

SHELTERING DELHI'S SLUMS

Submitted to

Centre for Civil Society

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Working Paper No 230

Summer Research Internship 2009

EXECUTIVE SUMMARY

This paper aims to look at the slums in Delhi with the purpose of proposing certain policy recommendations that would improve housing conditions of those living in slum areas and Jhughi Jhompri Clusters. The issue of slums is an extremely well researched topic ranging from different ideologies to different policies in different countries to very many different solutions. Although slums, by definition, have similar characteristics there can be no one solution that will solve the problems of slums in a city. A case by case study of each slum must be undertaken to come up with a solution for the betterment of slum dwellers.

The different policies for slum development in the city are implemented by the various organizations involved and although the policies identify the interests of the slum dwellers and aim at providing them with as much comfort as possible, the realities of the implementation are often different from what is seen on paper. Understanding these policies and comparing them by means of certain parameters outlined, helped structure and break down the policies to their basics. A case study of the Jagdamba Camp slum helped capture a realistic picture of the situation in Delhi's slums and an analysis of the Thai Baan Mankong project in Thailand as well as the Dharavi Redevelopment programme in Mumbai crystallized some policy recommendations.

The aim of the paper is to come up with a best practices model that may not completely solve the issue of slums but helps improve the current situation and also looks to prevent slums from coming up in the future. The deregulation of the Delhi rent Control Act would help equate the rent its market price thereby increasing the supply that was missing so far. The private sector entry into the low cost rental housing model has limitless potential and housing vouchers would help bring this supply to those who are in need of it.

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INTRODUCTION

Delhi, capital of India, is home to about 3 million people living in slums and it is estimated that 45% of its population lives in unauthorized colonies, Jhughi Jhompri (JJ) and urban villages¹. As the UN-HABITAT definition states 'a slum household is a group of individuals living under the same roof in an urban area that lack one or more of the following:

1. Durable housing of a permanent nature that protects against extreme climate conditions.
2. Sufficient living space which means not more than three people sharing the same room.
3. Easy access to safe water in sufficient amounts at an affordable price.
4. Access to adequate sanitation in the form of a private or public toilet shared by a reasonable number of people.
5. Security of tenure that prevents forced evictions.'

Defining the Issue

For the purpose of Census of India 2001, slum areas broadly constitute:

1. All specified areas notified as "slums" by state/ local government and UT administration under any act
2. All areas recognized as "slums" by the state / local government and UT administration, which may not have been formally notified as slum under any act
3. A compact area with a population of at least 300 or about 60-70 households of poorly built congested tenements, in unhygienic environment usually with inadequate infrastructure and lacking in proper sanitation and drinking water facilities.

The slum areas are those that are notified under the Slum Improvement and Clearance Areas Act of 1956. Buildings and/or areas that are considered to be unfit for human habitation may be declared as the slum areas under section 3 of the act. As such, they are considered to be legal structures and are eligible for benefits under the act. The

squatter or JJ cluster settlements on the other hand are considered as encroachments on public and private lands. They are therefore seen as illegal settlements.

Figure 1: Location of Slums & JJ Clusters in Delhi



Source: Delhi Urban Environment and Infrastructure Improvement project Part III, Slum Upgrading programme Volume I

Scope of the Problem

Because of the lack of adequate developed land at affordable prices to different categories of residents, various types of unplanned settlements have come up in Delhi. According to an estimate, the population residing in different types of settlements in 2000 was as shown in table 1.

Table 1: Type of settlement and population

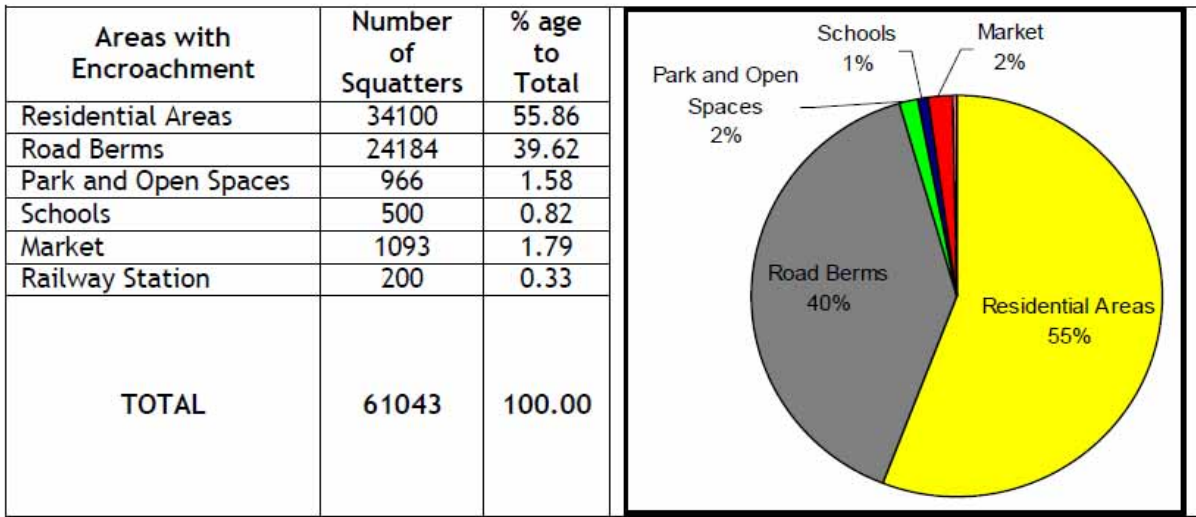
S no	Type of settlement	Approx population in millions (2006)
1	Jhughi Jhompri Clusters	2.448
2	Slum Designated Areas	3.148

3	Unauthorized colonies	0.874
4	Resettlement colonies	2.099
5	Rural village	0.874
6	Regularized – unauthorized colonies	2.099
7	Urban villages	1.049
8	Planned colonies	3.909
10	Total Population	16.5

Source: Delhi Development Report 2008 (Delhi Water Supply and Sewerage Project Preparation Study Report)

The employment opportunities (formal and informal) in Delhi have attracted migrants from all over the country, particularly from the backward state areas due to regional economic imbalances. In 1961 the annual migration of low income households into Delhi were estimated to be around 70,000 and that number has increased every year making it close to an approximate net addition of around 4 lakh settlers every year, migrating from various parts of the country in search of livelihood. This influx of population has resulted in an increased population of the city, pressure on civic amenities, crime, social imbalances, economic exploitation, unplanned growth, deterioration of the city beautification, culture etc. From 12,000 slum dwelling units in 1951, the number of these units is approximated to be 0.3 million in 2005. Almost all the slum dwellings are encroachments on land belonging to agencies like the Delhi Development Authority, New Delhi Municipal Corporation, Railways, Delhi Government, Public Works Department & various other organizations. At the time of setting up, their illegal possession was ignored which subsequently became a menace as numbers increased exponentially and especially when the land owning agencies sought to retrieve the land.

Figure 2: Status of JJ Clusters in Delhi



Source: Sabir Ali, Environment Scenario of Delhi Slums, Centre for Social Development Studies, 1998

A significant portion of this burgeoning population remains illiterate. Many others do not find enough means of gainful employment. It prompts them to undertake petty offences like pick pocketing & burglary. Interestingly enough, while civil society is concerned about potential health hazards & criminal dangers from such a population, and demand their eviction from residential areas; they are dependent on slum population for their daily need. The vegetable vendor, the maid, the milk man, the people who do their laundry and even ironing under the road side trees are all slum residents, forming an important component of any urban household. Studies have revealed that settlers in these slums & JJ clusters are pursuing various informal economic activities making significant contribution to the city's economy and over a period, have established an interdependent relationship with the formal commercial, industrial and manufacturing functions in the city. From domestic help and unskilled factory jobs to semi-skilled and manual work, they are now an essential requirement of the city's daily life. The cheap labor they provide, the large numbers of domestic help and service personnel they consist of, and the sizable informal functions they perform, make them significant partners in Delhi's life and existenceⁱⁱ.

Important Stakeholders Involved

The stakeholders involved in this are numerous ranging from slum dwellers themselves to the community at large. The three main participants are:

- Slum dwellers & residents of the JJ clusters are one of the main players in this issue. As discussed they are mainly migrants from areas nearby in search of employment.
- The land owning agencies are another important participant as we shall see later in the report. The Delhi Development Authority (DDA), the Railways, the Central Public Works Department and the Slum & JJ Department of the Municipal Corporation of Delhi (MCD) are some major land owning agencies in Delhi.
- The various government agencies with slum wings such as the Delhi Government Urban development Department, the Slum & JJ Department of the MCD, and the Slum wing of the DDA have maximum presence in Delhi.

