CONSTRAINTS IN DEVELOPING AFFORDABLE HOUSING TO URBAN POOR

Tanvi Moghe[1], Dr. Madhav Kumthekar[2]

[1]Post Graduate Student, S.P.S.M.B.H's College of architecture, Kolhapur-416008, Maharashtra, India
[2]Professor & Head, Dept. Of Civil Engineering, Govt. College Of Engineering, Karad. Maharashtra, India

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Abstract - *Housing for everyone is a major issue in India for low-income people. Since they are deemed marketable, market forces are providing houses for MIG and HIG classes. Since it is difficult to build homes within their affordability limits for this housing category, the gap between supply and demand for affordable homes for low-income groups is widening. Rent/EMI should not surpass 30% of a household's gross monthly income in order to be affordable to the urban poor. As a result, the housing supply for such housing segments is appalling. The lack of market support for poor households limits the delivery of houses for them and obstructs the potential of aspiring households, resulting in an increase in the poor's financial burden. As a result, the government's position becomes critical. The central government recognised the issue and, in 2015, unveiled a new "Housing for All by 2022" strategy with four vertical components aimed at achieving affordability and Housing for All for low-income households. Furthermore, the programme, which aims to provide 20 million housing units to urban poor families, is focused on previous Housing for All policies. With the aid of previous affordable policies such as the NSDP, BSUP, and RAY, the report attempted to analyse various national housing policies in order to decipher "Housing for All by 2022." The proportions of access to housing and basic facilities in the National Capital Territory of Delhi are presented in the section of the current housing backlog situation study. Expertise, field visits, and policy assessment suggestions for "Housing for All by 2022" could assist the government in meeting the scheme's deadline. The evaluation concluded that the government should step up efforts by enacting a slew of appropriate policies and regulations aimed at empowering EWS/LIG households.*

Key Words: constrains, affordable housing, LIG, Housing For All, PMAY, RAY.

1. INTRODUCTION

The federal government's endeavours to supply affordable housing to poor urban populations are broken down, to put it simply. It is the role of the government to implement any housing subsidy programme, but it also incorporates other major participants, such as non-government organisations. The obstacles in the research come from national reports, surveys, audits, and newspapers. The exception to the remarkably meagre availability of HFCs for urban low-income neighbourhoods is the lack of land for urban renewal and expansion. Borrowers in the retail and small business industries generally lack collateral, collateral, income verification, and credit insurance. The other major issue is the scarcity of land parcels due to urbanisation in "Indian metros". Because of the sky-high construction costs and complicated land approval procedures, development companies have suffered substantial delays. Each of these topics is discussed thoroughly in this chapter.

1.1 Housing Finance's Lack Of Approach Towards LIG

India appears to be developing only 2 houses against a 1000 population, indicating a drop in housing investment in the country. There are formal and informal financing sectors in India's current housing finance system. The housing sector is made up of central and state authorities' budgetary allocations. The informal sector, on the other hand, contributes to the housing finance system in a variety of ways, including cash transactions, no evidence of income, borrowing from friends and relatives, and so on. On a national level, the Housing & Urban Development Corporate Limited (HUDCO) manages the housing financial institutes. HUDCO has allocated 55% of its approval for EWS and LIG housing sections, and 45% for MIG, HIG, leasing, and industrial ventures.

1.2 Availability of Urban Land

The demand for land has risen dramatically as the urban population has grown. However, an overzealous limitation on land construction has made land unsuitable for housing for the urban poor. The number of departments involved in maintaining land records has resulted in a high number of problems with imprudent land records and land conflicts in Indian states. Furthermore, since it requires approvals from various agencies, stakeholders, and departments in the centre, state, and Urban Local Bodies, it has caused a considerable time lag in the process of land acquisition for AH projects (ULBs). This has also resulted in corruption in land authorization, putting pressure on developers looking for land. Furthermore, a number of non-marketable state-owned authorities have made inadequate use of land. The protection of property rights

to define a land as titled is known as "land titling". The method of registration through the system of titles facilitates the official recognition of a property by the states. In India, the system existed, but with incomplete registration forms due to a lack of knowledge, resulting in an inept market for builders. As a result, authorities and individuals who claim land have a significant advantage over landless people.

