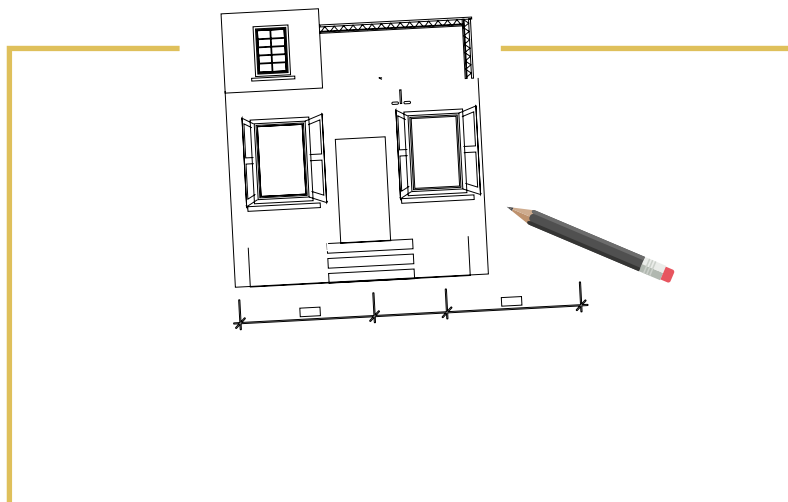


# IMPROVING HOUSING FOR URBAN POOR

## LEARNINGS FROM BLC IMPLEMENTATION IN KERALA





#### IMPRINT

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#### Acknowledgement

The authors are grateful to the officials of the Trivandrum and Kochi Municipal Corporation and the Mulkam Municipality for providing their valuable time and information during the field survey and their support to the process. The authors are also thankful to the Executive Director and Team Leader and State Programme Manager, Kudumbashree, for extending their support and guidance from time to time. The authors are appreciative of the contributions of the GIZ team, in particular Arpan Mazumder, Esakki Raj, and Sahil Sasidharan during the field survey and preparation of this report. The authors are also grateful to the survey partners, Cadasta Foundation and Impetus Research Pvt. Ltd for providing the survey tools and conducting the survey respectively. The authors extend their gratitude for the invaluable contributions of the translators, all survey participants - households, masons and ULB officials for their time and invaluable contributions.

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New Delhi, India, October 2020

Suggested citation: Das, A., Mukherjee, A., Sarkar, B., Chatterjee, S., Gupta, A., & Jain, A. (June 2020). Improving Housing for Urban Poor - Learnings from BLC Implementation in Kerala. New Delhi: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) & Centre for Policy Research. doi: 10.13140/RG.2.2.26683.23844

# IMPROVING HOUSING<sup>FOR</sup> URBAN POOR

LEARNINGS FROM  
BENEFICIARY-LED  
INDIVIDUAL HOUSE  
CONSTRUCTION (BLC)  
IMPLEMENTATION  
IN KERALA

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# LIST OF ABBREVIATIONS

<b>AHP</b>	Affordable Housing in Partnership
<b>AUEGS</b>	Ayyankali Urban Employment Guarantee Scheme
<b>BLC</b>	Beneficiary-led Individual House Construction/Enhancement
<b>CSMC</b>	Central Sanctioning and Monitoring Committee
<b>CSR</b>	Corporate Social Responsibility
<b>CT</b>	Census Town
<b>DPR</b>	Detailed Project Report
<b>EST&amp;P</b>	Employment Skill Training and Placement
<b>EWS</b>	Economically Weaker Section
<b>HH</b>	Household
<b>HUDCO</b>	Housing and Urban Development Corporation Ltd
<b>INR</b>	Indian Rupee (₹)
<b>KII</b>	Key Informant Interview
<b>LIFE</b>	Livelihood Inclusion and Financial Empowerment
<b>LIG</b>	Low Income Group
<b>MFI</b>	Micro Finance Institution
<b>MoHUA</b>	Ministry of Housing and Urban Affairs
<b>MPCE</b>	Mean Monthly Per Capita Expenditure
<b>NBFC</b>	Non-Banking Financial Company
<b>NDMA</b>	National Disaster Management Authority
<b>NULM</b>	National Urban Livelihoods Mission
<b>PMAY</b>	Pradhan Mantri Awas Yojana
<b>RoR</b>	Record of Rights
<b>SC/ST</b>	Scheduled Caste (SCs)/Scheduled Tribes (STs)
<b>SHG</b>	Self Help Group
<b>SLSMC</b>	State Level Sanctioning and Monitoring Committee
<b>ST</b>	Statutory Town
<b>ULB</b>	Urban Local Body
<b>USD</b>	United States Dollar (\$)

# GLOSSARY



**Beneficiary** family comprises husband, wife and unmarried children. The beneficiary family should not own a pucca house (an all-weather dwelling unit) either in his/her name or in the name of any member of his/her family in any part of India.

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**Carpet Area** is area enclosed within the walls, actual area to lay the carpet and does not include the thickness of the inner walls.

---

**EWS house** is an all-weather single unit or a unit in a multi-storeyed super structure having carpet area of upto 30 sq. m. with adequate basic civic services and infrastructure services like toilet, water, electricity, etc.

---

**EWS households** are households having an annual income up to INR 3,00,000 (USD 4,285), however, states/UTs have the flexibility to redefine the annual income criteria as per local conditions in consultation with the Centre.

---

**Implementing Agencies** are the agencies such as Urban Local Bodies, Development Authorities, Housing Boards etc. which are selected by state government/State Level Sanctioning and Monitoring Committee (SLSMC) for implementing Pradhan Mantri Awas Yojana – Housing for All (Urban) Mission.

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**Land Right Certificate (LRC)** grants the right to occupy a particular piece of land.

---

**One Cent (as a unit of area)** is defined as an area of 1/100 of an acre (40.5 m<sup>2</sup>; 435.6 sq ft).

---

**LIFE Mission** is aimed at providing safe and decent housing for all landless homeless people in Kerala within five years to work on their own livelihoods, participate in social activities and decentralize the benefits of all social welfare schemes including financial services.

---

**Record of Rights (ROR)** contains complete information regarding the land property and history of holders of land and is a crucial indicator of the legal status of a property.

---

**Slum or slum area** is a compact area of at least 300 population or about 60-70 households of poorly built congested tenements, in unhygienic environment usually with inadequate infrastructure and lacking in proper sanitary and drinking water facilities.

---

**Tenable settlement** is a settlement where existence of human habitation does not entail undue risk to the safety or health or life of the residents or habitation or such sites are not considered contrary to public interest or the land is not required for any public or development purpose.

---

**Urban Local Bodies (ULBs)** are constituted for local planning, development and administration in the urban areas.

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*United States Dollars (USD): Conversions are based on USD 1 = INR 70*

# EXECUTIVE SUMMARY





Kerala's focus on decent shelter and a healthy habitat emanates from its recognition that significant portions of urban poor households are vulnerable in terms of their sustainable livelihood systems (Hossain, 2005). Its unique urbanisation pattern, manifested in an urban spread rather than concentration (Aravindan & Warriar, 2018), makes provision of safe habitat and adequate housing at scale a critical challenge. In 2011, about half of Kerala's population lived in urban areas, and the decadal growth rate was recorded at an astounding 92 per cent for the period 2001-11. During the same period, Kerala only recorded 1.5 per cent slum population, way below the national average (17 per cent as per Census 2011). The low level of slum population is explained by the in-situ urbanisation of the rural areas, mostly owing to a shift towards non-agricultural activities and urbanisation of the peripheral areas of the existing major urban centres. Further, a spatially distributed presence of social infrastructure like the public distribution system, schools, hospitals, agriculture offices, etc. all over the state has also contributed towards avoiding the emergence of slum areas (Firoz, Banerjee & Sen, 2016). In 2012, the estimated housing shortage in Kerala stood at 0.54 million, which was reestimated at 0.22 million in 2017. Despite significant strides in human development, the state does not have a long history of public interventions in the provision of housing facilities, and is now facing increasing challenges of urban planning and management.

The Kerala government dovetailed its state housing programme with the national scheme of Pradhan Mantri Awas Yojana in 2015 to realise the vision for 'Housing for All'. Beneficiary-led Individual House

Construction or Enhancement (BLC) vertical emerged as the most preferred, with an outlay of INR 400,000 (USD 5,270) per unit as cumulative subsidy from the urban local bodies (ULBs), state and the centre to the economically weaker sections (EWS) for building their houses on their own land. Housing in Kerala for the urban poor is envisioned not only as the provision of a shelter, but also as a means for enhancing productivity by strengthening the financial capacities of the urban poor (Nair et. al., 2006). In addition, with the aim of including the marginalised landless and houseless sections of the society within the ambit of the housing scheme, the state has been implementing the Mission for Livelihood, Inclusion and Financial Empowerment (LIFE). Under this scheme, landless households are given an additional subsidy of INR 250,000 (USD 3,294) to purchase private land. Recognising the lack of state-owned land as a significant hindrance to the uptake of the scheme after two years of implementation, the state government converged implementation of BLC scheme with the third phase of the LIFE Mission to enable the inclusion of landless households under the ambit of the BLC scheme in the state.

Against this background, the current study seeks to understand the various aspects of BLC implementation in Kerala. For this purpose, a stratified sample survey of 250 households was undertaken in three cities of Kerala: Kochi, Trivandrum, and Mulkam. In addition, Key Informant Interviews (KIIs) and detailed case studies were undertaken to enable qualitative triangulation of the results of the household survey. The key findings from the survey are summarised below:

**Table 1: Key findings of the primary survey**



**77%**

houses are sanctioned in the name of women.



**40%**

beneficiaries are wage earners out of which around 45% work as either house help or casual labour.



**INR 1,659**

Average Monthly Per Capita Expenditure (MPCE) of the surveyed households.



**68%**

beneficiaries did not face any significant delay during construction.



**100%**

beneficiaries reported having bank accounts already; these were not opened exclusively for accessing the subsidy.



**74%**

beneficiaries borrowed for the construction of the houses, of which 2% borrowed from informal sources.



**91%**

beneficiaries got their building plans sanctioned from the local government.



**100%**

BLC houses were built with toilets.



**45%**

BLC houses does not have water supply within premises.



**70%**

BLC houses have access to a concrete or bituminous road but only 12% reported pucca covered drains next to their houses.



**69%**

BLC houses reported an absence of solid waste collection services and claimed to burn the waste generated.



**16%**

of the BLC houses were without electricity.

The primary assessment of the state of habitat improvement in Kerala, under the ambit of BLC, has underscored the importance attributed to the landless and the homeless in the state, rather than slum dwellers exclusively. Further, Kerala's strides in the direction of emphasising financial empowerment and enabling livelihoods through housing are noteworthy. Its interventions of mobilising private land for leveraging public subsidy may be showcased as an example for many other states across the country.

Kerala's measure of providing tenure security to the landless also included an integration of efforts between the Revenue Department of the state and the ULBs, facilitating the state to streamline the maintenance of land records and achieve housing for the landless through BLC. This step has also addressed the inherent limitations of the national housing programme, which not only has a limited focus on land tenure issues, but also explicitly remains oblivious towards the need for collaboration between revenue authorities and

local urban administrations.

While the Kerala model has exhibited various successful interventions to achieve a higher uptake of the BLC under PMAY, there is now an imminent need to ensure habitat improvement for its citizens. This will also require the state to build-in resilience in its housing and infrastructure, as flooding during monsoon is a recurrent phenomenon in the state. The urban spread-led growth of the state also necessitates settlement level planning, while ensuring access to basic civic infrastructures including water supply, sewerage, road, drain, electricity and solid waste disposal system. Further, a spatial integration of beneficiaries is also imperative to enable the government to prioritise infrastructural investments for a more substantial impact. Going forward, these interventions are also some of the important aspects that may be addressed in the next phase of the Kerala's housing strategy, including a greater emphasis on holistic spatial planning, to comprehensively materialise the mission for housing for all.