Other stakeholders including private parties looking to redevelop slums through the Public Private Partnership (PPP) schemes, third parties looking to enter low cost housing, various NGO's working at the grass root levels within the slums, the basic service providers supplying water, electricity etc. in the slums and the communities around where the slums have developed to name a few.

PARAMETERS & BENCHMARKS

Shelter is one of the basic necessities of life and thus its supply is a fairly well researched topic. There are a numerous ideologies, policies, schemes and recommendations from different sources proposing how tackle this issue of housing for the urban poor. After outlining the situation of slums in Delhi, an analysis of the policies pertaining to housing for the poor can be undertaken.

Methodology of Research

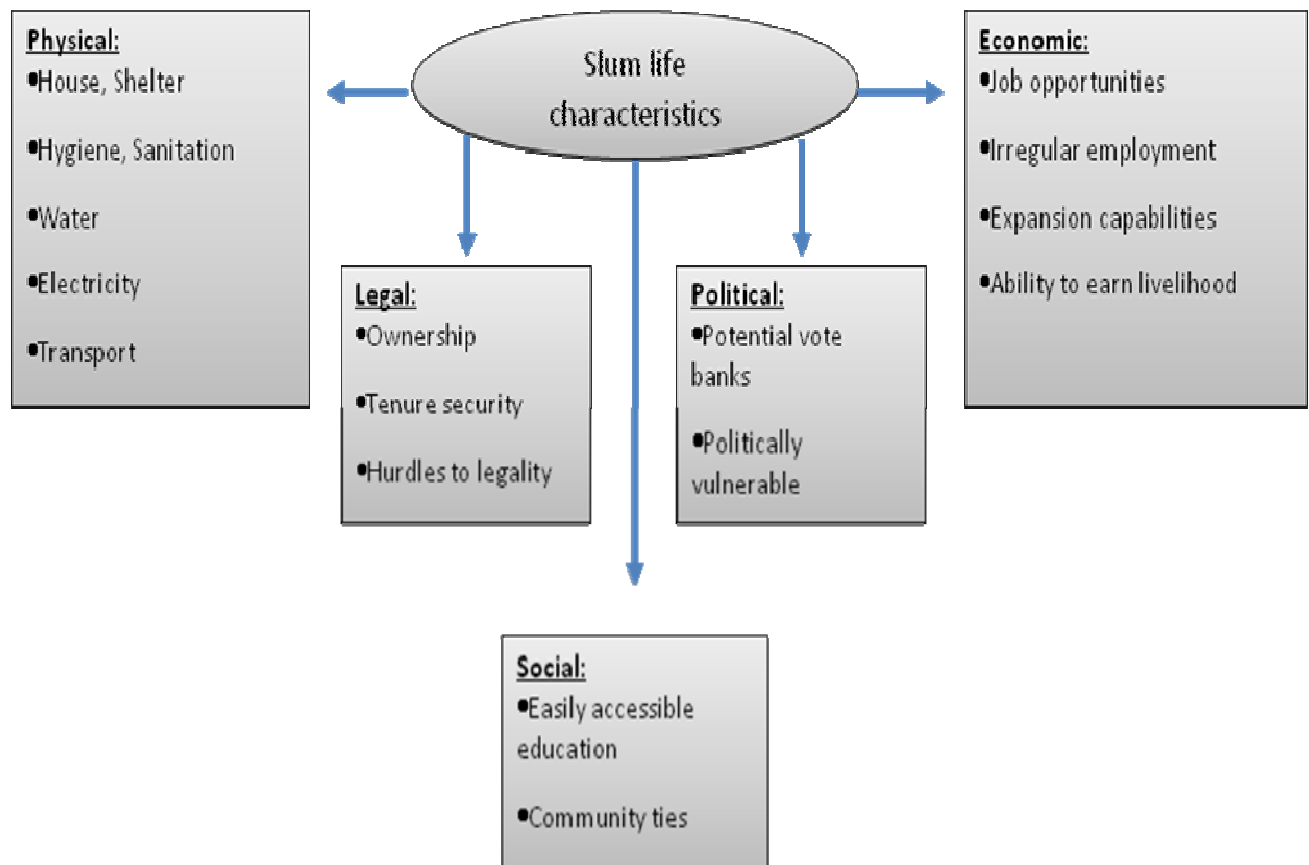
With regards to ideologies, there are mainly two broad categories for classifications. The first is one where the government is required to intervene. Housing is a necessity, something that everyone must have, and thus, it is the duty of the government to provide this necessity to even the poorest of the poor. The second perspective is that of laissez faire. This liberal approach propagates that no policy of the government or any interference will yield any positive result in this respect. The fact that the dwellers are still living there means that they are making something out of it; something that government interference will only worsen. An official holding a high post in the Delhi Urban Development Department is of the opinion that policy makers are not able to understand the dynamics of a slum and city planners only like straight lines and boxes that can be characterized.

After conversations with slum dwellers, I conclude that even though the slums are illegal encroachments on government land, the fact that they were ignored in the beginning now makes them the responsibility of the government. These tenements have become the shelter for these 3 million people and if the state wants to 'clean up' the city or use the land for a project, it is the latter's responsibility to ensure that they get decent living conditions in either the same or another location. Hence the below mentioned analysis is based on the first ideology of government intervention.

Characterizing Life in Slums

While studying and assessing the feasibility of any policy it is imperative that there are certain parameters that would help breakdown the objectives of the policies. Each of these schemes must be compared with the current situation for slum dwellers since from their perspective the next best option is starting a new slum and living in the same conditions as before and thus, the aforementioned conditions remain. Benchmarks and weightings to these parameters must also be set before comparison of the policy objectives so that the methodology is clear. To clearly identify these parameters an understanding of the current situation and of life as slums dwellers is required. This situation can be categorized into physical, legal, social, political and economic characteristics of living in slums.

Figure 3: Characteristics of Slum Life in Delhi



As can be seen, the physical characteristics of slum life include shelter but lack a permanent residence, a house and most of the times even space. The average population density in a shanty town in Delhi is 3,00,000 people per square kilometer and an average dwelling houses 6-8 people, yet measures only 6ft by 8ft. Many slums have no latrine facilities, and those that do have an average of 1 latrine serving 27 households. 1 water pump is used by 1000 people on average and more often than not water flows through these pumps only once a dayⁱⁱⁱ. These low hygiene and sanitation facilities lead to unhealthy living conditions in the slums. This, along with illegally high rates for electricity makes every basic need for slum dwellers terribly difficult. Another physical characteristic is the close proximity of the slums to most of the resident's places of work, thus negating transport costs or reducing it due to convenient transport stations close by.

Moving onto the economic characteristics, we discuss probably the main reason for the existence of slums. As mentioned, people migrate to Delhi from surrounding areas in an attempt to find employment and improve their own and the lives of their families. Many a time, these laborers come from their villages on a contract but end up staying on in Delhi looking to find more work here rather than in their village. Another common case is that of those who open their own shop or workstation in the slum and operate out of there, such as the local 'dhobi' (laundry man) or tailor. Also because of lack of useable capital many of these ventures are remain extremely small scale. From the legal aspect, most of the slums in Delhi are unauthorized, i.e. not recognized and therefore still an illegal encroachment on state land. Because of this, there is no security of tenure and hardly any dwellers invest in their houses. Also, in the case that a slum is partially recognized by the government, i.e. cases when residents before a certain date are recognized as licensed owners of the land, there are many hurdles to be faced by the slum dwellers before they are finally established owners.

For social characteristics, the fact that there are many fairly good and affordable schools is an important consideration along with the sense of community and companionship within the slums. And lastly, the slum dwellers, because of their large

numbers, are eyed by politicians as vote banks where they make many promises but no one holds them to it.

Parameters Identified

Based on the above characteristics we can single out certain critical traits that would serve as conditions justifying policy objectives. Thus, while looking at any policy targeted towards slum dwellers the state must ensure that not only are the few conveniences of living in the slums sustained, but the main hassles are overcome by means of the policy. Also important is the study of the side effects of the policy for the slum dwellers. Assuming that slum dwellers, like all people, respond to incentives we base our parameters for policy comparison on incentives to the slum dwellers.

The main incentive is the ability to earn a livelihood since that is the primary reason most of the dwellers leave the villages to come to the cities. Thus, whether a policy increases the costs of earning a livelihood for people or completely eliminates the ability, this should be the main point of focus for the objectives. With many basic facilities lacking, the most important reason why these slum dwellers continue to stay in these areas is their ability to earn a livelihood while living in these slums. Thus, this characteristic must be maintained or improved upon.

