

REGULATORY GUIDELINES FOR AFFORDABLE SHELTER – THE INDIAN CASE STUDY

Dilip Shekdar and Uma Adusumilli, Navi Mumbai India

30th August 2003

Navi Mumbai

Navi Mumbai is a new town being built since 1970. With the capacity to hold 4 m people, it accommodated 1.1 m in 2001. With near total literacy and public sector organisation CIDCO building 41% of the new housing stock, the city has 32% non-formal housing stock. The 9% slum dwellers have composition similar to the low income housing built in the formal sector by CIDCO in terms of accommodation size and incomes. There is a phenomenon of massive encroachment by original villagers on city lands (11%) where government wishes to regularize everything.

With this background of a strong public sector city building agency on one hand and the massive unauthorized constructions on the other hand, Navi Mumbai developed a regulatory framework that is designed to arrest land speculation by private sector and speedier development. While the private sector does not show initiative in housing the lower income groups, CIDCO's housing built for the low income groups is being taken over by the higher income groups. The regulatory framework of Navi Mumbai is studied against the backdrop of public ownership and control of land.

Key findings of research

There are three sets of regulations for shelter development in Navi Mumbai, one each for general, poorer sections and the development by villagers. Regulatory audit is not carried out as a matter of course in the planning authorities existing in the city. It is found that the planning regulatory system is a minor constraint for access to legal shelter by the lower income groups. Lack of institutional finance and housing supply for the poor where and when needed are actually major constraints. Administrative procedures are a constraint amongst the regulatory system's components. The legal cost of obtaining planning approvals and utility connections is as high as 200% of land cost for development of smaller plots and 50% for big plots. Built housing spares the low-income groups from running around for approvals and utility connections, and also appears to be more affordable option for the city to conduct subsidies. Lack of a unique identity system for citizens is yet another major problem for public sector to target subsidies.

Recommendations and their present status

a. Policy recommendations

Recommendation	Status & why failed	Remarks/Proposal
Reduce legal cost of approval for small plots	CIDCO and NMMC agreed to look in to this matter. Proposal needs to be initiated by the researchers as officers	Action may take time
Housing schemes by CIDCO for Low Income Groups	Discussed with CIDCO, but CIDCO does not want to make a commitment	Projects may come up as and when marketing potential picks up
Re-introduction of hire-purchase	Discussed with CIDCO, but CIDCO not willing to take the risk of default despite good record in the past	May not happen, and may drive low income households into slums to climb the ladder

b. Regulatory recommendations

Recommendation	Status & why failed	Remarks/Proposal
Incentive to Pvt sector for small tenements	Arch. apprehensive, builders asked to submit proposal. When approved sanction by government may take time	Builders doing where repayt. is assured (unorganised sector)
Stipulate % of small ten. on large dev. of 12.5% schemes	Politically not favoured so difficult to initiate proposal of this kind	In reality happening to an extent due to market demand
Urgent clearance of plans with payment	Found favour in the workshop But proposals not yet initiated	Wider discussions expected before proposal is made
Removing revalidation of plan	Proposal approved and Implemented by CIDCO	A redundant regulation removed
Green channel for Dev. Per. on small plots	Authorities agree in principle but architects don't want the risk of violations by owners	Implemented in AP, degree of actual success not known. Discussion yet to take place in NM
Early approval of plans for small plots	Proposal not yet initiated	

c. Procedural recommendations

Recommendation	Status & why failed	Remarks/Proposal
Periodic audit of regulations	Approved widely. Proposal to have 1 st audit in mid 2003 delayed due to DFID not funding	Proposed to hold in Jan 2004. Smaller versions already held
Tracking development permission online	Proposal initiated in CIDCO, approved for inclusion as part of ongoing SAP	Effect expected in 2004
Posting approved bldg plans on website	Approved in principle for implementation by CIDCO and NMMC, but may not succeed due to violations	Effect may take time
Window checking of submissions	Approved by CIDCO and NMMC. Implementation started but clients/architects not very interested	May not succeed much in reality as earlier system benefited all

General Comments on the research project

It is felt that implementation of recommendations, as part of research is a problem of capacity, time and resources for the team. But the situation can improve if implementing authorities are made part of research team directly. Further, unless tangible benefits to those in authority are visible, recommendations may not be a priority for implementation.