# SETTING THE CONTEXT





## 1.1 OVERVIEW

Kerala's urbanisation story is chequered with uniqueness in comparison to other states in India. About 50 per cent of the state population lived in urban areas according to Census 2011, while the decadal growth rate was recorded as 92 per cent for the period 2001-11. High decadal growth rates remained a prominent aspect in Kerala; during the 1981-1991 period, 61 per cent of the urban decadal growth was attributed to the shifting of workforce from agriculture to the tertiary sector, while the more recent growth during 2001-2011 had been facilitated by the rural-urban continuum, a settlement pattern unique to Kerala (Nair P. L., 2017). Moreover, the development of the peripheral areas adjacent to the towns/cities, corroborated by the existence of more census towns (CTs; especially class III and class IV towns), shows not only an increase in the number of urban spaces in the state, but also a higher degree of dispersion of urban settlements (Nair P. L., 2017). Thus, Kerala's urbanisation is manifested in an urban spread rather than concentration.

Despite the stark increase in urban population, the overall growth rate of the total population in Kerala has remained particularly low, at approximately 5 per cent (Census 2011). This combination of factors has the potential not only to deepen the scarcity of labour force, especially for agricultural and related activities, but also to magnify the demand for housing and basic infrastructure in the urban centres of the state. Although it has made considerable progress in human development, Kerala does not have a long history of public interventions in the provision of housing facilities (Kannan & Khan, 2016) and is now facing increasing challenges of urban planning and management.

According to the Report of the Technical Group on Urban Housing Shortage in India, Kerala accounted for an estimated shortage of 0.54 million houses in 2012, out of a national urban housing shortage of 19 million. In 2017-18, the state re-estimated its housing shortage at 0.22 million, against an approximate total of 10 million estimated across India (MoHUA, 2018). While the housing shortage appears to be less severe in comparison to other states, a significant proportion of the population continues to face the lack of adequate housing. At present, homelessness, in particular of those without land, and people living in poor quality or dilapidated houses are the

key challenges faced by the housing sector in Kerala. (State Planning Board, 2017).

The housing schemes and programmes in Kerala are being implemented by several agencies, such as the Local Self-Government Department, Kudumbashree, Kerala State Housing Board, Kerala State Nirmithi Kendra, Kerala State Development Corporation for Schedule Caste (SC) / Schedule Tribe (ST), and SC/ST Development Departments. These agencies, along with NGOs and other departments, have provided assistance to construct around 476,490 houses during the period of 2011-12 to 2016-17 (State Planning Board, 2017). Kudumbashree is the nodal agency for the implementation of the central Pradhan Mantri Awas Yojana (PMAY) scheme, or the mission of 'Housing for All'. Housing in Kerala for the urban poor is not envisioned merely as the provision of a shelter, but also as a means for enhancing productivity by strengthening the financial capacities of the urban poor (Nair et al., 2006).

Under the PMAY, the BLC vertical is emerging as the preferred vertical in Kerala. Successful land reforms undertaken in the past by the state have rendered a majority of the population owners of land. Streamlined landownership, coupled with the increased subsidy to facilitate the construction of bigger houses (60 sq. m. carpet area) in comparison to minimum of 30 sq.m. stipulation under PMAY-BLC has made this vertical popular in the state.

Moreover, with the aim of leveraging the housing subsidy scheme for the marginalised sections of the society - those without land and adequate housing - the state has been implementing the Mission for Livelihood, Inclusion and Financial Empowerment (LIFE). Under this mission, landless households are given an additional subsidy mission of INR 250,000 (USD 3,571) to buy private land. Therefore, the state's efforts in the housing sector have not only been able to address the inherent challenges of the national housing programme, but have also emerged as inclusive and progressive, through the dovetailing with livelihood interventions in terms of implementation.

Against this background, the objective of this study is to understand the existing conditions and challenges in the construction of houses through BLC under PMAY in Kerala. The study examines various issues such as how empowering ULBs - vis-à-vis land regulation, extension of basic services, design

regulations, etc. – results in tangible improvements in housing and habitat, and impacts the ability of the households to access institutional financing (which is theoretically expected to be enabled upon tenure security), among others.

This section articulates the state of housing in Kerala using empirical analysis. It discusses the overall status of PMAY in Kerala, with specific focus on the traction of the fourth vertical, BLC. In the process, it highlights the emergent roadblocks, particularly in terms of legal barriers.

The second section outlines the approach and methodology adopted for the purpose of this study. This section also elucidates the procedure for selecting the survey cities and the samples within those cities, including brief profiles of the selected cities (Kochi, Trivandrum, and Mulkam) in the state of Kerala. Section 3 explores the processes for accessing the subsidy under BLC, including the steps a slum dweller has to undertake in order to newly construct or expand his/her own house.

The fourth section gives a brief overview of the survey findings. Section 5 draws on the data collected from the survey and presents a kaleidoscopic view of BLC implementation in the state. For this purpose, it assesses the socio-economic profiles of the beneficiaries and the impact of this on how they access the BLC subsidy. It also highlights the influence of other factors – such as the efficiency of the construction process, access to finance, etc. – in accessing the decent housing subsidy.

Section 6 delineates the land transfer system in Kerala. It highlights the land transfer schemes undertaken by the government to ensure availability of land and housing for the landless and homeless. Section 7 presents some conclusions based on the survey findings.

## 1.2 AN EMPIRICAL ANALYSIS OF THE STATE OF HOUSING IN KERALA

According to the Report of the Technical Group on Urban Housing Shortage in India, the urban housing shortage was pegged at about 19 million in 2012, out of which Kerala accounted for a shortage of 0.54 million houses. In 2017-18, the state of Kerala re-estimated its urban housing shortage at 0.22 million, based on a demand survey conducted in 93 ULBs as part of the national housing programme PMAY (25th CSMC, 2017), against an approximate total of 10 million estimated across India. Given Kerala accounts for only 2 per cent of the total shortage that the country faces at present, it poses significant opportunity for redressal.

Census 2011 points out that a significant proportion of the households (HHs) in Kerala live in permanent housing. It distributes the households into three main categories according to the structure of the houses occupied: (i) permanent, (ii) semi-permanent and (iii) temporary. An analysis of the structural types of these houses in both slum and non-slum areas highlights that only 11 per cent of households in urban Kerala live in an inadequate dwelling unit; the proportion is slightly higher among the slum dwellers at 15 per cent (MoHUPA, 2015) (Table 2).

Although structural inadequacy clearly falls under the purview of housing shortage as in case of PMAY, which focuses on converting kutcha and semi-pucca houses to pucca, pucca houses with overcrowded and unhealthy living conditions and without adequate allied infrastructure require to be categorised as inadequate housing as well. Adequate housing and allied infrastructure have the potential to reduce the cost of meeting basic needs through minimising expenditure on commercial services and/or limiting the costs of healthcare needed to alleviate injury or illness resulting from inadequate living provision (Cairncross, 1990).

A further analysis of the housing stock available in

**Table 2: Distribution of condition of Census houses used as residential and residential-cum-other use (Census 2011)**

Kerala	Total No. of HHs	Permanent	Semi-permanent	Temporary	Unclassified
Urban	47,06,920	4,194,666 (89%)	393,814 (8%)	79,929 (2%)	38,511 (1%)
Slums	54,849	45,757 (83%)	6,791 (12%)	1,728 (3%)	573 (1%)



**Table 3: Housing stock in India and Kerala**

	2011		2001	
	India	Kerala	India	Kerala
Total Urban Households	80,800,000	3,704,113	54,720,312	1,716,097
Housing Stock	110,140,000	5,360,068	71,558,356	2,462,098
Households as a % of Housing Stock	73%	69%	76%	70 %

urban Kerala in comparison to the number of urban households reveals that the current housing stock in the state exceeds the number of households (Census 2001 & 2011)(Table 3). There has been a notable increase in housing stock – about 50 per cent – in the last decade, significantly higher than the 36 per cent recorded for India. At the same time, about 1,189,144 houses remained vacant in Kerala in 2011, which is indicative of over 19 per cent of inward remittances (Reserve Bank of India, 2018) that Kerala receives from the non-resident Keralites in India and abroad.

#### 1.4 PMAY IN KERALA

PMAY(U) is a centrally sponsored scheme jointly implemented by the state government and ULBs with the objective of providing 'Housing for All'. Kudumbashree, or the State Poverty Eradication Mission of the Government of Kerala, is the state-level nodal agency for implementing the scheme in Kerala. PMAY (U) is converged with the LIFE Mission (Livelihood, Inclusion and Financial Empowerment), the comprehensive housing scheme of the Kerala

government, and is implemented as PMAY (U)-LIFE. Unit cost under BLC (new unit) has been enhanced from INR 200,000 (USD 2,635) to INR 400,000 (USD 5,271) and additional assistance is provided under the LIFE Mission. Central assistance is provided at the rate of INR 150,000 (USD 1,976) /unit. The caveat to the housing subsidy scheme is that if the area constructed measures more than 600 sq ft, the beneficiaries are asked to return the subsidy with 12 per cent interest.

#### 1.5 KERALA'S PROGRESS UNDER THE BLC SCHEME

In the XIII Plan period (2017-2022), Kerala implemented the 'Housing for All' mission propagated by the Government of India. Within this, it incorporated a component titled 'Livelihood, Inclusion, and Financial Empowerment' (LIFE) focusing specifically on households that are homeless or landless. The project implementation has been approved for 93 cities, and the demand survey has been completed for all 93 ULBs, with a housing shortage of 220,000 reported as on April 2017.

**Table 4: Demography of Kerala**

**15,932,171**

Total urban population  
(as on 2011)



**6**

Municipal Corporations



**14%**

Decadal population growth



**87**

Municipalities



**14**

Districts



**220,000**

Housing shortage in the urban areas:  
(based on a demand survey of 93 ULBs and according to the Government of Kerala) as on April 2017



**93**

Urban Local Bodies (ULBs)



**2,02,048**

Slum population as per Census 2011

So far, the scheme has been implemented in 13 phases on the basis of Detailed Project Reports (DPRs) submitted to and sanctioned by the central authorities. Among the various projects submitted during these phases, from October 2016 to December 2019, 90 per cent were sanctioned. According to PMAY- BLC scheme, 111,836 houses have been approved across the 13 phases. The work order has been issued for 78,320 houses, 34,943 houses are under construction, and 39,571 have been completed. Kerala government also enters into an agreement with beneficiary wherein they submit their land documents to the ULBs to minimise gentrification. As a best practice, social audit has been completed in 9 ULBs to systematically assess the progress of the PMAY mission.

Further, Kudumbashree, Kerala's State Poverty Eradication Mission, has taken the initiative to converge this with the Ayyankali Urban Employment

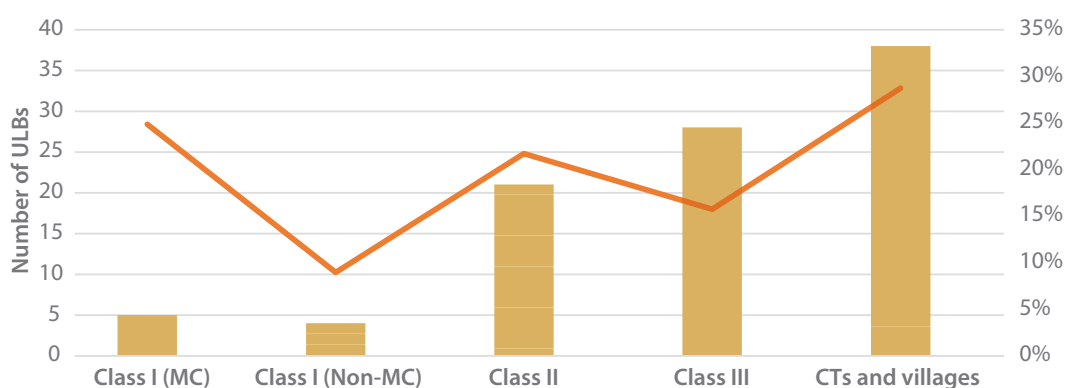
Guarantee Scheme (AUEGS) under which 90 person-days of employment are provided to PMAY beneficiaries to provide additional financial assistance of INR 24,390 (USD 348) per beneficiary (INR 271 for 90 wage days). Out of the 111,836 approved houses, 66,747 have been issued job cards and 1,172,127 person-days handed out as on December 2019. The government has also roped in the private corporate sector to bridge the fund requirement.