The second important point to consider is the security of tenure for either the plots of land or flats. There are many ways in which this can be provided, through renting out the space, selling leases to live on the space or through outright selling of the space. Since this, by definition is lacking in slums, policy makers must address this issue to incentivize people out of slums.

Another focus should be the shelter and houses provided by the schemes; the space given, the location, the cost, the facilities and the process of allocation to the people. Since the slum residents are currently living in extremely small spaces with the basic facilities lacking, anything better than their current conditions is attractive for them to leave provided the earlier two conditions are met (else, they would just open a slum elsewhere). A flat in the peripheries of the city would not induce them to move unless

they have easy access to work and contractual ownership of the space. Basic services of electricity at discounted prices for the poor, municipal schools providing education for their children and supply of water to the houses should also be carried out. Another important consideration is the procedure of allocation for these houses provided by the state.

While evaluating the policies it is necessary to remember that even though the slum dwellers are poor, they are residents of Delhi for sometimes as long as 40 years and have a right to all the services provided by the government. It is also necessary to remember that these slum dwellers form a major part of the informal economy in Delhi and due to legalities formed by the state themselves are unable to claim their capital and use it, thus becoming dead capital^{iv}.

POLICIES IN PLACE

While evaluating the policies affecting housing for slum dwellers we take a top down approach by first giving a brief overview of the National Housing Policy 2007, and then getting an insight into special schemes laid out for Delhi's slums by various authorities.

National Urban Housing and Habitat Policy 2007

The National Urban Housing and Habitat Policy 2007 states its goal as "Affordable Housing for All" in the country. It promotes various types of Public Private Partnerships and pays special emphasis on the urban poor, intending to promote sustainable development of housing in the country with a view to ensuring equitable supply of land, shelter and services at affordable prices to all sections of society. The policy focuses on multiple stakeholders—the private sector, the cooperative sector, the industrial sector for labor housing and the services and institutional sector for employee housing. To attain the overarching goal of affordable housing for all, emphasis is laid on urban planning, increasing supply of land, use of spatial incentives like additional floor area ratio (FAR), transferable development rights, increased flow of funds, effective solid waste management and use of renewal sources of energy. Encouraging integrated townships and special economic zones (SEZs), the policy calls for reservation of 10-15 per cent land in every new public and private housing projects or 20-25 per cent FAR whichever is greater to for EWS and LIG housing through appropriate spatial incentives.

The private sector would be permitted assembling land within the purview of master plans. The policy also sets action plans for urban slum dwellers with a special package being prepared for cooperative housing, labor housing and employees housing. The primary choice would be to give provision of shelter to urban poor at their present location or near their work place. The approach taken will be in-situ slum rehabilitation and relocation will be considered only in specific cases. The policy would also promote micro finance institutions at state level to expedite flow of finances to urban poor. The

current budget allocates aside Rs. 3973 crore for the different projects addressing the needs of housing for the urban poor.

The role of housing and provision of basic services to the urban poor has been integrated into the objectives of the Jawaharlal Nehru Urban Renewal Mission (JNNURM)^v.

Basic Services to the Urban Poor, JNNURM

The Sub Mission II of the JNNURM involves Basic Services to the Urban Poor (BSUP) including the integrated housing and slum development programme. The objectives of the mission are outlined as:

1. Focused attention to integrated development of Basic Services to the Urban Poor in the cities covered under the Mission.
2. Provision of Basic Services to Urban Poor 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 for education, health and social security. Care will be taken to see that the urban poor are provided housing near their place of occupation.
3. 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.
4. Ensure adequate investment of funds to fulfill deficiencies in the Basic Services to the Urban Poor.
5. Scale up delivery of civic amenities and provision of utilities with emphasis on universal access to urban poor.

The Delhi Master plan 2021 has laid emphasis on improvement of the living conditions of the 45% of Delhiites living in slums and JJ clusters in the next ten years as part of the improvement in the livability of the city for its inhabitants for which the overall JNNURM budget which was Rs. 11, 842 crore is increased by 87% this year.

Three Pronged Approach in Delhi

Of the settlements considered as sub-standard slum and squatter settlements rank among the worst and it is the urban poor that live predominantly in such settlements. The program of squatter clearance was discontinued at the end of the sixth plan (from 1985). Accordingly no major settlement program was carried out until 1992 when a Revised Resettlement Policy was formulated by the DDA. This did not mean that there were no resettlement works in progress. The general policy adopted by the government since then is twofold. One is that no fresh encroachments shall be permitted on public land and the second is that past encroachments (those in existence till 30.01.1990) would not be removed without providing alternatives.

Squatter settlements are to be found throughout the city but especially on the vacant land along railway lines, roads, drains, river embankments and around resettlement colonies. The strategy of the government towards slums / squatter settlements has been mainly of clearance.

In recent years, however there have been some changes in the attitude and strategies. Since 1991 three strategies have been used in Delhi, which are as follows:

1. Improvement of the slum environment
2. Relocation of the slums
3. In situ up-gradation and rehabilitation

Improvement of the Slum Environment

Since 1987, in JJ clusters and notified slums which are not being relocated or developed with the in situ approach, basic urban services and amenities are being provided under 'Environmental improvement in urban slum scheme'. The facilities are extended to all JJ clusters even those that developed after 1990. The facilities being provided under the scheme are:

- Pay and use Jan Suvidha complexes containing toilets and bathrooms at the community level or the provision of mobile toilet vans in all those JJ clusters where the Jan Suvidha complex cannot be provided.

- Water supply either through water hydrants, hand pipes or water tanker
- Street lighting
- Dustbins for collection of domestic waste
- Paved pathways and drains

Relocation of the Slums

Jhughi Jhompri resettlement, relocation scheme was started in the Union territory of Delhi for the re-housing of squatters on government and private lands in 1960. The scheme began with the allotment of two room tenements to 3,560 JJ households. Subsequently, partially developed plots of 80 square yards were allotted under the scheme to the squatters on a nominal rent. However, due to demand of land in Delhi and the fact that the allotment procedure was misused, size of plots was reduced to 40 square meters and then 25 square meters.

Under the present situation, relocation is carried out for only those JJ clusters and slums that are required by the land owning agency for public interest projects. The land owning agency has to make a request to the slum & JJ department for clearance of the JJ clusters. The land owning agency also has to bear a part of the cost of resettlement. The contribution by the land owning agency is Rs. 29,000 per household. The beneficiary is expected to pay Rs. 5,000 and the Delhi Government is expected to provide a grant of Rs. 10,000 towards the cost of sites and services for the resettlement areas. Total cost of allocation per plot is Rs. 44,000^{vi}.

Since the inception of the scheme with effect from 1990-1991, so far about 70,000 plots have been developed and about 60,000 families have been rehabilitated at Dwarka, Rohini, Narela, Bawana, Holambi, Molar Bund, Madan Pur Khadar & Sawda Ghevra keeping in view the scarcity of land in Delhi and as per the directions of the Delhi Government and Government of India.

The Delhi Government has formulated a new policy for the resettlement of squatter families in Delhi. Under the new policy, Delhi Government has proposed to provide built up flats instead of plots to the slum dwellers, economically weaker sections under the Rajiv Awas Yojana, JNNURM^{vii}. Under this scheme, the Delhi Government aims to

provide 4 lakh flats by 2012. The eligibility criteria for a flat under the Rajiv Awas Yojana are that the applicant must have a household income of about Rs. 60,000 and should be a resident of Delhi since 1 January 1998. The cost of the flat is 2.5 lakhs. The central share is 50% the cost (1.25 lakhs), the land owning agency provides Rs. 60,000, and the beneficiary is required to pay Rs. 60,000. 50% of the cost of infrastructure is to be borne by the central government and 50% by the state government. The cost of the land is to be borne by the state government^{viii}.

In Situ Up-Gradation and Rehabilitation

There has been a general shift in the approach to slum and JJ clusters in recent years. The emphasis is now on the improvement of the environment of the JJ cluster and their in situ rehabilitation wherever possible. The in situ up-gradation is undertaken after the area has been notified as a slum area under the Slum Area Act of 1956. The scheme involves re-planning of JJ dwelling units in modified layouts by redistributing the encroached land pockets amongst the squatter families. The JJ households are given sites of 10 to 12.5 square meters for construction of their own shelters. The housing plots are generally designed in a cluster around open courtyards. The beneficiary constructs the shelter under a self help approach with technical extension services provided by the slum and JJ department of the MCD. So far 5,583 families have been rehabilitated at the same sites under in situ rehabilitation at Prayog Vihar, Ekta Vihar, Shanti Vihar and Shahbad Daulatpur phase I. The implementation of the in situ up-gradation is very poor due to non availability of the Notice of Consent from the concerned land owning agency^{ix}. A new policy of in situ slum up-grading also suggests, as in the case of relocation, the provision of developed flats on the same location instead of plots for the slum dwellers.

