republic of South Africa, 1996, states that “everyone has the right to have access to adequate housing”. Further it says that the “state must take reasonable legislative and other measures, within its available resources, to achieve the progressive realisation of this right”.²¹ Numerous laws passed by the Government to ensure people have access to housing. These include, the Housing Act (1997), The Prevention of Illegal Eviction Act (1998), the Rental Housing Act (1999), the National Norms and Standards (2007, revised in 2013), the Social Housing Act (2008). The National Policy include White paper on Housing (1994), National Housing Code (2000, revised in 2009), Breaking New Ground (2004).

Prior to 1994, in South Africa, large numbers of populations were settled in informal settlements characterized by a lack of basic urban services and overcrowded and concentrated mainly in urban periphery. Concerns regarding inadequate housing conditions in South Africa led to the New National Housing Policy in 1994. Subsequently, the National Housing Accord was signed by the government with other stakeholders and set a vision to achieve the goal

of building one million homes by 1999. At the same time, the roles and responsibilities were divided and classified among three spheres of government (National, Provincial and Municipal).

Major objectives of the Government were to tackle the housing shortage and to find ways that the poor could access affordable housing in South Africa. South Africa adopted the capital housing subsidy model. There are eight types of subsidies available to the people. These include: (1) Individual subsidies, (2) Consolidation Subsidy, (3) Institutional Subsidy, (4) People’s housing process establishment grants, (5) Rural Subsidy, (6) Project linked Subsidy, (7) Discount Benefit Scheme, (8) Relocation Assistance. The eligibility criteria is fixed for all groups that the person must be over 21 years of age; he/she must have a total household income of less than R 3500 per month; he/she must be married or live with a partner or be single and have dependents; he/she never have owned a house or a property anywhere in South Africa. They will get one housing subsidy except for consolidation subsidy and the names of both partners go on the data base²². This grant does not go directly to the homeowner. Instead, it goes to the developer that is building the house. The developer can be a private company, the local authority or a community organisation.²³

The Government invested up to 5 per cent budgets on housing in each year since 1994. After six years of operation, the scheme provided ‘secure tenure to the poorest of the poor in both urban and rural areas. The total number of houses that have been constructed is approximately 1,155,300, housing close to 5,776,300 people’. This is a stunning achievement for a new programme. About 196,000 subsidies per year had been given by 2001.²⁴ The Government invested R 27.6 billion on housing delivery between 1994 and 2004.²⁵ Housing subsidy grants increased from R 2.7 billion in 1996-97 to some R 5 billion in 2006-07.²⁶ Budgetary allocations have also been increased. The annual delivery rate of housing units peaked in 1997 at some 323 000 units.²⁷

Despite access to adequate housing to all, many weaknesses are associated with the housing programmes that have been delivered through the capital housing subsidy scheme. First, many

beneficiaries do not able to afford a house due to an acute poverty and unemployment. Even if they buy houses it is not possible for them to pay the charges for their water and electricity. Many households are decided to move out from the houses²⁸. Second, most of the housing projects lack essential services and related infrastructures. Third, the size of the units is very small and the houses had no partitions. Fourth, most projects have been located close to the old Black ghettos. Fifth, in Pretoria, all new low-cost housing programmes have been built at a distance of 20 km to 45 km from the historic centre due to higher land cost²⁹.

Malaysia

With an objective to ensure that all Malaysians have access to adequate housing, the Malaysian Government introduced and implemented a concept of Low Cost Housing (LCH) since Fourth Malaysia Plan (1981-1985). The objective was to increase the supply of LCH in urban areas mostly targeting to the lower income groups as part of the “home-owning democracy” which was first mooted in 1972 by then-Prime Minister the late Tun Abdul Razak Hussein³⁰. LCH is delivered by both the private and public sectors under the public housing programmes. According to the Ministry of Urban Wellbeing, Housing and Local Government, from 2006 to 2010, 82% of 449,000 units of housing built by the private sector were medium-cost and upwards, while 91% of 111,000 units of housing built by the Government were low-cost.³¹

The Government has fixed the eligibility criteria for low income houses. This selection criterion of beneficiaries includes (1) that total family income had to exceed RM750 but be less than RM1, 000 selling price in the 1980s and 1990s. In 2000, this was revised to a minimum of RM750 and a maximum of RM2, 500 of selling price (Table-1). (2) The minimum built-up area is 550-600 square feet. The houses are usually equipped with two bedrooms, a living room, a kitchen and a bathroom-cum-toilet. In the Ninth Plan (2010) onwards it has been revised from a minimum of 650 square foot to 700 square foot per unit (Table-2). The maximum built up area is set at 70 per cent leaving the remaining 30 percent for utilities and community facilities, while maximum densities have been set at

150 people per hectare.³² (3) The type of houses includes flats, single storey terrace or detached houses. Application is invited throughout the year and processed through an open registration system. It ensures only qualified applicants are allowed to apply for low-cost housing in Malaysia. The Ministry of Housing and Local Government is under the charges of design guidelines and requirements of LCH in Malaysia. In May 2013, the Ministry of Housing and Local Government was renamed into the Ministry of Urban Wellbeing, Housing and Local Government.

Research studies suggest that the LCH performance was encouraging and meeting the housing demand targets.³³ On the other hand, a study on Residential Satisfaction in Low-Cost Housing in Malaysia was conducted by Abdul Ghani Salleh and Nor'yaini Yusof in 2006³⁴. In this study they employed six factors in order to analyse the residential satisfaction. These include

1. Safety Infrastructure in the neighborhood- police station, parking lot, fire brigade and facilities for handicapped.
2. Educational and health facilities in the neighborhood-primary school, secondary school and hospital or clinic.
3. Technical services by developers-Electrical wiring, safety, pipe repairs, no. of socket.
4. Main activity areas of dwelling units-Dining room, living room and kitchen.
5. Cleaning services by developers-Garbage in line, garbage disposal and water supply.
6. Design of dwelling units-washing room area and air circulation.