A disaggregated analysis of the city-wise BLC uptake in Kerala highlights that the benefits are concentrated in smaller cities and towns, in comparison to class I cities (Table 5 and Fig. 1). Studies have pointed out that in the case of smaller cities and towns, the slum dwellers are not necessarily encroachers (Das & Mukherjee, 2018). Around 65 per cent of the sanctioned houses being from smaller cities, CTs and villages reconfirm this point.

**Table 5: City-wise proportion of BLC Houses sanctioned in Kerala (as on December 2019)**

City Class	No. of ULBs <sup>1</sup> with BLC houses	BLC houses sanctioned	% of BLC houses sanctioned
<b>Class I (Municipal Corporation)</b>	5	21,877	25%
<b>Class I (Non-MC)</b>	4	7887	9%
<b>Class II</b>	21	19,115	22%
<b>Class III</b>	28	13,857	16%
<b>CTs and villages</b>	38	25,289	29%
<b>Total</b>	<b>97</b>	<b>88,025</b>	<b>100%</b>

**Figure 1: City-wise BLC dissemination in Kerala**



<sup>1</sup> The number of ULBs only includes the Statutory Towns in Kerala (as of 2011) that had BLC houses sanctioned; CTs are excluded from the class-wise disaggregation and the houses sanctioned under BLC in CTs and villages (as on 2011) are mentioned separately in the table. It is to be noted that these CTs and villages may now be recognised as STs.









# APPROACH AND METHODOLOGY





## 2.1 APPROACH AND METHODOLOGY

This study is based on a quantitative household survey designed in three select cities of Kerala – Kochi, Trivandrum and Mukkam – along with Key Informant Interviews (KIIs). The study findings indicate the various bottlenecks in the implementation of the scheme and areas that could potentially benefit a higher proportion of the urban poor population compared to the current coverage.

The cities of Kochi, Trivandrum and Mukkam were selected in consultation with the state government considering the entire continuum of the implementation stages in the BLC scheme.

The study had a predetermined sample size of 250 households. This is about 0.04 per cent of the total BLC houses sanctioned in the three cities cumulatively at the time of survey and conforms to a 90 per cent confidence interval and 5 per cent margin of error.

The overall sample has been stratified based on applicability of BLC, wherein the total sample was proportionally distributed across the three cities, based on the number of beneficiaries approved at the time of survey. In order to make regression

analysis feasible, it was decided to allocate a minimum sample size of 30 households to each city.

**Table 6: Sample size**

City Name	BLC beneficiaries	Final working sample
Kochi	732	32
Trivandrum	5550	188
Mukkam	303	30

A list of city-wise BLC beneficiaries was obtained from the respective ULBs. Slums with the highest number of beneficiaries were selected for the survey, allowing flexibility for the field team on the ground. Inclusion of households in the sample was further categorised based on the following:

1. Housing subsidy from the government through PMAY-BLC
2. No housing subsidy from the government through PMAY-BLC but have land

The right-hand rule was applied wherein every 10th house in a street was surveyed based on the inclusion category mentioned above. If the 10th house did not comply, inquiries were made at the subsequent houses till a relevant house was arrived at. A detailed questionnaire was developed to conduct the survey at the household level in the three cities. Data was collected digitally using the Cadasta Platform and Survey 123 application, with several validation checks to minimise errors. The interviewers were trained, and the collected data underwent internal and external quality checks and validations. All household data points were de-identified.

12 case studies were conducted across the three cities to enable triangulation of the results of the household survey. The case studies covered beneficiary households and masons. The interviews were recorded, transcribed and translated by the moderators. The selection of the case studies was made in consultation with the local authorities, with the focus on their uniqueness with regard to planning and implementation of the BLC scheme.

KIIs and meetings with government functionaries at the state, district, and ULB levels were held to understand challenges and bottlenecks faced at their end for rolling out the schemes. Local NGOs and community leaders were also interviewed wherever present.

**Figure 2: Study locations**



**Centre for Policy Research Demographics Dashboard**

**What is the occupation of the household head, if female or others?**

Occupation	Percentage
Homemaker	18%
Retired	5%
Casual labour - construction worker	12%
Casual labour non-construction worker	9%
Skilled labour - construction worker	12%
Self-employed	29%
Other	16%

**Map of Karnataka**

Map data © O

**Total Surveys Submitted**

# 240

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**What is the occupation of the household head, if male?**

Occupation	Percentage
Homemaker	6%
Unemployed	21%
Skilled labour - construction worker	12%
Casual labour - non-construction worker	22%
Casual labour - construction worker	13%
Other	20%

**What is the education level of the household head?**

Education Level	Percentage
Secondary school (10th grade) Pass	11.38%
secondary school (10th grade) Drop out	14.13%
Primary school (8th grade) Pass	12.64%
Primary school (8th grade) Drop out	24.04%
Literate with no formal education	17.25%
Not literate	13.39%
Other	6.97%

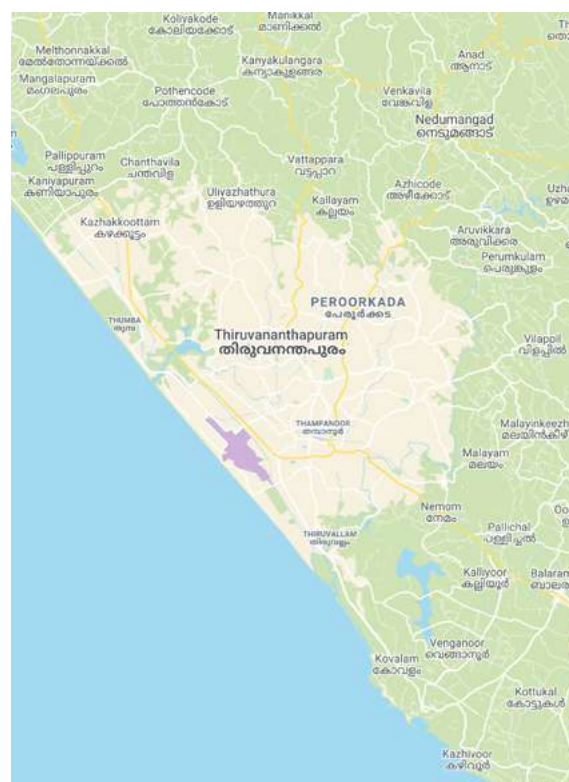
**Do those members engaged in construction have more work due to BLC Implementation?**

Response	Percentage
Yes	11.66%
No	88.34%

Owing to the focus of the study on BLC beneficiaries, the sampling was designed based on specific inclusion criteria. Therefore, the study did not account for the category with neither land nor BLC. If included, the study could have yielded more insights. The study may have also suffered from the social desirability bias, which often colours responses with regard to support received from government agencies during the construction period and release of subsidies. Additionally, the responses of the households in stating the nature of the settlement (slum, unauthorised colony, authorised colony, resettlement colony) in which they reside may not be entirely reliable, given the complexity of administrative classification. The inferences were drawn for the study based on the opinions/responses expressed by the respondents, at times on behalf of the BLC beneficiary in the household.

### 2.3.1 Trivandrum

### Location of Trivandrum



191,446 households; the population density is 3,549 per sq km. The growth rate of the city is 5.7 per cent. There are 100 wards in Trivandrum. The number of slums identified under PMAY is 82, out of which 77 are tenable, 2 are semi-tenable, and 3 are untenable.



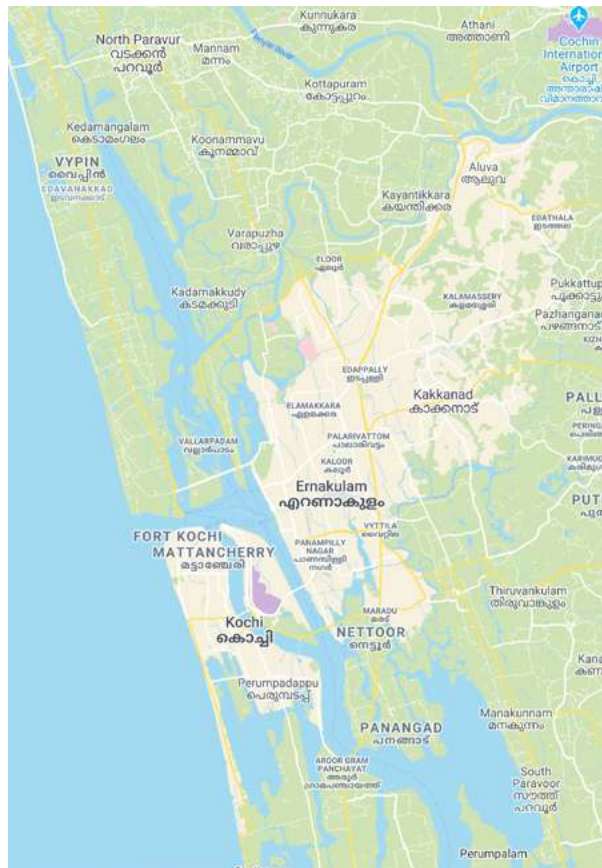
### 2.3.2 Mukkam

Mukkam is a municipality town in the Kozhikode district of Kerala, spread over an area of 31.28 sq km. It is in the Malabar region, famed for its food and cultural and historical values. The total population of the municipality is 40,670 and it has a density of 1,300 persons per sq. km. The growth rate during 2011-2011 was 9.41 per cent.

### 2.3.3 Kochi

Kochi, also known as Cochin, is a coastal town, part of the district of Ernakulam in Kerala. The civic body that governs the city is the Kochi Municipal Corporation. According to Census 2011, the population is 601,574, with a growth rate of 6.21 per cent. The Kochi Corporation falls within the Greater Cochin Region which comprises 6 municipalities – Kalamasseri, Angamaly, Aluva, Paravoor, Perumbavoor and Thripunithira – and 33 panchayats spread over an area of 732 sq km. The Kochi Municipal Corporation was formed on 1st November 1967 by merging the municipalities of Fort Kochi, Mattanchery and Ernakulam. The density of the corporation area is 5,620 persons per sq km. The slum population constitutes only 0.86 per cent of the city population.