The Delhi Development Authority (DDA) decided to take up in-situ development towards rehabilitation of slum dwellers in next five years for 23 clusters in the capital city. The total numbers of dwelling units of about 25 square meters will be about 47,500. These will be taken up on public-private partnership model in which the land

occupied by slum dwellers will be made available to developers, who will construct houses in accordance with the numbers identified by the DDA. These houses will be constructed in some parts of the area while in the remaining areas the developer will be allowed to carry out commercial exploitation of the land^x. This would enable the developer to spill over some of the costs from building the rehabilitation units to the commercial activity, thereby reducing the burden on the slum dwellers as well. This mixed development allows them to get the cross subsidy by way of targeting two different segments of society.

This model is being applied at the Kathputli colony where residents will have access to 12-storeyed buildings in which the ground floors will be devoted to promoting artistic and commercial enterprise since most of the residents are puppeteers, craftsmen or musicians. The constructions will house 2,800 dwelling units meant for the colony's residents. The site will also boast of a separate 2.1-acre commercial space to be developed by private developers and 'high-category residential apartments' in 2.4 acres which will help boost the earnings of artisans and craftsmen, according to the DDA's plans.

In the scheme, modeled on Mumbai's slum rehabilitation programme, private players will join hands with the government and the work of clearing the slums would proceed in phases. Since residents will be resettled, tents will be pitched to provide temporary accommodation to the people till the project is completed. The criterion for allotment is that the residents must have a valid identification proof to be eligible to own the flat on a license basis^{xi}.

One point to note in each of these approaches is that the amount allocated for each of these projects is done on an interim payment method with money being supplied at different stages of the project based on technical and feasibility analysis (Municipal Corporation of Delhi's based Slum & JJ Dept.). The MCD was allotted an additional Rs. 575 crore for the year to undertake developmental works along with a special councilors local area development fund for slums & JJ clusters with an initial allocation of Rs. 25 crore^{xii}. The proposed expenditure of Rs. 6115 crore during the financial year 2009-10

had been increased to Rs. 6690 crore. While the DDAs 2008-2009 approved budget was Rs. 3,622.6 crore just before the commonwealth games^{xiii}.

Draft National Slum Policy 2001

Another, more specific, policy the 'draft' National Slum Policy is yet to be ratified by the government. The draft National Slum Policy envisages cities without slums. Towards fulfillment of this vision, the policy adopts an approach of in situ up-gradation and improvement. It recommends clearance only in exceptional circumstances. It therefore talks of urban growth with equity and justice and makes plea for greater participation of communities and civil society in all areas of planning, capacity building and development. Correspondingly it proposes a series of interventions with regards to definitions, tenure, planning, economic empowerment, governance and management, shelter up-gradation etc.

The governing principals of the Draft National Slum Policy are as follows:

- The endorsement of an upgrading and improvement approach in all slums, and the acceptance of the necessity of slum clearance in an extremely defined circumstance.
- Recognition that households in all urban informal settlements should have access to certain basic minimum services, irrespective of land tenure or occupancy status.
- The goal that planning in all cities should have the objective of creating cities without slums.
- The objective of ensuring that urban growth takes place with equity and distributive justice.
- The intention that urban local bodies should work in collaboration with all other stakeholders to enhance the impact of slum development through building the capacities of the poor and empowering them to improve their own living conditions.
- The adoption of a more 'enabling' approach to the delivery of basic social services to the poor as a result of more effective mobilization of community resources and skills to complement public resource allocations

- A greater participation of communities and civil society in all areas of planning, capacity building and development.

The draft policy is however silent over the ways in which such goals could be realized. Also, the definition of all under-served serviced lands as slums will hinder and deny the most needy and vulnerable from having access to resources for up-gradation and improvement.

Policy Comparison

A comparative study of these policies and schemes can now be undertaken, based on the parameters discussed earlier. The National Urban Housing and Habitat Policy 2007 seems to be a step in the right direction, with focus on affordable housing, public private partnerships (PPP), sustainable development of housing in the country, special package being prepared for cooperative housing, labor housing and employees housing and prioritizing houses for the urban poor at their present location or near their work place using the in-situ slum rehabilitation approach. Using the parameters as tools for analysis we see that with PPPs and the in situ rehabilitation approach, affordable housing for slum dwellers at their present location is an option. This enables them to earn their livelihood just as they did before, in the slums. The security of tenure objective is also achieved through the policy. Only the characteristics of housing provided remains questionable. The quality of the houses, its cost and the allocation can be a hindrance to the residents. Sometimes the costs are too high for them and at other times the quality of the houses is compromised. Under the JNNURM, the improved quality of housing is specifically included and allocation is said to be on the basis of need (determined through income). As is the case with both the relocation and the in situ rehabilitation policy, any worker whose source of livelihood is within the slums ('dhobi', tailor etc.) might be compromised unless there is specific mention of a workstation being supplied. Thus this would be a violation of the first parameter and the people affected by this would prefer to stay in some other slum again. This very case would be an important characteristic of the third approach of improvement of the slum environment or up-gradation. The livelihoods of the residents are maintained even

though the slum, not lacking basic facilities but still an unplanned part of the city, still exists. The draft national slum policy outlines its objectives but has not clearly defined how these objectives will be met and therefore no analysis on the basis of parameters and incentives for residents can be undertaken. Thus, as is the case with most of the policies in India, each of these policies, schemes and approaches looks impeccable on paper but the ground realities of these projects are often very different from what is claimed and therefore it is necessary that a follow up mechanism be incorporated into each of the policies to ensure their efficiency.

Matrix of Parameters & Weightings

Among the three approaches of environmental improvement, relocation & rehabilitation undertaken by the Delhi Government, a conditional matrix must be discussed to decide transparent approach to identify which policy should be taken up for which slum. This is not assuming that one solution or one matrix of conditions can lay out guidelines for every slum in Delhi. This matrix only provides a basic, first step in the decision making process, providing a little bit of direction.

Some characteristics can be identified as important in making a decision of relocation or in situ rehabilitation. The matrix uses only these two options as alternatives and does not include environment improvement. This is because environment improvement is more of direct action with more & more basic services being provided in slum areas and thereby encouraging more people into that particular slum. This is shown in the case study of Jagdamba camp slum discussed in detail further in the report. Both relocation & in situ rehabilitation propose clearing the slum area and providing permanent housing of some sort and are thus seen as more of one time action unlike environment improvement which requires action every few years.

Moving on, the most important condition identified to decide whether relocation or in situ rehabilitation is the best approach for a slum is if the land on which the slum or JJ cluster has come up has the ability to be developed. A lot of slums come up around drains, near railway tracks, river beds etc. Thus, if the land on which they are currently

based cannot be developed, there is no option but to relocate them. This is therefore, the most important characteristic to determine whether in situ rehabilitation is even a possibility.

The other conditions include, in order of preference:

Table 2: Matrix of Conditions for Relocation / In Situ Rehabilitation

The slum is in a residential area according to the master-plan	In Situ Rehabilitation is possible since this land can be developed as a residential colony	20% importance
More than 80% of the residents work in areas within 3 km radii of the slum	In Situ Rehabilitation is the approach to undertake since this would ensure their ability to earn a livelihood	20% importance
A house of minimum 25 sq meters is allotted to at least 80% of households living in slum after considering the Floor Area Ratio with a maximum of 4 storeys	In Situ Rehabilitation is possible as the majority of slum dwellers would be taken into consideration	20% importance
More than 30% of the residents earn their livelihood within the slums	Relocation should be the approach since In Situ rehabilitation will only be feasible if workstations are provided	15% importance

<p>There are concrete plans by the Land Owning Agency to develop/use the land in the next 5 – 7 years</p>	<p>In Situ Rehabilitation is not possible, Relocation should be undertaken since the land owning agency will want to evict the slum dwellers</p>	<p>10% importance</p>
<p>The slum is less than 20 years old</p>	<p>In this case, in situ rehabilitation would be preferred since the residents have been in the slums for a long period of time</p>	<p>10% importance</p>
<p>The ties within the community are fairly strong</p>	<p>This would allow better in situ rehabilitation as the community would function well as a whole</p>	<p>5% importance</p>

Thus, if the first three criteria are met then In Situ rehabilitation would be the obvious choice since they propose the former and have the highest weighting. Based on the abovementioned traits percentages for both in situ rehabilitation and relocation can be assigned and the decision can be made. It must be remembered though, that the overriding condition of whether the land has the ability to be developed must be met.