Small implementable changes proposed in the research relate to administrative procedures such as transparency and speed, which benefit all, but do not aim at benefiting the poor specially. Similarly regulatory audit can't be also aimed to benefit poor exclusively as actors not playing role in housing the poor won't be interested in a discussion focused on poor. Implementation of change also takes time due to the procedure and bureaucracy. For the above reasons, the ability of regulatory audit to improve conditions for poor is limited. However, the audit may serve the purpose of updating regulations in a participatory manner.

The regulatory audit matrix used in its present form can at best be an instrument for audit but is not adequate to identify real constraints. An early conclusion that regulations are not a major constraint for the poor in accessing legal shelter has dampened further work by researchers. The focus then shifted to procedures applicable after obtaining land whereas gaining access to land could not be addressed. Therefore intermediate review may help re-orient research where necessary. Delaying implementation of development plans may also be a constraint in general. At times discussions on whether the plan was adequately participatory and transparent or not, whether it is the best plan or not etc debates delay the implementation in addition to the bureaucratic delays. It is found that often political will brings regulatory change overnight while carefully studied research findings get neglected. On its part, international thinking does not consider fashionable certain recommendations such as greater provider role for government even where it is found necessary to bring in quantitative change preceding qualitative change.

Structure of the Manual

The following structure of a manual for carrying out study on the theme of planning regulations is prepared based on the methodology followed in the current research and any identified gaps in the way it is conducted. The stages set out the checklist of main actions, which will be further detailed out after common themes are identified in the September 2003 workshop proposed in Warwickshire.

Stage-I : Identification of scope of study

- Task-I : Identify the issue
- Task-ii : Set the issue in the regulatory framework and procedures
- Task-iii : Set the scale and extent of the coverage
- Task-iv : Set out the contextual basis to understand and compare
- Task-v : Decide the methodology of study

Stage-II : Surveys and collection of data

- Task-I : Identify regulatory authorities, the various actors and their key roles
- Task-ii : List actual local planning regulations and standards, procedures
- Task-iii : List actors involved in the delivery of housing like public authorities, real estate developers, housing co-operatives, households, employers etc. and list their supply, cumulative and current annual, of housing
- Task-iv : Inventory of procedures to be followed for construction/purchase of a house, from acquisition of land to occupancy
- Task-v : Trace the recent regulatory changes, nature, extent of participation by various actors and time frame for changes to be approved and implemented
- Task vi : Trace the present regulatory audit mechanism

Stage -III Analysis and Findings

- Task-i : Track the legal steps, time, institutions, costs and analyse them
- Task-ii : Estimate illegal costs, delay, harassment and therefore constraint to users through Task-I: survey
- Task-iii : Estimate the nature and extent of constraints actorwise and identify the overlapping constraints
- Task-iv : Conduct workshop to build consensus on the true constraints

Stage-IV Recommendations

- Task-i : Identify change agents and gatekeepers, and draft recommendations for policy and regulatory changes
- Task-ii : Conduct workshop to brainstorm on recommendations with participants as change agents and actors
- Task-iii : Negotiate options with the regulatory authorities and finalise them with time frame.

Stage- V : Implementation:

- Task-i : Work out regulatory audit mechanism in identified level/institution
- Task-ii : Lobby initially with regulatory authorities for prioritised local and minor modifications
- Task-iii : Lobby for long term and policy changes

Stage -VI : Monitoring and feedback

- Task-i: Monitor results and their impact and also record mechanisms of change
- Task-ii: Modify the recommendations if necessary

Toolkits

Elaboration of the actual use of toolkits will be done after the September 2003 workshop proposed in Warwickshire. However the tools expected to be used in disseminating the research outcome is expected to be in the form of :

- Video
- Brochures
- Questionnaire
- Regulatory matrix
- Power point presentation
- News items and articles
- Professional debates
- Training workshops
- Talk shows on radio and TV
- Commissioning further/similar research in other areas