Location of Kochi





# UNDERSTANDING THE PROCESSES OF BLC IN KERALA



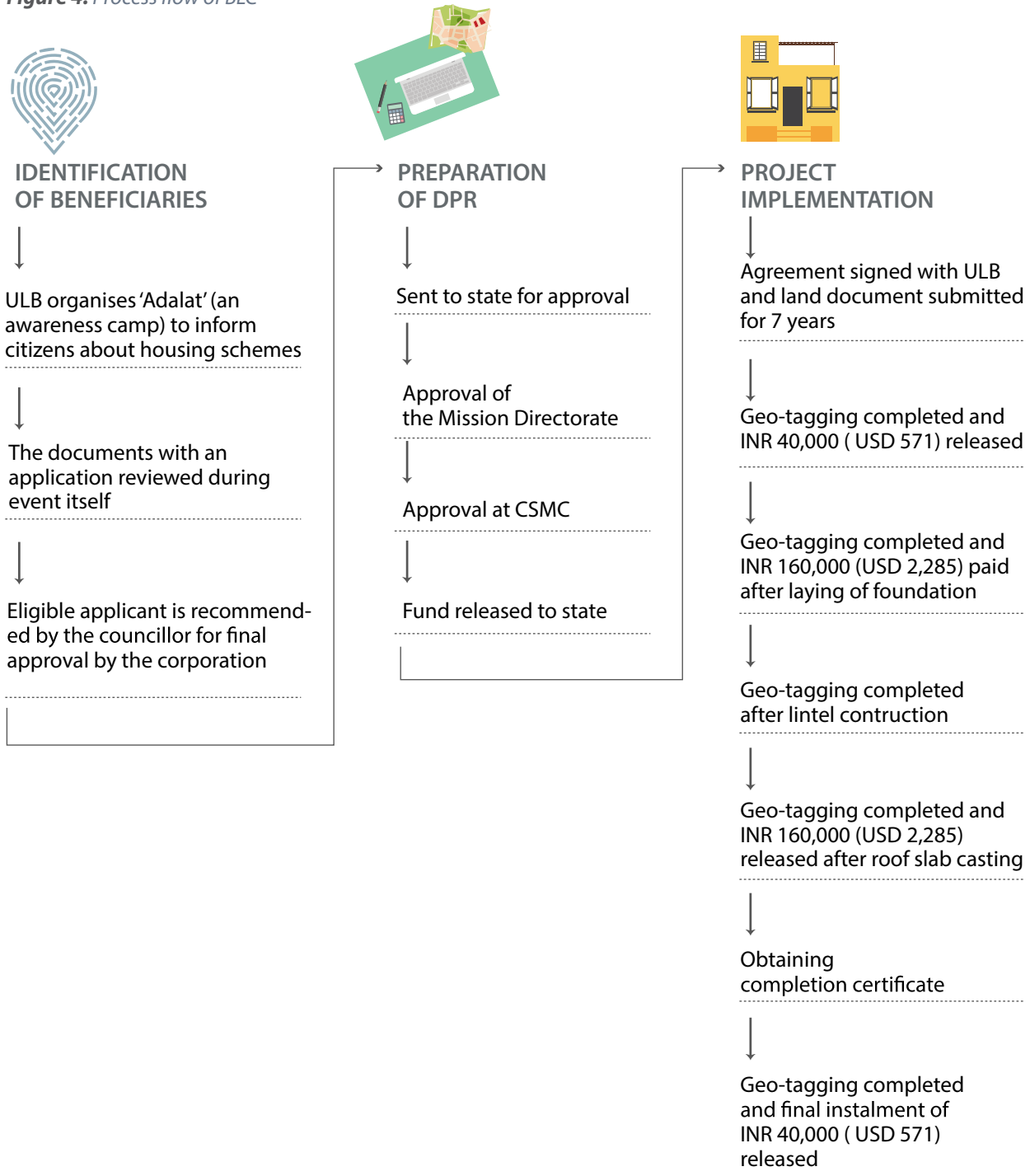




**P**MAY (U) is converged with the LIFE Mission (Livelihood, Inclusion and Financial Empowerment), the comprehensive housing scheme of the Government of Kerala and is implemented as PMAY (U)-LIFE. In tandem with a central grant of

INR 150,000 (USD 2,142) per household, the state contributes another INR 50,000 (USD 714) and the ULB contributes INR 200,000 (USD 2,857) under the BLC vertical of PMAY (U).

**Figure 4:** Process flow of BLC







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# IV

## OVERVIEW OF THE SURVEY FINDINGS





This section furnishes basic information and findings from the household survey conducted in the three selected cities of Kerala. The questionnaire had five sections:

- The **first section** had questions on the identification of the households, focused on their occupational, educational, economic and social characteristics.
- The **second section** aimed at understanding the investment made in land and housing. It also included questions on the BLC implementation process from application to the completion of construction, and also pertained to access to finance.
- The **third section** focused on comparing the quality of construction of houses before and after accessing the BLC subsidy, including access to in-house amenities like toilets, water supply and a kitchen.
- The **fourth section**, under the broader ambit of 'Basic Amenities', specifically focused on understanding access to drinking water, wastewater management, solid waste management, drainage and roads.
- The **last section** captured the extent of beneficiary satisfaction in availing the benefits of the BLC.

The profile of the beneficiaries surveyed in the three cities of Kerala are given below:



**77%**

beneficiaries were female and the remaining 23% were male.



**55%**

beneficiaries were between the ages of 36 to 55. Only 2% were between 18 and 25.



**17%**

beneficiaries were either illiterate or barely literate, with no formal education; 36% were 10th pass or dropout while 1% of the beneficiaries had a postgraduate degree.



**60%**

beneficiaries were not employed or retired.



**37%**

beneficiaries were self-employed, among those working. This was followed by house helps and casual labourers, both in the construction and non-construction sector at 29% and 16% respectively. Only 14% had regular employment.



**INR 1,659**

The Mean Monthly Per Capita Expenditure (MPCE) of the surveyed households



**11%**

of the beneficiaries saved less than INR 1,000 (USD 14) per month; 76% of the beneficiaries reported lack of saving practices.



**68%**

beneficiaries did not recall any significant delay during the various stages of construction.



**100%**

of the beneficiaries reported having bank accounts but 62% did not borrow from the bank.



**100%**

of BLC houses were built with toilets.



**84%**

BLC houses surveyed had electricity connections inside their houses.



**91%**

of the respondents took approval of the local government on the building design. Rest relied either on own/contractor's design (57%) or standard government design (43%).



**70%**

(approx)  
had access to a concrete or bituminous road.



**12%**

respondents had pucca covered drains next to their houses. While 4.7% had pucca drains constructed, these were uncovered.



**45%**

BLC houses did not have a water connection within their house.



**13%**

BLC houses had a door-to-door garbage collection system in place. Another 13% dumped their household solid waste in nearby collection dumps.







V

# KALEIDOSCOPIIC VIEW OF BLC IMPLEMENTATION IN KERALA







The primary survey along with the case studies provided information for identifying the challenges and opportunities in the implementation of BLC. A definitive framework of analysis has been adopted in this section to categorically and meticulously understand the various trends across the surveyed cities for every aspect of the BLC implementation.

### 5.1 UNDERSTANDING THE SOCIO-ECONOMIC PROFILE OF BLC BENEFICIARIES

The analysis brings to light the socio-economic profile of the surveyed BLC beneficiaries, the process of enabling these beneficiaries to access the subsidy, and the underlying bottlenecks. It takes into account the following factors: age, gender, education level, occupation, household size, expenditure and savings of the beneficiaries.

PMAY mandates that houses constructed/acquired with central assistance should be either in the name of the female head of the household or in the joint names of the male head of the household and his wife. Only in cases where there is no adult female member in the family can the house be in the name of a male member of the household.

Of the total number of households with approved BLC subsidy, it was found that about 77 per cent of such houses constructed were in the name of women and the remaining were in the name of men (Figure 5). The distribution of beneficiaries across the age groups was even with about 50 per cent being below 45 years and the other half above. A significant 23 per cent were above 56 years of age (Figure 6). While the beneficiaries were mostly women, more than two-third were non-earning members in the family, while it was only 25 per cent in case of the male beneficiaries. Accordingly, no correlation was observed between the age of the beneficiary and the

amount invested in the construction or the time taken for the completion of the house. This can be explained by the fact that the beneficiary and the household member having capacity for investing in the construction of the house were different in most of the cases. While the beneficiaries were mostly the non-earning female household heads, the earning member of the family invested in the construction.

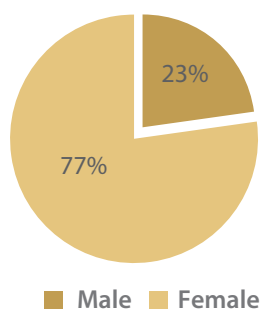
It is well known that the average education levels in Kerala is among the highest in India. This was reflected in the findings as well. Only 7 per cent of the beneficiaries were illiterate. Another 10 per cent were literate but without any formal education; the remaining were educated at least till 8th grade. Nearly 5 per cent had also completed graduation or post-graduation levels of education (Figure 7).

To get an estimate of the economic status of the respondents, their monthly expenditure profile was captured. Their expenses on major items (healthcare, education, food and other consumables, electricity, telephone (mobile) bill, clothes and other durables, salary of domestic help/cook, cooking fuel and others) were summed up to get the total monthly household expenditure. This was then divided by the household size to get the Monthly Per Capita Expenditure (MPCE) for each of the sampled households.

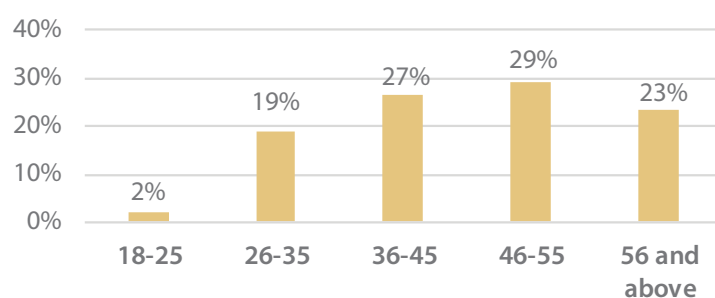
For further analysis, MPCE was divided into quintiles (Figure 7). This converted the continuous variable into a categorical one and helped in reading the data more clearly. Tables with MPCE quintiles were used to understand how certain responses were changing between quintiles. The average MPCE for each category is highlighted in Table 7. MPCE is commonly used as a proxy for estimated household income.

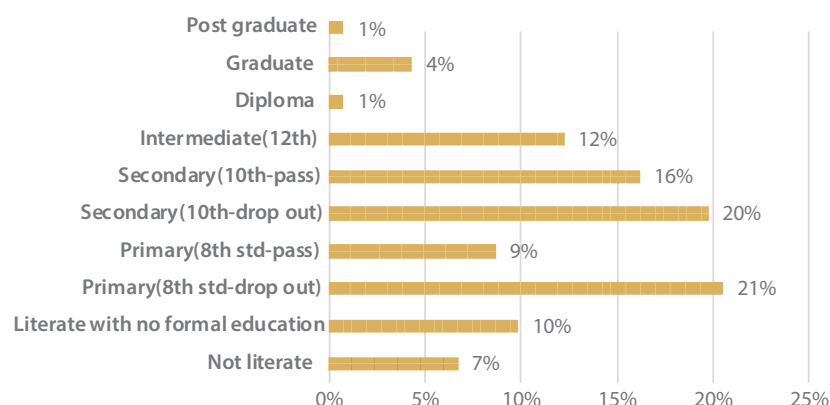
A positive correlation is discerned mapping the

**Figure 5: Gender of BLC applicants**



**Figure 6: Age of BLC applicants**



**Figure 7: Applicants' education levels**

education level of the beneficiaries against the MPCE of the households as shown in Figure 8. The beneficiaries with a better education were better off in term of their socio-economic status.

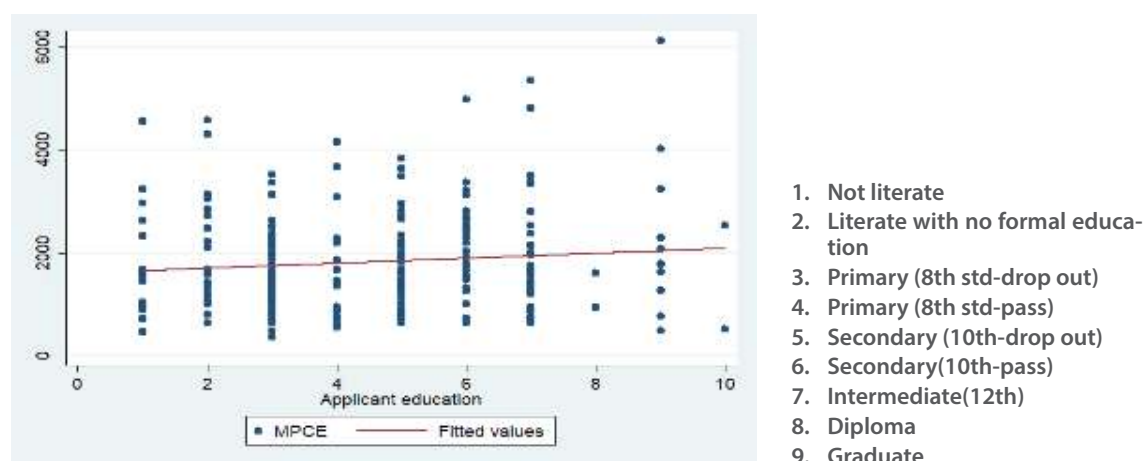
**Table 7: Average MPCE for different categories**

MPCE Quintiles	Mean MPCE
Low	946
Mid	1659
High	2909

The beneficiaries had varied jobs. A significant percentage of beneficiaries (59.7 per cent) were either not employed or retired. They belonged to the category of homemakers, retired and unemployed. Among the employed, only 4 per cent of the beneficiaries earned their livelihood either as skilled or unskilled labourers in construction

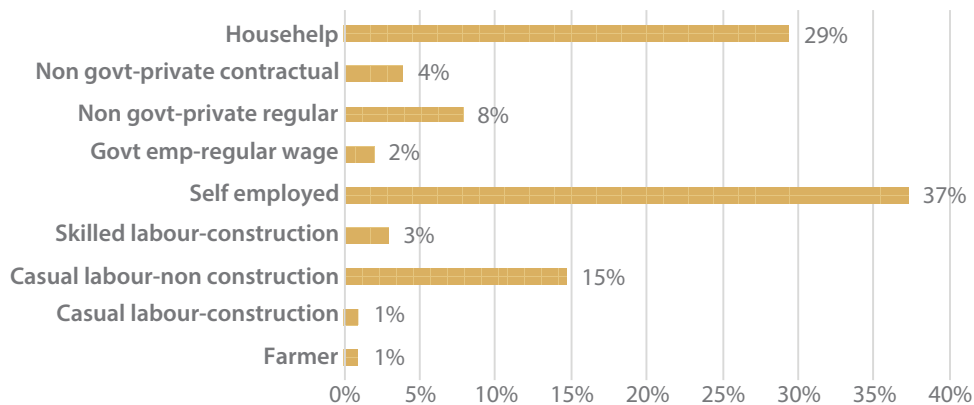
work. There is a considerable share of casual labour in non-construction work as well, at 15 per cent, followed by self-employed at 37 per cent. Further, only 2 per cent and 12 per cent beneficiaries were employed in the government and private sector respectively (Figure 9).