CASE STUDIES

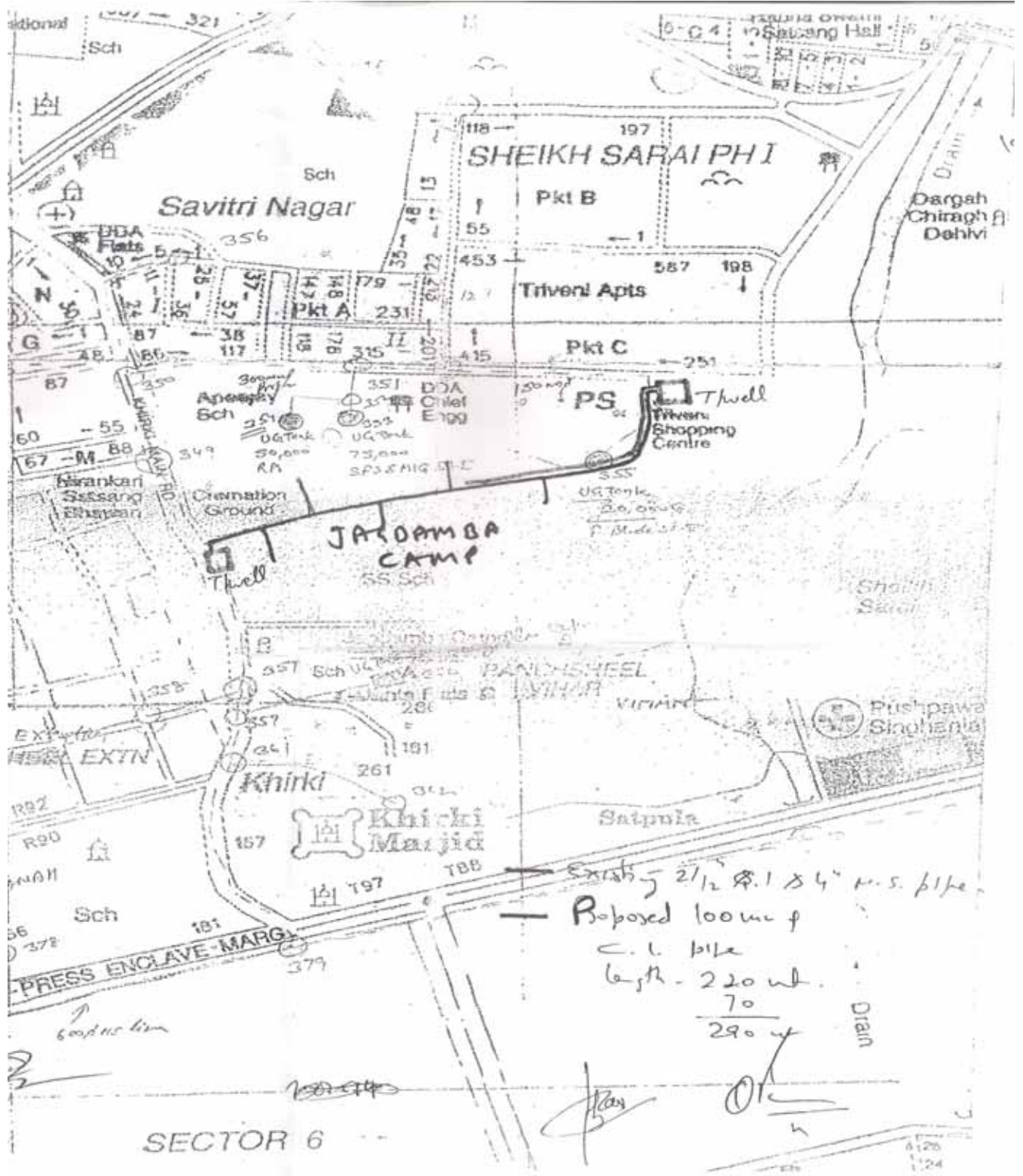


Figure 4: Map of Jagdamba Camp Slum, South Delhi

Jagdamba Camp Slum

Jagdamba camp slum is located in Sheikh Sarai Phase I near Malviya Nagar, South Delhi. As can be seen in the map, the camp has come around an open drain. It is approximately 40- 50 years old and spread over an area estimated to be one square kilometer with the drain running right through the middle. The land on which the slum has come up belongs either to the DDA or the Municipal Corporation of Delhi. There is still conflict over who is the rightful owner of the land since the land owning agency is required to provide financial help in the up-gradation of the slum. Jagdamba Camp is home to about 2500 registered voters, and approximately 1500-2000 households live within the camp space. Each family, on average, has 4 children resulting in 10,000 plus people living in Jagdamba camp. The facilities within the camp are insufficient for the large population residing there. BSES Rajdhani Power Limited supplies power to the camp, but the discounted rate that was supposed to be charged by the supplier is not carried through. With monthly incomes ranging from Rs. 2000 – Rs 5000 per household high electricity bills of about Rs 500- Rs 800 are easy to default on. Water problems are also prevalent although the Delhi Jal Board provides water. Taps are placed at 10 meter distances in the slum but most of the taps run dry. There are 2 tube-wells at the two entrances of the slums where water is supplied and only about 2 – 3 taps supplying water in the morning for a short period of time serving all the slum dwellers. Sometimes the clean water pipes melt due to the heat and mix with the water from the drain, thus supplying drain water in the taps from time to time. Sanitation is one of the biggest problems in the Jagdamba Camp slum. There is only 1 public toilet complex, with 8 toilets and 5 bathrooms for the women and 10 toilets for the men. There is hardly ever any water in the public toilets and people have to carry water from their homes. This toilet, which is supposed to be maintained by the MCD, is pay and use charging Rs. 2 per visit, but since the facility is so bad residents would rather not pay and use the drain as their toilet.

To paint a picture of the residents of the slum, most of the slum dwellers have been living in the camp for an average of 10 years. Unlike other slums where one particular

creed is in majority, Jagdamba camp houses people from many different regions and religions. Residents come from the states of Uttar Pradesh, Bihar and currently there is a large influx of people from West Bengal. It is estimated that 1 woman from every household works as a domestic helper. Many of the men aged between 25 and 30 years are daily wage earners but as they get slightly older between 30 and 40 years they work as laborers, drivers, auto rickshaw drivers etc. Some of these people also own small businesses within the slums such as barbers, painters, grocery shop and cosmetic shop owners all as part of the informal sector. The families live in tiny houses, all 'kacha' (non permanent), measuring about 10 square meters on average. The tallest tenement is 5 stories but not build with concrete. The slum residents build stories on top of their tenements for their families and sometimes rent these out to other residents as well. Many families have television sets, refrigerators, motorbikes and one or two even have cars.

The main reason for the many problems in Jagdamba Camp is because of the large influx of people from surrounding areas. The location and facilities around the slum attract more and more people as residents which are an immense strain on facilities inside the slum leading to issues of sanitation and hygiene. As discussed earlier, the ability for the slum dwellers to earn a livelihood while living in the slums is really high due to the good location and the schools, hospitals and dispensaries around provide a good support system. Almost all the children go to primary school till the 5th grade, but there is a high rate of unemployment amongst the youth of the slum. Talking to the residents, the list their main problems as lack of cleanliness due to large number of people living in the camp. The drain running through is not cleaned regularly; garbage is left lying outside the houses or at the entrance of the slums and toilets are non functional. They then list the shortage of water supply as a matter of concern and lastly the high electricity bills are a worry.

Since the Jagdamba camp residents are living in a fairly good locality with plenty of job opportunities as domestic help, and well connected to other parts of the city, it is imperative that a policy focusing on livelihood is required. They must also be provided

with good houses and other basic facilities like electricity and water that are barely provided in the camp. The current policies concentrate on security of tenure which is something that is secondary to these residents if they are unable to earn their livelihood. Also, since the Jagdamba camp is an extremely narrow stretch of land built around a drain, it is not possible to provide in situ rehabilitation for the residents as this piece of land cannot be developed. Slum up-gradation, as seen in the history of the camp, would only increase the inflow of people to the camp due to its good location as a result of which resources would be strained again. The third alternative of relocation seems to work best here as these dwellers should be provided with small flats as per the relocation guidelines either in the vicinity or at places close to the work place whichever is feasible and care should also be taken to protect the interests of those workers whose source of livelihood was in the slum. Also, as can be seen from our matrix of conditions or characteristics discussed earlier, the first condition of whether the land on which Jagdamba Camp has come up can be developed. Since it cannot, as it is surrounding a drain, we cannot go further with the matrix to decide which approach works best and resolve to relocation as the best policy in this case.