1.3 Regulatory Constraints

Since the process of land development in India is a time-consuming and lengthy process, it is needed to move through several departments of the central, state, and local governments. The heads of community planning, such as ULBs, are usually on the lookout for land development and approval procedures. After enrolling in the land purchase agreement, the multiple and regulatory approvals are likely to add another 2-3 years to the pre-construction process. Delays in construction project approvals can add 25 percent to 30 percent to the cost of a project, as well as expose a project to risk by deferring it. The cost of a construction project eventually rises and is borne by a purchaser or households.

1.4 Lack of Concurrent Approach

Apart from the aforementioned limitations, overt government policies at the city level for affordability have also led to the lack of affordable housing for the urban poor. The central and state governments have also used "Master Planning" to forecast potential land demand. However, housing in no cases is ever allocated to the urban poor. There is clearly a weakness in community planning layout plans as a result of the non-convergence of various agencies at the federal, state, and local levels.

The government, on the other hand, has never grasped the demand and supply difference for AH. As a result, the number of unoccupied units in the nation's capital city, New Delhi, has increased. Similarly, the built units have been considered ineffective for affordability because they do not meet the needs of the beneficiaries. In addition to all of the above problems, the lack of a legal system to protect the urban poor is a significant source of vulnerability. Security of tenure is advantageous for an approach to structured financial institution access, access to basic facilities, and security from evictions because of statutory exclusion.

1.5 Lack of Beneficiary Participation.

The scheme's targeting is heavily based on government urban Below Poverty Line (BPL) lists. These lists aren't consistent or comparable between states. In addition to methodology, BPL surveys at the state level are performed at random time intervals, making it impossible to compare measures over time, across states, and/or across India. Significantly, focusing on the urban poor for livelihood programmes based on surveys that measure poverty in monetary terms does not align with the scheme's goals.

One of the findings in slum reconstruction projects was a lack of community involvement and interaction, which impaired project planning, execution, and overall progress. In addition, a lack of neighbourhood consultation has resulted in inadequate household contribution mobilisation and identification of preferred housing choices for the urban poor, such as whether incremental housing, rental housing or new housing units are preferred by targeted beneficiaries.

2. CONCLUSIONS

In India, rapid urbanisation and migration has resulted in a housing shortage. In response to the problem of housing scarcity, the government launched a number of HFA programmes to help alleviate the problem. Nonetheless, despite decades of housing policy implementation, the housing problem in India's major cities remains a contentious issue.

The problems with affordable housing are largely due to supply and demand constraints imposed by the government in the housing and alternative sectors. The study's main constraints on social housing are the scarcity of land and inadequate financial banking services for the urban poor. Other obstacles include a time-consuming approval process for land acquisition and the construction process. Furthermore, the huge demand and supply housing gap was caused by a decline in rental housing and a fixation of ownership housing.

According to a report released by the Technical Group on Estimation of Urban Housing Shortage in 2012, the total housing shortage in urban areas was estimated to be 18.78 million units. It is estimated that the significant housing shortage is due to the EWS housing segment, which accounts for 95% of the total housing shortage. Certainly, there is a void in the demand and supply of affordable housing for low-income groups as a result of the disparity. The MUHPA, the housing governmental authority, recognised the housing problems in urban areas and, as a result, in the 12th FYP, launched "HFA by 2022" with the goal of bridging the housing gap in all Indian cities. However, findings from interviews with various stakeholders involved in the provision of affordable housing, as well as analysis from field research, appear to show that the program's performance is not up to par.

Without a doubt, there is a significant gap between housing programme approaches and implementation. Three projects undoubtedly shed light on issues related to identifying a target beneficiary for resource allocation. The speculative use of monetary support offered by the federal and state governments was improperly used for purposes other than housing. Another issue with the Administrative

Structure is the inability to provide financial assistance to low-income groups due to a lack of collateral documents. Another issue in Delhi is the scarcity of land for social housing projects; the city's real estate prices have risen as the supply of luxury homes has increased. In the context of sustainability and efficiency, the aforementioned issues in achieving affordability in the city have resulted in unprofitable social housing projects. As a result, PMAY's forecast shows the same outcome as previous housing programmes.

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