Figure 10 shows the correlation between education and occupation. Expectedly, the skilled category workers had higher education levels. The unemployed category was found to consist of homemakers and unemployed beneficiaries who were either illiterate or lacked any formal education. There were 59.7 per cent unemployed, among which the majority (65 per cent) were women who were homemakers. This clearly indicates that these beneficiaries belonged to the underprivileged sections with low chances of improving their lives by breaking the vicious circle of poverty. It demonstrates that the majority

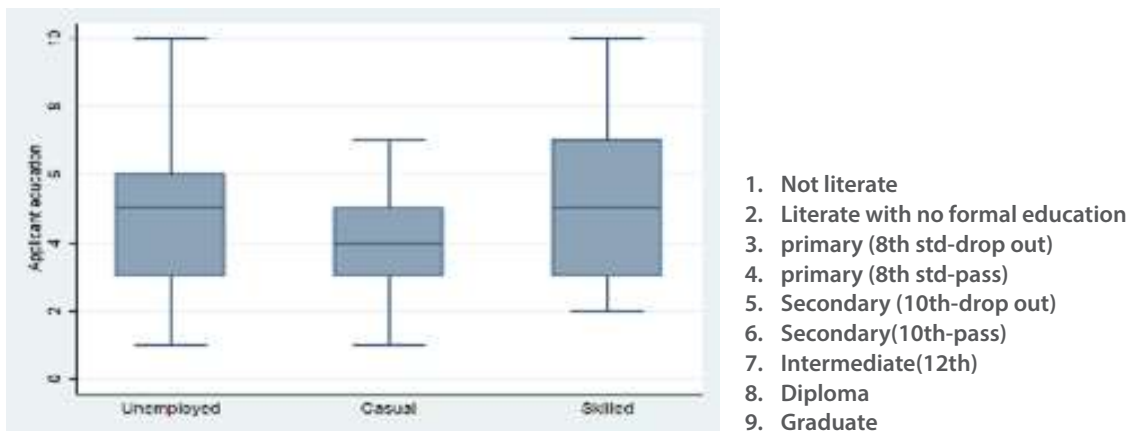
**Figure 8: Education and MPCE**



**Figure 9: Employment of the households**



**Figure 10: Relation between education and employment**



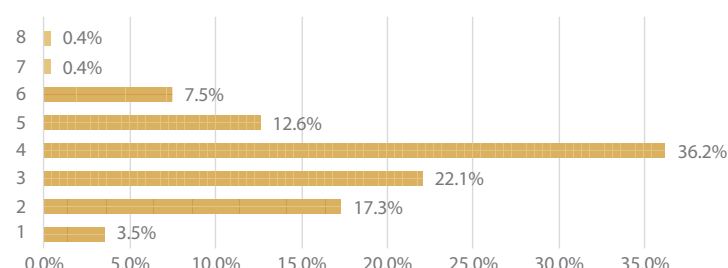
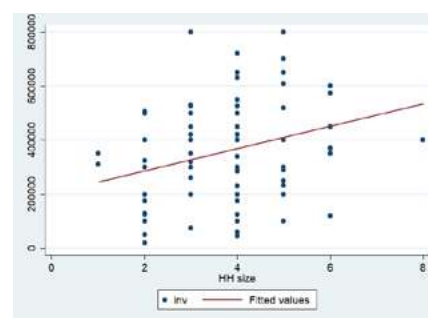
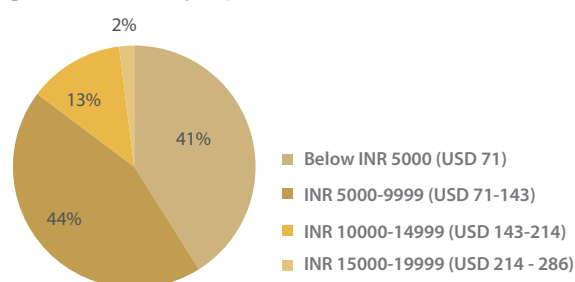
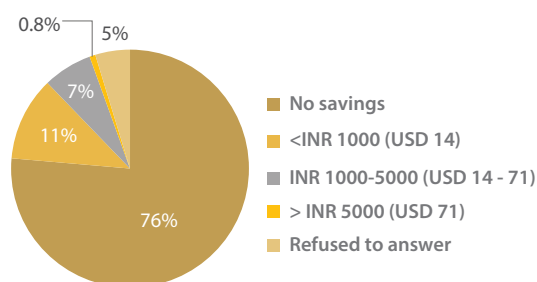
of beneficiaries of PMAY under BLC were suitably targeted in Kerala, given the PMAY-BLC focus on the economically weaker section (EWS) of the population.

Around 58 per cent of households selected had a household size of three to four members while more than 7.5 per cent had a household size of more than six. Nearly nine houses built under BLC had only the beneficiary living in it at the time of the survey (Figure 11).

Expectedly, the household size had an impact on the size of the house constructed and also the amount invested in the construction (Figure 12). About 20 per cent of households had a household size of more than four members.

The expenditure and savings pattern of the households further show that the beneficiaries

belong to the EWS category, which is a critical entry point under the PMAY-BLC scheme. Almost all, i.e. 98 per cent, incurred an average monthly expenditure less than INR 15,000 (USD 215). Around 2 per cent of the households incurred higher expenses on a monthly basis (more than INR 15,000, USD 215), and among these, most had a household size of four to six (Figure 13). Almost 76 per cent of the beneficiaries claimed that they had no savings at present. Many of them had to repay loans. Another 11 per cent claimed that they barely managed to save less than INR 1000 (USD 14) on a monthly basis. A significant number of households (12) refused to talk about their savings. Only one beneficiary spoke boldly of household savings of more than INR 10,000 (USD 142) in a month (Figure 14).

**Figure 11: Household size of BLC applicants**

**Figure 12: Correlation between investment in construction and HH size**

**Figure 13: Monthly expenditure of households**

**Figure 14: Monthly savings of households**


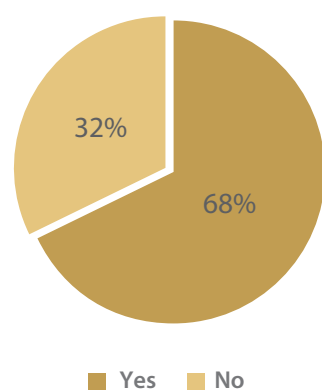
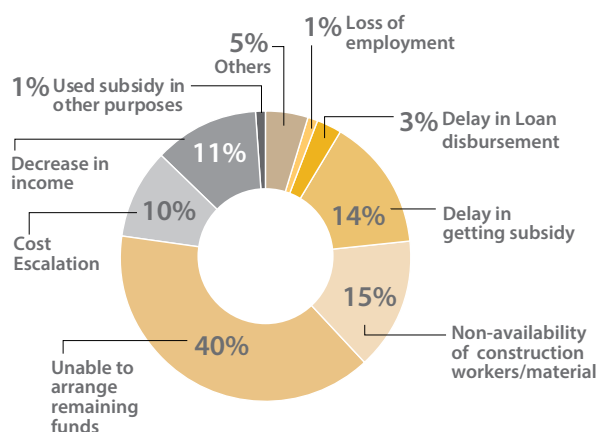
## 5.2 FACTORS AFFECTING THE CONSTRUCTION PROCESS UNDER BLC

Beneficiaries were mostly happy with the construction process; most experienced no hindrances with regard to subsidy disbursals. Almost 68 per cent of

the beneficiaries did not recall any significant delay during the various stages of construction (Figure 15). The 32 per cent who did face a delay reported the following reasons for it: inability to arrange for the extra funds required to complete the construction, difficulty in obtaining subsidy, and non-availability of construction workers/materials.

Among those who faced a hold-up in construction, about 40 per cent attributed it to the inability to arrange remaining funds from other sources, followed by delay in receiving the subsidy and non-availability of construction materials at 15 per cent each. While access to finance remains a major cause of delay, cost escalation and fluctuation in income were also cited as reasons (Figure 16). Given that the beneficiary is required to demolish his/her house without receiving any funds from the government, the initial phase of BLC housing faces significant impediments.

While beneficiaries faced delay due to non-availability of material and labour in some cities, for instance in Kochi, a construction group completely comprising of women has been formed by Kudumbashree with 40 civil engineering graduates, 30 civil diploma and ITI holders and around 60 masons, all women. Trainings have been provided by reputed agencies like KITCO

**Figure 15: Delay in construction**

**Figure 16: Reasons Identified for delay in construction**






## CASE STUDY

### PROCURED MATERIAL ON HER OWN



**Beneficiary:** A woodcutter from Pottakunnil, (Kohzikode)

**Family size:** 2

**Education Level:** Literate

**Occupation:** Woodcutter

**Sources of household income:** Income from tree cutting

**Geographic location:** Pottakunnil, (Kohzikode)

**Land owned by:** Beneficiary

**Size of house:** 600 sq ft

**Specifications of house constructed:** 2 rooms of size 8'× 9' and 9'×10'; hall of size 10'×11' and kitchen of size 8'×10'

**Toilet:** Yes, 1 attached

*The beneficiary, a female woodcutter, who is well known in the area as a torchbearer, has successfully constructed a house on her ancestral land. She is the only female tree cutter in the state and was awarded the PMAY subsidy by the municipality in a contest organised by Kudumbashree. Earlier, she lived in a mud hut. Now at the age of 58, with the PMAY scheme, she has succeeded in constructing a house for herself.*

The application process was more or less smooth. The beneficiary has received INR 420,000 (USD 6,000) from the government in four instalments. Over and above this, she arranged for another INR 350,000 (USD 5,000) from various government schemes under Kudumbashree. She is well aware of the amount and costs of materials that have been used. She personally supervised the entire process and had to miss work while the construction was ongoing.

#### ACCESS TO CIVIC INFRASTRUCTURE

**Electricity:** Available

**Drinking water:** Own well

(for engineers and supervisors) and Archana Women's centre for masons. They have the technical competency to take up construction activities like building plans, estimates, supervision and overall technical consultancy services. As and when required, the masons trained by Kudumbashree are employed to construct the house of the beneficiaries.

The subsidy grant has ideally been given out in four tranches in Kerala. The first grant is of INR 40,000 (USD 571), the second and third are of INR 160,000 (USD 2,285) each, and the last one is of INR 40,000 (USD 571). Several schemes have been converged to provide funds to the beneficiaries. Many have also been given loans from Kudumbashree to enable

## CASE STUDY

### MASON UNDER THE CONSTRUCTION GROUP

**Mason:** From Trivandrum, has built 3 PMAY houses

**Occupation:** Mason

**Number of houses built under PMAY:** 3

**Geographic location:** Trivandrum

*The mason is part of her locality's women's self-help group (SHG). The SHG is mainly involved in making and supplying construction materials such as bricks. As a mason, she also supports BLC beneficiaries during construction.*

The mason and nine other women are part of the Eminent Construction Group created by the panchayat. Along with a few others, she received 53 days of formal training on masonry that also involved hands-on construction. Since then, there has been no turning back. This group has begun construction of BLC houses and is very familiar with its rules. This group also manufactures hollow bricks and charges service charge from the beneficiaries.