Mumbai's Dharavi Redevelopment Plan

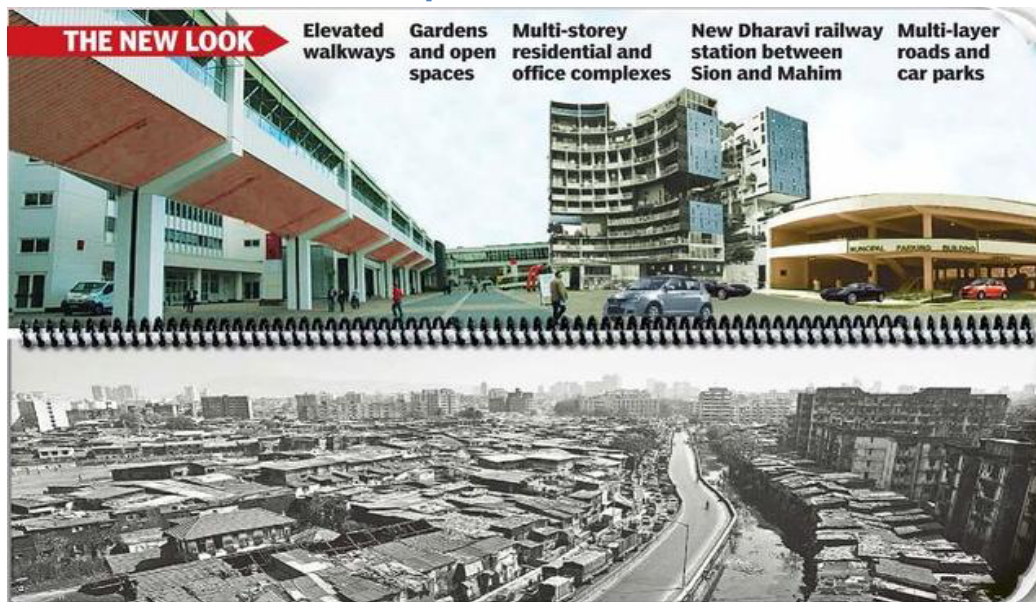


Figure 5: Dharavi Redevelopment Plan

Dharavi is the largest and one of the most populated slum pockets in Asia housing about a million people. The government of Maharashtra accepted about two years ago, the proposal submitted by architect, Mr. Mukesh Mehta for the redevelopment of Dharavi which will be implemented after suitable modifications, through the Slum Rehabilitation Authority (SRA). His Public Private Partnership (PPP) scheme is unique because it uses India's surging private sector to develop slums, instead of relying totally on government funds or international aid and is being closely watched as a potential blueprint for a slum-free future across the developing world.

As is the case in many slums, parts of Dharavi have shacks doubling up as small scale industrial units, where the residents stitch garments, recycle rubbish, make pots or handicrafts, melt scrap metal, or do just about anything else to make money. The approach to be used is in situ rehabilitation with private developers being asked to demolish the low-rise slum and re-house the residents in tower blocks on the same site, rather than moving them out of the city. Dharavi is right next to a prime office district, and is surrounded by three important railway lines. The companies can use the plum

real estate left over after they've built tower blocks, to build lucrative shopping malls and office blocks for the middle classes.

The poor get a home in a block in a prime location, the companies make money and Mumbai's residents get a posh new city quarter.

The details of allocation are according to SRA norms, where the slum dweller whose name appears in the voters list as on 01.01.1995 & who is the actual occupant of the hutment is eligible for rehabilitation. Each family will be allotted a self contained house of 225 square feet carpet area free of cost in Dharavi. During the implementation of this project, Dharavi residents will be provided with transit tenements, in close proximity of Dharavi or in Dharavi itself. The developer will bear the cost on account of rent of the transit tenements but the cost of expenditure of consumables like water, electricity, telephone etc. will have to be borne by the slum dwellers.

The development plan for Dharavi has many amenities in it; viz. wider roads, electricity, ample water supply, playgrounds, schools, colleges, medical centers, socio-cultural centers etc. For proper implementation, Dharavi has been divided into 10 sectors and sectors will be developed by different developers. The total duration of this project is expected to be of 5 to 7 years and each rehabilitation building will be 7 storey's tall^{xiv}.

However good the design for the redevelopment of Dharavi may be, it will still be leaving out the majority of residents. It remains pure top down planning, with zero participation from the concerned parties in Dharavi. It segregates between those who are eligible to be resettled in the 225 square feet flat in Dharavi (only about 25% of the current population). All those who are non-eligible will be left to find a new shelter and working space for themselves. Some also suspect that the planner's ulterior motive is to serve the burgeoning middle class of white collar workers, and push the poor out of the city centre. The lobbying has seen Mukesh Mehta's plan altered in several ways that benefit the poor - allotting more square feet for the free flats, and allowing more families to apply for them^{xv}.

One of the fundamental flaws in this plan is that not all slum dwellers are able to reap the benefits of the redevelopment. Only those residents that have their name appearing

in the list before January 1995 will be the beneficiaries of the scheme. Thus, while these dwellers will not only have a flat in the redeveloped Dharavi, they will also have easy access to their earlier employment and many more opportunities that come up with the development. The rest of the slum dwellers on the other hand not only are denied their current ability to earn a livelihood but also their shelter in the slum and no security of tenure in any alternative place. Thus, due to the criteria of allocation, the plan overlooks many of the residents and although the slum is removed from the city center another is bound to come up somewhere else. The Dharavi Redevelopment Project, although a new perspective in slum development, provides only a partial solution.

Thailand's Baan Mankong Programme

In January 2003, the Thai government announced a new programme for the urban poor that seek to reach one million poor households within five years. The Baan Mankong ('secure housing') programme channels government funds in the form of infrastructure subsidies and housing loans direct to poor communities who plan and carry out improvements to their housing environment and basic services. This is implemented by the Community Organizations Development Institute (CODI).

In the Baan Mankong Program, the conventional top-down system is replaced by community-based management, in which communities themselves become the implementers of development projects they have planned and initiated themselves, with support from their community networking system, local support organizations, academics and local educational institutions

Baan Mankong is set up to support processes designed and managed by low-income households and their community organizations and networks. Communities and their networks work with local governments, professionals, universities and NGOs in their city to survey all poor communities and then plan an upgrading programme to improve conditions for the residential areas within the city over 3-4 years. Once these plans

have been finalized, CODI channels the infrastructure subsidies and the housing loans to communities.

These upgrading programmes build on the community-managed programmes that CODI has supported since 1992 and on people's capacity to collectively manage their own needs. They also build on what slum communities have already developed, recognizing the large investments that the communities have already made in their homes. Upgrading existing settlements is supported whenever possible; if relocation is necessary, a site is sought close by to minimize the economic and social costs for households.

1. The Baan Mankong Program makes the urban poor the owners of a national housing upgrading process
2. The program makes physical upgrading a first step in a larger and more holistic community building process
3. The program puts city-wide housing on the list of structural issues which can be resolved through partnership
4. The program makes room for poor communities to reawaken the lost art of citizen involvement in Thai cities

Strategies Employed:

Instead of promoting a single model for obtaining secure land tenure and improving housing and living conditions, a range of options are being tried and tested by communities. As the work spreads out and scales up, these strategies are being expanded, refined and adapted to suit the particular needs, aspirations and conditions in each city and each community. The five strategies listed below make a good starting list of options for communities under the Baan Mankong Program:

1. Upgrading is a way of improving the physical environment and basic services in communities, while preserving the location, character, social structures.
2. Re-blocking is a more systematic way of improving existing communities by making adjustments to install sewers, drains, walkways and roads.

3. Land sharing allows both landowner and people living on that land to benefit by dividing the land and allowing the community to buy or rent part of the land for their housing, in exchange for returning part of the land to the landowner to develop commercially.
4. Reconstruction: Existing communities are totally rebuilt on the same land, or on land that is nearby, within the same general area, either under long term lease or outright land purchase.
5. Relocation sites are often far from existing communities, job opportunities and support structures, but they usually come with housing security, through land use rights, outright ownership or some kind of long-term land lease.