The study found that some residents were satisfied with dwelling units, service provided by the developers and neighborhood facilities and environment. However, there were some residents who were dissatisfied with kitchen area, dining room area and clothes line facilities in their dwelling units. Many residents were also wanted to move out from their houses. The reasons were that work place is far away from home and schools, poor quality building materials, leakage, poor public transport and

Table 1: Low Cost Housing Price Structure Based On Location and Target Groups

House Price Per Unit	Location	Monthly Income of Target Group
	(Land Price Per Square Meter)	
RM 42,000	City Centre & Urban (RM45 and above)	RM 1,200 -RM 1,500
RM 35,000	Urban & Sub-urban (RM15-RM44)	RM 1,000 – RM 1,350
RM 30,000	Small Township & Sub-rural (RM10-RM14)	RM 850 – RM 1,200
RM 25,000	Rural (below RM 10)	RM 750 – RM 1,000

Source: http://ir.uitm.edu.my/10998/1/PRO_NURUL%20HIDAYAH%20ZULKIFLI%20A%2012.pdf

Table 2: Low-Cost Houses: New Design Specifications

Elements	Terrace Houses	Flats
Floor Space	48-60M ²	45-56m ²
Bedroom		
Minimum Number	3	3
Minimum area of habitable room		
First room	11.7m ²	11.7m ²
Second room	9.9m ²	9.9m ²
Third room	7.2m ²	7.2m ²
Kitchen-minimum area	4.5m ²	4.5m ²
Living and dining rooms	Provided as one combined space or separately with adequate area according to internal layout.	Provided as one combined space or separately with adequate area according to internal layout.
Bedroom and toilet	Provided separately with minimum area of 8.8m ² each.	Provided separately with minimum area of 8.8m ² each
Storage space and porch	Adequate provision for resident's comfort	Adequate provision for resident's convenience and comfort
Drying area*Laundrette facilities		Adequate provision for each unit.

Note : (*) Must be provided according to the 'Guidelines for the provision of laundrette facilities in multi-storey buildings'

Source: http://ir.uitm.edu.my/10998/1/PRO_NURUL%20HIDAYAH%20ZULKIFLI%20A%2012.pdf

community facilities and safety and neighbourhood problems.

Conclusion

The first UN Special Rapporteur on adequate housing is defined as “the right of every woman, man, youth and child to gain and sustain a safe and secure home and community in which to live in peace and dignity”.³⁵ The Indian Government is committed to “Shelter for All” under the obligation of Habitat-1,

Habitat-2 and other treaties. Accordingly, several institutions such as National Housing Bank (NHB) and State Housing Board (SHB) were established to implement the plans and programmes. Allocation of budgetary provisions have been made every financial year both at the Central and State levels. Moreover, despite decades' efforts, even today, the Government of India is continuously grappling with the unmet housing needs of millions of its citizens.

Suggestions

1. Housing is a basic need. It is also a basic obligation of the State to ensure that every citizen has a safe, secure and healthy place to live and lead a life of dignity. Shelter does not mean a just a roof over one's head. More than this the concept of adequate housing constitutes legal security of tenure, availability of services, affordability, accessibility, habitability, location and cultural adequacy. Therefore, accessibility, habitability and affordability in housing should be central concern of partnership strategies.
2. The most important pre-requisite to housing development is the availability of land. The prices of land have been rising continuously. It is necessary for the governments to make the land available and grab additional lands on regular basis for urban use proposes.
3. Simplify the procedures and processes of land acquisition and conversion of agricultural land for urban use and allocations of such lands for affordable housing purpose.
4. Apart from cash subsidies, interest subsidies and subsidizing the housing cost for the urban poor through Public-Private Partnership (PPP), there is an imperative to address low cost housing through innovative technologies in India without impacting the quality of services.
5. The implementation of schemes are often cited that the lack of funds as the main reason for the slow progress of social housing in India. It is not always correct to say due to lack of fund, the major barriers are poor procedural and operational policies, and inefficiency in construction practices. Therefore, the approach has to be changed by rectifying policies, construction practices rather than demanding more funds.
6. The Government of India has formulated various policies related to housing India. But for the first time the National urban Housing and Habitat Policy 2007 has officially recognized Affordable Housing for All. The policy also outlines that the "State Government will ensure suitable flow of financial resources to potential EWS/LIG beneficiaries as well as undertake viability gap funding of large housing and habitat development projects". In practice, the policy guidelines lack statutory backing. There has to be some kind of arrangement to implement it.
7. The role of State Housing Boards be revamped and encouraged to focus only on affordable housing for all.
8. Majority of the homeless populations are beyond the reach of the formal institutional system for housing finance. Thus, alternative financing models like microfinance is essential to address the housing deficit in India.
9. There is a need to strengthen housing related institutions like NHB, NBO, HUDCO and encourage them to undertake housing research and creation of up-to-date data base in India.
10. Encourage active participation and involvement of multi-stakeholders like Private Sector, the Cooperative Sector, the Industrial Sector, Services and Institutional Sector to meet growing housing demand.
11. Creation of a new institutional framework to promote only affordable housing in India.
12. India need to learn some best practices from Chile, South Africa and Malaysia.
13. Need to have a strong Political will, commitment and sustained efforts towards the development of a large-scale affordable housing in India.

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