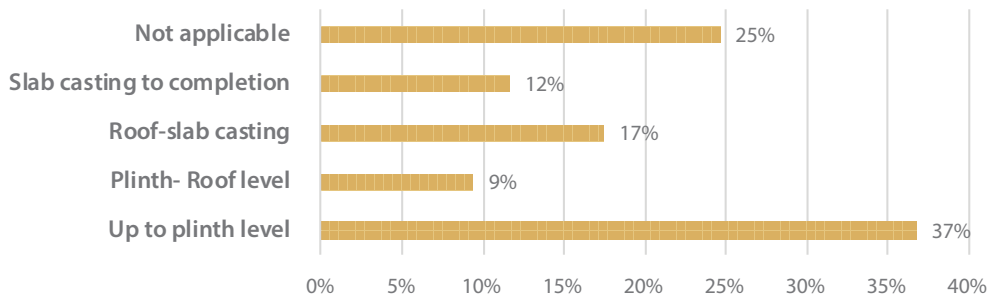
She says that the inspectors are not very strict about the materials used in construction and allow the beneficiaries to choose them. However, they ensure that the carpet area is within the limit, and that a toilet with a septic tank and a kitchen are constructed. Prakashini has helped in the construction of houses owned by men and women, and observed that all of them possessed land ownership documents. She also mentioned that her group of female masons is recognised by the government. Prakashini is also a PMAY beneficiary herself.

#### OBSERVATIONS ON HOUSES CONSTRUCTED

She confirmed that the government inspects the quality of construction and carpet area. She added that there are no rules or restriction from the government for using materials in the construction. Beneficiaries are free to choose any material for building their houses. The only condition is that the house should be pucca in nature and not be more than 600 sq.ft in area. However, there are other conditions for obtaining the NOC for construction, such as the presence of at least one toilet, a separate kitchen and a septic tank. There are building plans provided by the government which has to be followed. She also informed that the municipality has decided to provide hollow bricks to the beneficiaries for free. She also pointed out that all the houses have a toilet. However, electricity and water are still not available in a few houses, and the road condition is usually very poor.



**Figure 17: Most time-consuming stages of construction**



them to construct their houses.

253 of the surveyed households had constructed houses under BLC. According to the survey, 37 per cent of the respondents reported construction from plinth to roof level as the most time-consuming phase (Figure 17). No significant correlation between MPCE and the time taken for completion of construction was noticed. Around 10 per cent of the beneficiaries, however, experienced cost escalation due to increase in the cost of labour, material and transportation.

An analysis was done considering beneficiaries who were at various stages of construction. About 37 per cent of applicants had completed construction. Of these, 34 per cent had received either the full subsidy of INR 4,00,000 (USD 5,714) or an amount of INR 360,000 (USD 5,142), and were waiting for the final instalment. As many as 30 per cent of the BLC applicants had completed construction up to roof slab casting and had received subsidy up to INR 360,000 (USD 5,142). Only 10 per cent of applicants were in the preliminary stages of construction and were either yet to receive any subsidy or had received only the first or second instalment.

### 5.3 ACCESS TO FINANCE FOR CONSTRUCTION

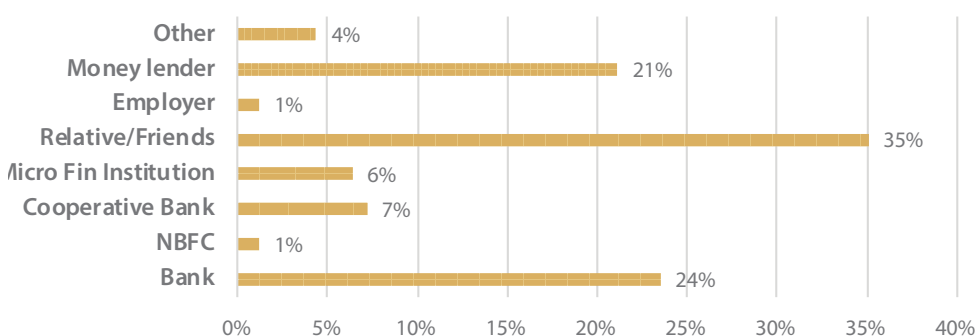
The most prominent source of funds to complement

the household's own savings and the grant received under PMAY-BLC was borrowing from formal institutions like banks, non-banking financial companies (NBFCs), micro finance institutions (MFIs) and cooperative banks, as was observed among 38 per cent of the respondents. At 35 per cent, borrowing from relatives and friends stood second. Loans from moneylenders emerged as the third major source of borrowing, with 21 per cent of the respondents borrowing from them (Figure 18). This clearly indicates that access to institutional credit is significantly better in Kerala than most other states, with two out of every five slum dwellers accessing institutional loans for building their houses.

Although 100 per cent of the beneficiaries reported having bank accounts, only about 38 percent applied for a bank loan. The two major reasons reported for this trend were the higher rate of interest (31 per cent of the respondents) and requirement for collaterals (21 per cent) (Figure 19). Apart from these, uncertainty about the ability to pay back, a lengthy application process, lack of necessary documentations, and short-term period of loans featured as reasons for not applying for bank loans.

Further, majority of the beneficiaries relied on multiple sources of finances for their construction. Interestingly, households that borrowed from

**Figure 18: Sources of Borrowing for BLC Beneficiaries**





informal sources repaid at an average interest rate of 7.5 per cent p.a., whereas the average interest rate for formal borrowing was reported to be 8.5 per cent. The low rate of interest in case of informal borrowing raises some concerns about its accuracy

with this being more critical as 50 per cent of the informal borrowers reported to have not paid any interest at all. More than 70 per cent of the respondents who borrowed from friends and families were not required to pay any interest.

## CASE STUDY

### BORROWED FROM FRIEND



**Beneficiary:** Engaged as a mason in Trivandrum

**Family size:** 4

**Occupation:** Mason

**Sources of household income:** Wages from skilled labour

**Geographic location:** Trivandrum

**Land owned by:** Beneficiary

**Size of house:** 600 sq ft

**Specifications of house constructed:** 2 rooms, kitchen, toilet

**Toilet:** Yes

*The beneficiary is a mason. He had bought 10 cents of land for INR 5000 (USD 71) nearly 32 years back. In 2018, when the councillor gave his approval, they began with the demolition of their old house. He hired some labour to complete this task.*

The beneficiary's wife is ill and family medical expenses are high. To balance his earning and expenditures he has divided his outside work equally with his own house construction. Three days a week, he works outside, and for three or four days, with the help of his son, he works on his own house construction. The house is being constructed using a combination of burnt bricks and fly ash bricks. Construction is ongoing, and likely to be completed in another one and half months. The family has already incurred an expenditure of INR 850,000 (USD 12,142) and estimates further expenses worth INR 250,000 (USD 3,571). They have borrowed from the extended family and taken a loan against jewellery for the additional expenses incurred.

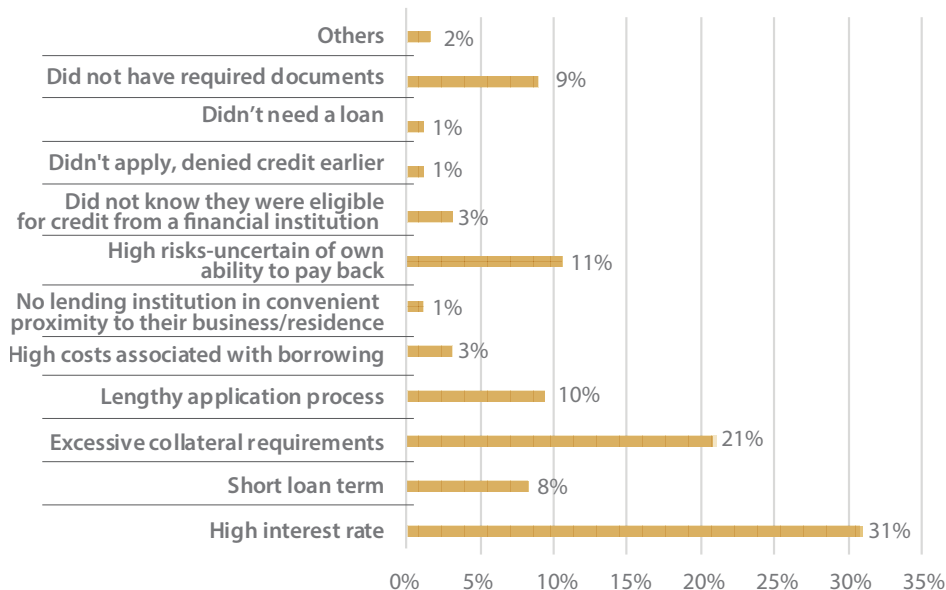
#### ACCESS TO CIVIC INFRASTRUCTURE

**Electricity:** Will apply after completion of house

**Drinking water:** Own well



**Figure 19:** Reasons for not borrowing from banks



## CASE STUDY

### BORROWED FROM CO OPERATIVE BANK

**Beneficiary:** From Fort Kochi, Cochin; receives a pension for disability

**Family size:** 2

**Sources of household income:** Pension for disability

**Geographic location:** Fort Kochi, Cochin

**Land owned by:** Beneficiary and his wife

**Size of House:** 600 sq ft

**Specifications of house constructed:** 2 rooms, hall and kitchen

**Toilet:** Yet to be constructed

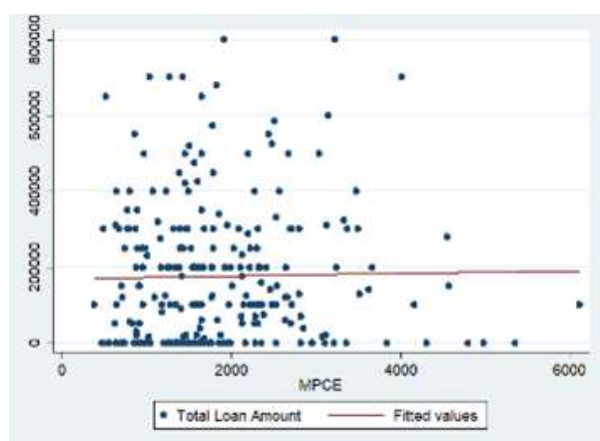
The beneficiary lived with his family in a thatched roof house made with palm leaves. He is now constructing his own pucca house. The Fort Kochi coastal area is far from the mainland, with limited access to public facilities. House construction is tedious due to the scarcity of availability of construction materials in the nearby areas resulting in high transportation costs.

The beneficiary has received INR 360,000 (USD 5,142) in three instalments till date. In addition, he has taken a home loan of INR 500,000 (USD 7,142) from a cooperative bank by mortgaging the papers of the house under construction. Being a person with disabilities, he could not oversee the construction and gave the responsibility of construction of the house to a contractor against a contract of INR 900,000 (USD 12,857). He is yet to construct a toilet and complete the construction of the house.