Baan Mankong helps to reactivate citizen involvement. City authorities do not have much power but they have inherited a centralized style of governance. Most citizens still think that the municipality should manage the city – but this whole system needs to be opened up so citizens feel that it is their city and that they are part of the development. Responsibility for different aspects of city management can be decentralized to communities – for public parks and markets, maintenance of drainage canals, solid waste collection and recycling, and community-welfare programmes. Opening up more room for people to become involved is the new frontier for urban management – and real decentralization.

Upgrading is a powerful way to spark off this kind of decentralization. When community people do the upgrading and their work is accepted by other city actors, this enhances their status in the city as key partners in solving city wide problems.

Bangkok's 1,200 urban poor settlements house almost a third of Thailand's urban poor and are spread across 50 districts. To make Baan Mankong manageable, each district will be regarded as a city and do its own survey, form a joint committee with all key actors and develop a 3 year upgrading programme^{xvi}.

The Baan Mankong programme is one of the more successful of its kind, both theoretically and more often than not in practice as well, seen by its success in many areas of Bangkok. Using the parameters to analyze the programme, it fulfills all three major requirements: it allows the slum residents to earn their livelihood, it provides security of tenure and it gets the dwellers opinions on housing and the facilities provided. The programme works on the assumption that the slum dwellers know best their needs and the solution to their problems. The attachment within the community is used by involving the people in a decision making process alongside consultation with academics. Its application in India might face many hurdles similar to those faced by in situ rehabilitation or up-gradation. The land owning agency very rarely gives permission to redevelop the land unless they are directly involved. There is also great scope for moral hazard as there is high delegation of authority. Another consideration is that because the rate of inflow of people into the slums is increasing each year, not only is the slum up-gradation difficult, it's also a great strain on resources that were put in place for a much smaller population. A consensus might be difficult to reach with newer and newer additions to the slum community regularly.

RECOMMENDATIONS

In the last section, some recommendations by way of policy changes will be discussed. The main model proposed in this paper would require the following policies to be implemented:

- Deregulation of the Delhi Rent Control Act 1958
- For-profit low cost housing models
- Housing Vouchers for all slum & JJ cluster dwellers

Another smaller recommendation to be incorporated in the policies is:

- Travel vouchers

The main model set up as a prospective policy solution to slums is rental based as opposed to that of purchasing and selling the houses. This model proposed is more feasible since the slum dwellers in general shift houses as and when their work requires. Thus, a permanent house allotted is not as useful when compared to the benefits of rental housing. This is because when the slum & JJ cluster residents are given the free will to choose their place of residence according to their convenience. They will choose to be located close to their place of work or in an area from where it is convenient to get to their workplace. They will also have security of tenure for the period of the rental. And lastly, because the residents are given the choice to make their own decisions and not forced to live in any particular place their interests with respect to facilities are also maintained. With that, we move onto explaining the policy recommendations and the model.

Deregulation of the Delhi Rent Control Act

The Delhi Rent Control Act, 1958 came into force in February 1959. This is the current legislation of rent control in Delhi and it extends to the areas included within the New Delhi Municipal Committee and the Delhi Cantonment Board, together with the urban areas of the Municipal Corporation of the Urban Areas in Delhi (as specified in the first schedule)^{xvii}. Rent control or rent ceiling is the practice of imposing a maximum amount of rent in certain housing markets which is below the market equilibrium rate. Currently the tenants of the areas included in the act pay approximately Rs. 5 to 10 per month rental where as the prevalent rent in some of these districts are as high as Rs. 450 per square feet. Because of this ceiling, investment in rental housing falls as there is no incentive for the former. This leads to lower supply in the market which reduces the number of homes for rent. Uncontrolled rental housing prices increase manifold due to this market distortion and the lack of affordable housing is felt by not only the city's poor but also the immigrants coming in from neighboring towns leading to newer slums^{xviii}. The rent control act is responsible for over 3 lakh vacant houses in Delhi, according to the India Today^{xix}. Exemptions to the act include:

- Any premises, whose monthly rental exceeds Rs.3500
- Any premises belonging to the Government, or rented through a grant from the Government
- Any premises constructed after 1988, for a period of 10 years from the date of construction

Thus, in the case of Delhi, nearly the entire city is under the act and even in the case of new constructions, only a short 10 year exemption period is provided making the act fairly strict.

“Amendment of rent control laws is one of the mandatory reforms suggested in the Jawaharlal Nehru National Urban Renewal Mission. States are expected to implement the reform within the Mission period. It is widely recognized that the existing rent control laws are biased in favor of the tenant. The objective of the reform of rent control act is to bring out amendments in existing provisions for balancing the interests of landlords and tenants. Reform in the rent control laws will go a long way in

improving housing situations in urban areas, lessen distortions in the market, and have beneficial impact on urban finances” states the rent control reform report under the JNNURM. So far only the Karnataka, Manipur, Mizoram, Nagaland, Orissa, Rajasthan and West Bengal have accomplished the reforms^{xx}. Delhi has still not undertaken the rent reforms even though they are required to be fulfilled under the JNNURM.

Thus there is pressure from all sides, to reform the Delhi Rent Control Act and to make it more up-to-date. “While self-professedly working in the name of the poor and elderly, rent control primarily affects their chances of arranging decent housing. And, ironically, the slum-dwellers pay high prices for rent, electricity and water in such illegal dwellings, living under constant fear of demolitions. Landlords show little eagerness to maintain and renovate their apartments due to low return on investment. Rent control reduces housing quality, and often living standards of the tenants” states the Centre for Civil Society paper *Rent Control Laws: Balancing the Interests of Landlords and Tenants*^{xxi}. “With many houses available for rent, prices will automatically stabilize as per market demand. The poor do not expect anything free. They want it to be affordable” it concludes. Rent control should either be repealed or the reforms should include more exemptions in order to allow lesser intervention and more private parties into the provision of rental housing ensuring fairness towards both the tenant and landlords.

For-profit, low cost rental housing

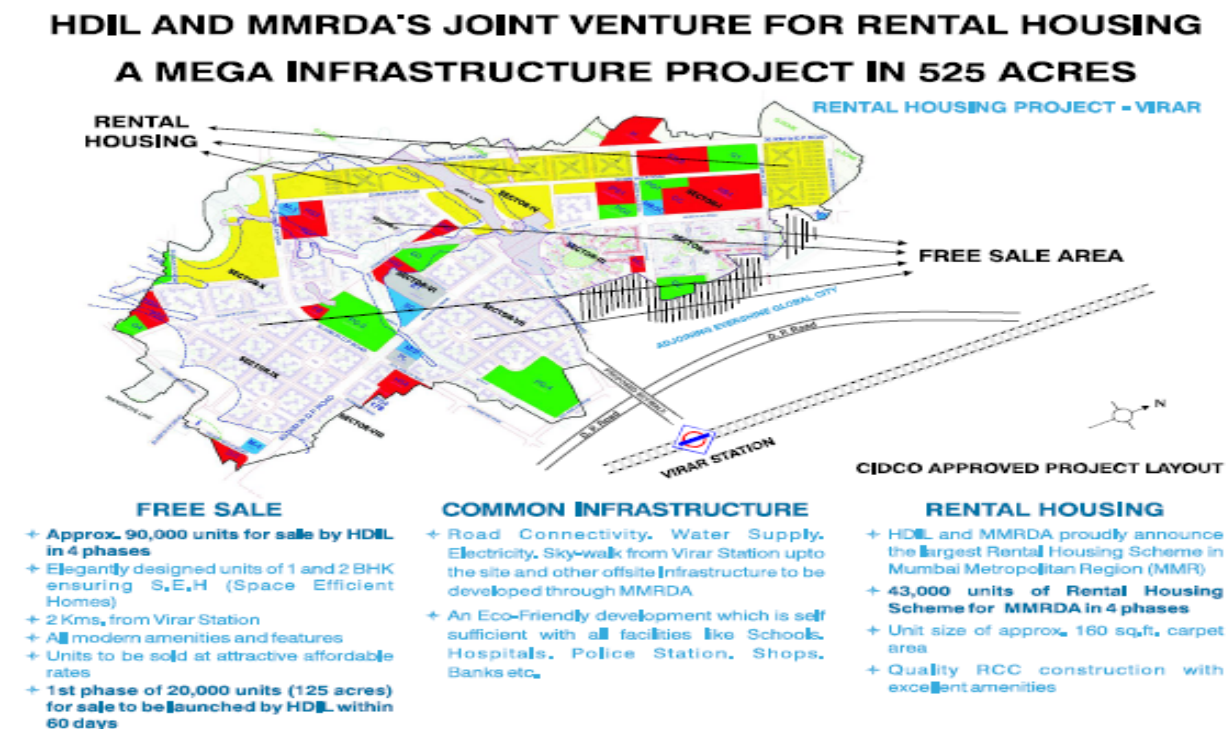


Figure 6: Mumbai's Private Sector Involvement in Low Cost Housing

A recent venture by the Housing Development & Infrastructure Ltd (HDIL) and the Mumbai Metropolitan Development Authority (MMRDA) to provide low-cost rental housing in the Mumbai metropolitan region is the ideal example of a PPP. HDIL will provide the land, while related social infrastructure such as schools, hospitals, community centers, playgrounds and police stations will be taken care of by MMRDA^{xxii}. As per the conclusions of the Working Committee of the 11th Plan (2007-12), the total shortage of dwelling units at the beginning of the Eleventh Plan period in 2007 was 24.7 million nationally. Low cost housing is a segment which is starting to interest developers and investors in India and outside, with some already eyeing the first movers' advantage^{xxiii}. There is much to be gained from the private sector involvement, such as private sector finance and investment, private sector expertise in efficient management of projects. The sector also has much greater experience in cost-

minimization and the effective use of human resources among many other strategies for efficiency^{xxiv}. The predominant business model in low income areas relies on small unit profits at high volumes. In order to meet the slum dwellers demands while still ensuring a sufficient profit, the basic economics is based on small unit packages, low margin per unit, high volume and high return on capital employed. It makes good sense in terms of volumes that the market is offering. Providing economical housing is beneficial for buyers (in terms of providing more options to choose from) and to developers since the latter can construct more. The demand in terms of units is phenomenal and developers getting into this segment can build for years to come. They have the assurance of sure-shot absorption as well. One must understand that developers are not shifting from high-end to low cost housing. They are only branching out.

The margins are comparably less in this segment with estimated 15-20 % margins in the low cost segment compared to 25-30% in the high-end segment^{xxv}. And in order to ensure lesser barriers to entry, the land costs need to be comparatively lower for a low cost housing project. Another aspect that cannot be neglected is good transportation. Most projects will likely be on the outskirts of cities so the importance of providing or having a sound transportation system cannot be undermined. Other interesting aspects in this model are the innovative cost saving techniques companies are using to try to cut down on construction cost while at the same time not compromising on quality. One example is the ash-based cellular light weight concrete that ensures that the process uses 35% less cement and overall the cost of construction reduces by about 10-15% when compared to any other technology. With all of this we also see the often mentioned economies of scale visibly reducing the cost for each of the dwelling units due to the paradigm shift from horizontal to vertical i.e. high rise and high density approach. After studying two relocation projects for the JNNURM, one under the Delhi Government Urban Development department and one under the MCD, we can clearly see that the infrastructure costs for the 4672 unit project increases at a decreasing rate and therefore the cost per unit is reduced substantially when high density blocks are

built. The rents for the HDIL MMRDA project are expected to vary from Rs 800 to Rs 1,400^{xxvi} making the model extremely feasible.

On the other hand other experts in the field are of the opinion that while big names such as the Tata's and HDIL have large amounts of free cash flow, enough to enter the market easily, other private players have trouble entering the market due to the cash flow management. These private parties are more inclined towards selling houses rather than renting them out due to a shorter payback period and larger Return on Investment (between 12 to 15%) with the former option. They claim that anything between 2 to 7 lakhs is an affordable price in the urban and market research has shown the demand for such housing. The equivalent rental price for such housing is approximately Rs. 1000-3000 for the smaller entrants into the market thus yielding returns of only about 7.5-8%. Also, while a larger number of dwelling units distributes cost, vertical high rise buildings require sophisticated technology that costs more, and in the case of affordable housing the demand for the flats decreases with increasing levels. Thus, in order to maintain the low margins high volumes the developers need to build either independent houses or 3-4 storied buildings, requiring larger areas of land.

The government should encourage private players into this market of providing low cost cheap rental housing since there is a large demand for such a market and almost negligible supply by way of private participants. To make the market truly efficient, the state must allow variety for the consumers and therefore must provide incentives in the form of lower land costs, tax holidays etc. Other ways to incentivize entry into the market would be through the PPPs such as the above mention HDIL and MMRDA. The state can induce the developers to build these low cost rental houses by giving them land at subsidized rates or providing them with tax holidays on such projects. It is also imperative that the government identifies the economic bases in the peripheries or the industrial zones in the urban areas and then encourages the construction of the private rental houses in these areas so as to ensure the development of a community and inducing the residents to find work around the area.

As more and more private players, like the recently announced Tata, enter the sector it must be remembered that this model will only work in Delhi if the government decides to deregulate the rent control laws or reform them. The new properties are only exempt from the act for a period of 10 years after which there will be immense market distortion if the rent is not updated or kept near its equilibrium since the inflow of migrants into urban areas is something that cannot be prevented up until there is balanced growth between the rural and urban areas. Thus, for the low cost housing market to be a success and the possible solution to urban slums it is necessary that some action with regards to the rent control is taken.

Housing Vouchers

The third and last aspect to the model solution is the issue of rental housing vouchers to the slum dwellers & JJ cluster residents in Delhi. The housing vouchers, by definition, cannot be used for any other purpose apart from paying rent to the landlords. The Delhi government can, with the help of local NGOs, issue these vouchers to slum dwellers thus inducing them to spend it and rent housing as opposed to live in slums. The slum dwellers will use these vouchers to pay rent in the various rental houses constructed city wide under the low cost rental housing model. The landlords can verify the identity of the tenant with the name on the voucher and thus prove to be an identification of sorts and almost negating the use of these vouchers by anyone other than those it is issued to. Upon receipt of the voucher, the government will reimburse the landlord with the specified amount. This system would induce two positive reactions. Firstly, it would incentivize the slum and JJ cluster residents to use the vouchers and thus help them get out of the slum areas. Secondly it would induce more and more participants to enter in low cost rental housing since they are now assured a certain amount of rent in the form of vouchers and would serve the demands of the voucher holders.

Thus, the model solution recommended in this paper is three fold; deregulate the rent control act, incentivize low cost rental and ownership housing and lastly issue housing vouchers. Housing vouchers would be distributed for use only in legal rental housing thereby reducing moral hazard. While the rented flats would provide security of tenure, it must ensure that the slum dwellers are able to find work easily upon living there. Thus, the project must be on a fairly large scale and in prospective future economic bases thereby giving the slum dwellers many options. Also, as mentioned the transport system is also of immense importance.

Travel vouchers

This brings up the next point of travel vouchers. This recommendation could also be incorporated into the current relocation/resettlement policy. Even though land and rent costs are cheaper in the outskirts or the peripheries of the city the main disincentive to move out is the transport costs and the high expenditure of everyday travel.

There are two ways to incorporate the system of travel vouchers in the policy:

- Have subsidized travel costs for the resettled residents by means of a daily travel card
- Introduce the option of a fixed payment card for all you can travel in a month

After allocating houses to the resettled colony residents the government can provide them with a card with identification to get discounted rates of travel on the buses or metros. Also the government can provide them with a card for which they have to make a monthly payment but all bus rides or metro trips are free. This too will have an identification so as to ensure that no misuse takes place.

With regards to the above mentioned model, if the government decides to sell these passes over the counter then the cost of travel reduces substantially and once the transport system is efficient the demand for a rental house in the peripheries also increases. With a more long term view, if the government issues these passes to all the people below a certain income level (e.g. Below the Poverty Line) for free, it would help

clear up many issues, of identification, of housing in the outskirts of the cities thus making the city smaller. The case study of Jagdamba camp requires that the residents of the camp be relocated. The solution that the camp residents be resettled in a location that is either close to the Sheikh Sarai area where the slum is presently or in a location from where most residents are easily able to go to work is incomplete since there would be no one place apart from the current location where each of the slum dwellers would be satisfied. Thus, travel vouchers are of immense importance in this case. This would allow the residents of the camp to commute within the city with minimum hassle. The city's infrastructure and the government's involvement are of immense importance in the model solution. This would guarantee that while laborers and other workers are coming to Delhi looking for work they are not encroaching on public land and or adding to the slum population. This would prevent newer slums from coming up by solving the problem at the source. For profit rental housing & housing vouchers, ensure by means direct or indirect, the betterment of slum dwellers and holistic improvement of the city.

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