## ACCESS TO CIVIC INFRASTRUCTURE

**Electricity:** Available

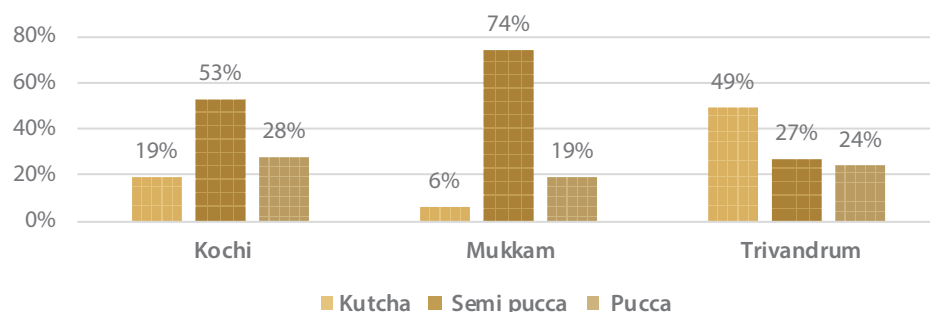
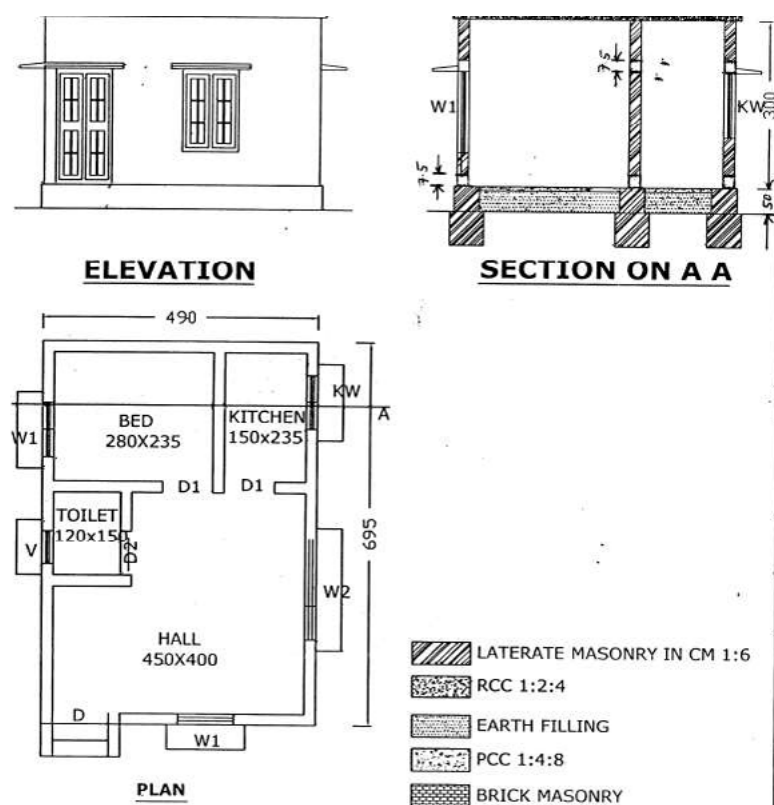
**Drinking water:** From piped water outside the house

**Figure 20:** MPCE and the amount of loan

No significant correlation was found between the MPCE and the amount of loan applied for, i.e. beneficiaries across all MPCE quintiles applied for or borrowed almost the same amount of money for the construction (Figure 20). This shows that financing, through informal or formal sources, is easily accessible to all strata of the society. This is a very significant finding because access to finance is a limitation in most states in India for building a house, which is not the case in Kerala.

#### 5.4 FEATURES OF THE BLC HOUSE

Most houses in Kerala followed a standard design of two bedrooms, hall, kitchen and a toilet, though

**Figure 21:** City-wise housing typology of previous house**Figure 22:** Standard building design





exceptions were found. Kerala allows construction within 645.8 sq ft which is strictly adhered to by all. In case of construction beyond the limits set, the beneficiary has to return the grant subsidy along with 12 per cent rate of interest. This penalty ensures that rules are not broken.

Although the primary objective of the PMAY-BLC scheme is to convert all kutcha and semi-pucca housing units as pucca houses, beneficiaries reported owning pucca houses before applying for BLC (Figure 21). This, however, could be explained by the respondents being unable to categorise between semi-pucca and pucca, or they could be staying in a joint family or on rent, thereby reporting their housing condition as pucca.

In India, a house – which usually represents people's aspirations over a lifetime – is typically built once in a lifetime, or often once in the lifetime of a few generations. As this is true across all economic strata of the society, flexibility emerges as a very important factor behind the success of the scheme. Beneficiaries in Kerala, although are given a standard design (Figure 22), are allowed flexibility to design their own house. More than 90 per cent of the respondents, however, reported to have gotten their building plans approved from the requisite authority. Out of the remaining 9 per cent, who did not obtain government approval, 43 per cent followed the standard design provided by the government, while the rest were guided by the contractor or mason.

#### CASE STUDY

#### BUILT A HOUSE HAVING CARPET AREA MORE THAN 600 SQ.FT

**Name:** Vanaja

**Family size:** 2

**Occupation:** Labour at KGT Agriculture

**Sources of household income:** Job at KGT Agriculture

**Geographic location:** Trivandrum

**Land owned by:** Beneficiary

**Size of House:** 630 sq ft

**Specifications of house constructed:** 2 rooms, hall, kitchen

**Toilet:** Yes

*Vanaja is the sole bread earner of the household and built her house under the BLC scheme. She has constructed a bigger house than allowed (above the limit of 60 sq m) and the corporation has now sent her a notice asking her to repay the entire subsidy with interest.*

Vanaja was very happy to hear from the councillor that she was eligible for BLC. She applied around December 2018 and received her sanction soon after in March, 2019. She had already inherited the land from her mother-in-law. Thus, without wasting time, she began constructing her house and completed it within a few months. Vanaja's house built on concrete pillars was bigger than the stipulated size. She had to demolish the veranda built to save herself from the penalty. The final assessment is due; it will decide whether she has to pay back INR 310,000 (USD 4102) that she has received under the housing scheme along with an interest of 12 per cent. She explained that she did not construct a bigger house deliberately and hopes that the corporation will waive off the penalty.

#### ACCESS TO CIVIC INFRASTRUCTURE

**ELECTRICITY:** Available

**DRINKING WATER:** Own well

This points to protocols in place for building design approvals. While beneficiaries had the flexibility to design their own houses, they were required to go through the formal process of acquiring approval. It further shows the government's effort to ensure that the beneficiaries are following the rule of a house size within the stipulated 645 sq ft.

Around 98 per cent of the houses built were within the stipulated 600 sq ft. There were three houses in Kochi, one in Mukkam and one in Trivandrum larger than 600 sq ft. On comparing the carpet area of the old house with new house, it is found that there were 6 per cent old houses with carpet area more than 1,100 sq ft; and only one new house with carpet area more than 1,100 sq ft (Figure 23). This further underlines the government's success in ensuring beneficiaries adhere to the strict norm of a maximum house size of 600 sq ft. In one case in Trivandrum, the beneficiary said she had unintentionally built a house of 630 sq ft, and then had to demolish the veranda to save herself from the penalty. However, her final assessment is still due, after which it will be decided if she has to pay back INR 310,000 (USD 4,428) with 12 per cent interest.

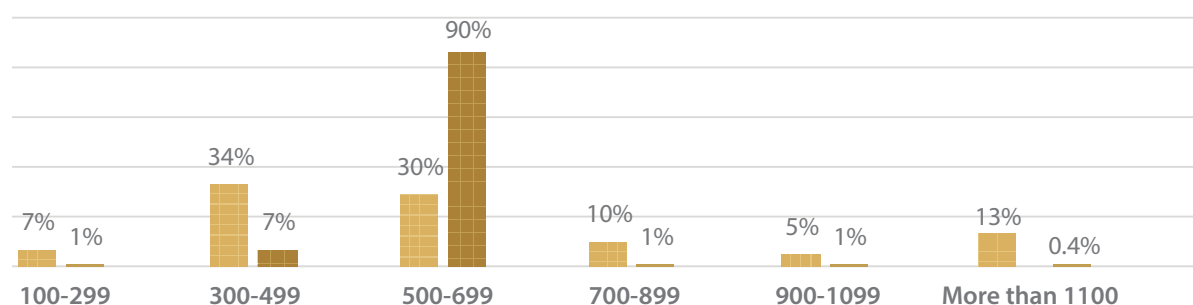
While 50 per cent of the houses built had two

rooms, 40 per cent had three. Out of the total houses constructed, 6 per cent built only one room due to paucity of space. Again, on comparing the number of rooms in the old houses to the new ones, it was found that many beneficiaries settled for fewer rooms to abide by the carpet area specifications under the BLC scheme. While 16 per cent old houses had four rooms, only 3 per cent new houses had been built with four rooms. There were 2 per cent old houses with five or six rooms against none with as many rooms amongst the new constructions (Figure 24).

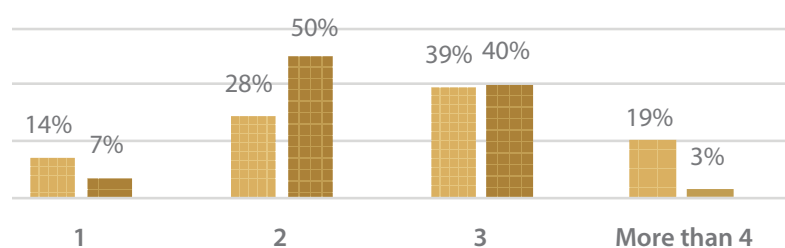
All houses surveyed had toilets (compared to 98 per cent who had toilets in their old house), and most of these were inside the house. More than three-fourth of the houses constructed had built a kitchen separately.

All toilets built had ensured appropriate waste disposal systems. Even houses with one room had constructed toilets indicating that toilets were a high priority. Only 2 per cent houses had access to a piped sewer. Septic tanks are the most common on-site sanitation system in Kerala at 92 per cent. Out of these, 80 per cent have a septic tank with soak pit, 8 per cent have septic tank with no outlet,

**Figure 23:** Carpet area of old vis-à-vis new house

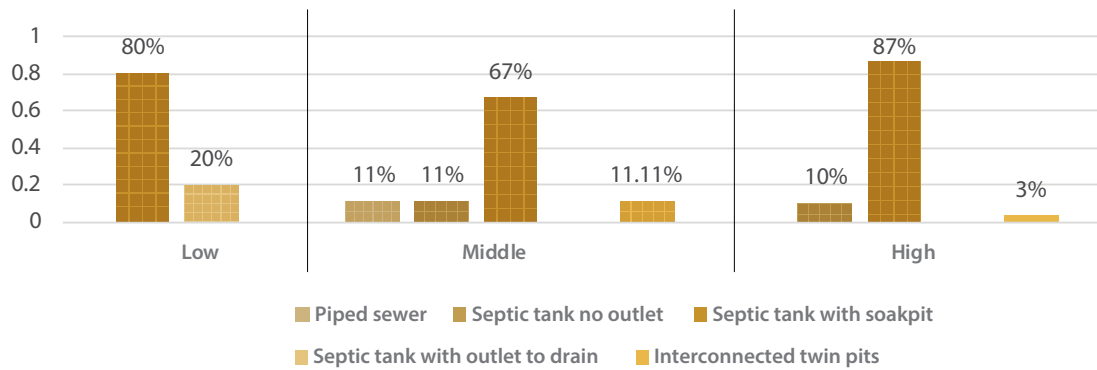


**Figure 24:** No of rooms in previous vis-à-vis new house





**Figure 25: Access to wastewater management system**



and only 4 per cent were connected with an outlet to a drain (Figure 25). The access to sewers was comparatively low, compared to septic tanks or pits, across the MPCE quintiles.

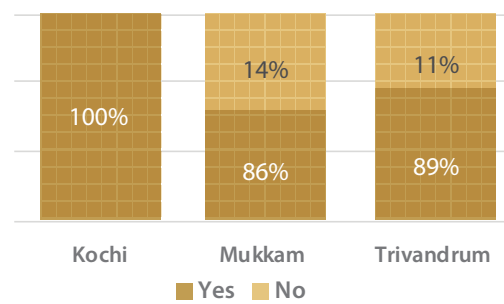
### 5.5 ACCESS TO CIVIC AMENITIES

As per the PMAY mandate, the ULBs should ensure that individual houses under BLC have provision for basic services like water, sanitation, sewerage, road, electricity, etc. Around 62 per cent of the houses surveyed had electricity connections inside their houses.

About 84 per cent of the surveyed households had a metered electricity connection. It may also be noted that all the completed BLC houses in Kochi have a metered electricity connection whereas the proportions for Mukkam and Trivandrum are 86 per cent and 89 per cent respectively (Figure 26).

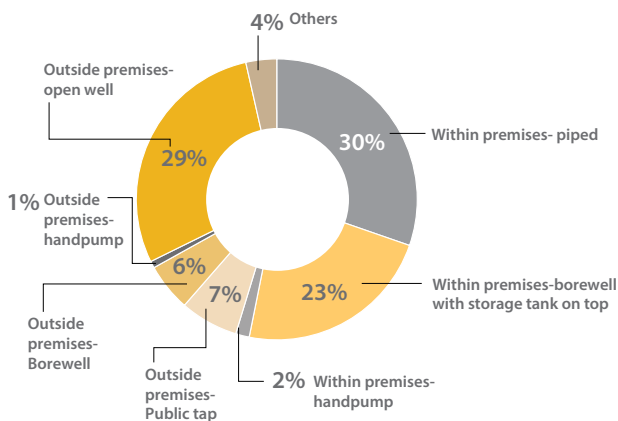
Out of the total surveyed households, about 45 per cent did not have a water connection within

**Figure 26: Metered electricity in completed house**

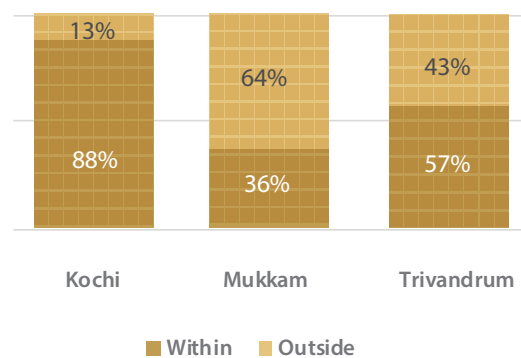


their house. Among these, 29 per cent continued to rely on open wells for water and 12 per cent on public taps and borewells. Among the households who had water within their premises, 30 per cent had piped water and about 23 per cent even had storage tanks (Figure 27). In fact, out of the total completed houses under BLC, 88 per cent of the households in Kochi, 36 per cent in Mukkam, and 57 per cent in Trivandrum had access to water within premises (Figure 28).

**Figure 27: Sources of water supply**

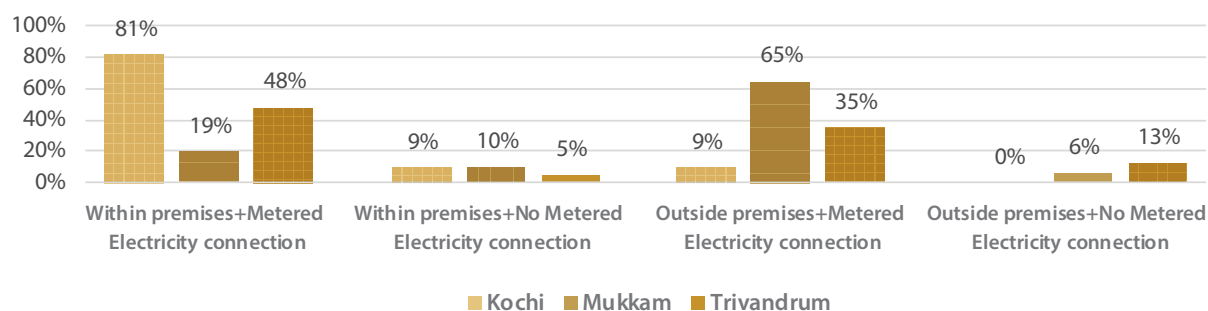


**Figure 28: Water supply source in completed houses**

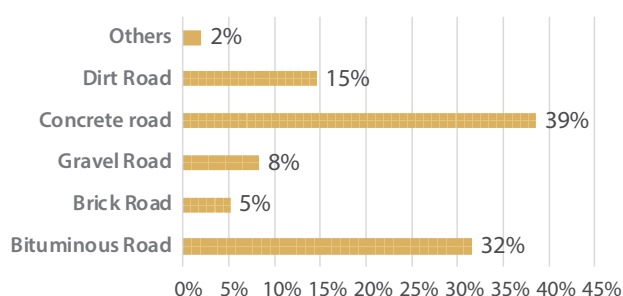




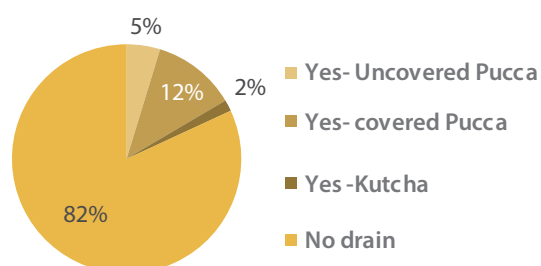
**Figure 29: Access to water and electricity**



**Figure 30: Type of access road**



**Figure 31: Drain type**



## CASE STUDY

### OBSERVATION OF THE MASON ON CIVIC INFRASTRUCTURE



**Mason:** From Trivandrum

**Occupation:** Head mason

**Number of houses built under PMAY:** 5

**Geographic location:** Trivandrum

The mason has constructed many houses under BLC. He is well aware of the rules of the housing scheme. He observes that both beneficiaries and masons are very careful about the carpet area not exceeding the 600 sq ft limit. It is also well known to them that the house built must have a kitchen and a toilet constructed within the given carpet area.

The mason said he is not hired through a contractor but directly by the beneficiaries. He is himself not a PMAY beneficiary, but he knows around



## CASE STUDY contd.

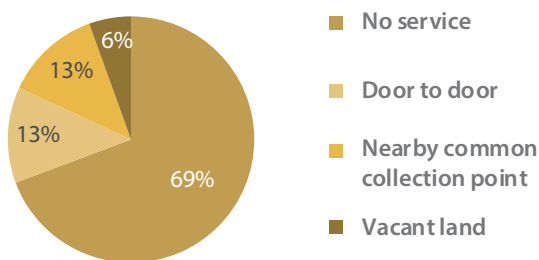
### OBSERVATION OF THE MASON ON CIVIC INFRASTRUCTURE

40 beneficiaries in this area. He has constructed 5 houses out of these 40 but not all of them are complete. He opines that lack of fund flow on the part of either the government or the beneficiary halts construction.

#### OBSERVATIONS ON HOUSES CONSTRUCTED

When asked whether the government inspects the quality of construction and carpet area, he replied in the affirmative. He added that the government checks the depth of the foundation, the plinth and also the roof, and that the inspectors measure the carpet area. He observed that the beneficiaries themselves get the raw material and mostly design their own home. He also pointed out that all the houses have a toilet. However, electricity and water are still not available in a few houses, and the road condition is very poor.

**Figure 32:** Solid waste management service



Kochi had the highest coverage of households with water and electricity at 81 per cent, while it remained significantly low in case of Mukkam at 19 per cent (Figure 29).

All houses had an opening to a road. Approximately 70 per cent had access to a concrete or bituminous road. However, 20 per cent of the respondents had a brick road or a kuccha one in front of their house (Figure 30). Around 12 per cent of the total respondents had pucca covered drains next to their houses, while 4.7 per cent had pucca but uncovered drains constructed. A large section of the respondents (71 per cent) did not have any drainage system around their houses (Figure 31). The maximum number of pucca drains was in Kochi and minimum in Trivandrum.

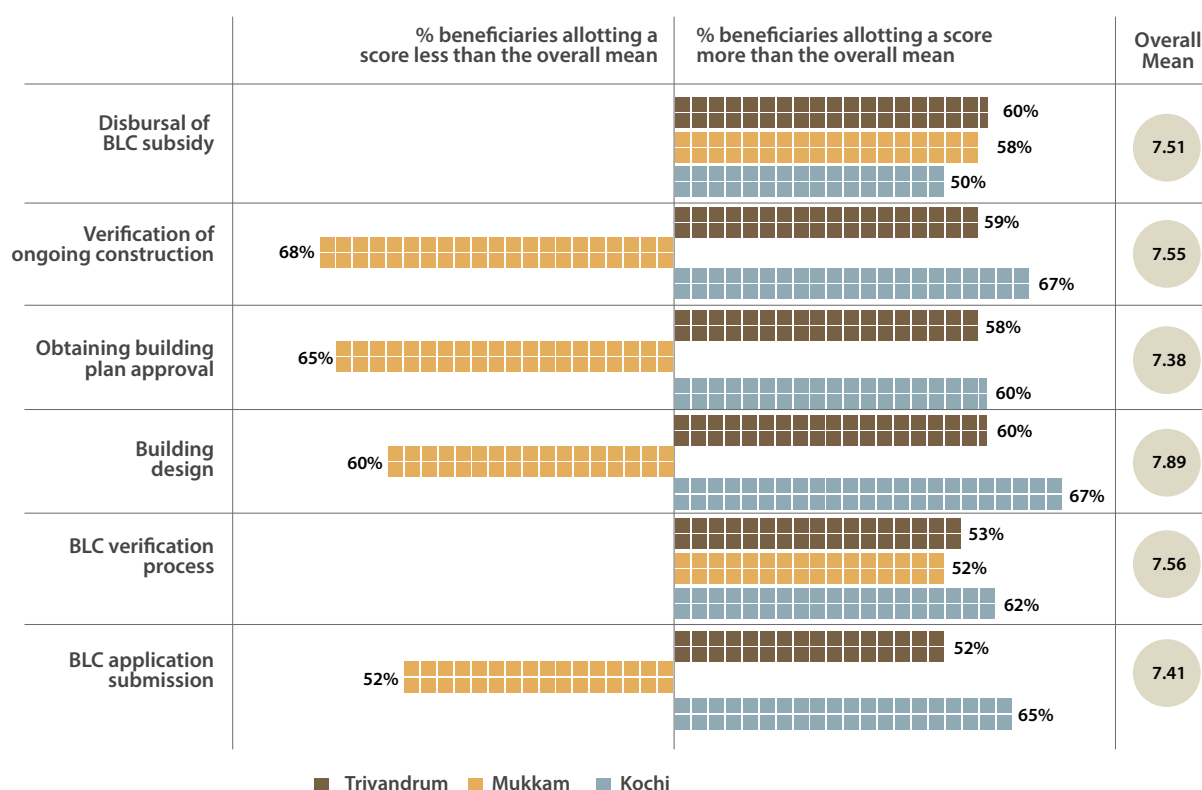
About 13 per cent of the respondents said that they have a door-to-door garbage collection system in place. Another 15 per cent dump their household solid waste in nearby collection dumps. A significant number of households (69 per cent) did not have any solid waste management system in place. They either

threw the garbage on vacant lands or water bodies (Figure 32). Significantly, 96 per cent of the houses do not have any littering around the premises (Table 8). Upon further investigation it was found that households burn their waste to avoid littering in the area.

#### 5.6 OVERALL SATISFACTION

The six stages of the BLC process were delineated and the perception of the respondents for each of these were separately noted. Thereafter, an average of perceptions was calculated stage-wise, which reflected a mean satisfaction level at a score varying between 7.38 to 7.89, across the three cities. However, considerable variations were observed within these cities compared to the mean level of satisfaction. While majority of the beneficiaries from Kochi and Trivandrum indicated an above average level of satisfaction across the six stages, in comparison, majority of the beneficiaries in Mukkam reported lower satisfaction levels. Specifically, more than 60 per cent beneficiaries in Mukkam expressed lower levels of satisfaction in the building plan approval and verification of ongoing construction stages while 50-60 per cent of the beneficiaries recorded lower levels of satisfaction in BLC application submission and building design stages (Figure 33).

The average time taken between application submission to approval was about eight weeks, while approval to start the construction took only two weeks. The actual construction took up the most time (Table 8).

**Figure 33: Overall satisfaction with the BLC process****Table 8: Time taken from application submission to completion**

Stages	Average time taken (weeks)
Stage 1: Application submission to approval	8
Stage 2: Approval to start of construction	2
Stage 3: Complete construction	48

A logistic regression analysis of comparing the overall satisfaction among the BLC beneficiaries revealed that the odds of experiencing high satisfaction (score  $\geq 8$ ) for the BLC building design stage is around 3 times higher in Kochi and Trivandrum when compared to Mukkam. A similar trend was observed across the stages of obtaining building plan approval and verification of construction of BLC houses, wherein beneficiaries were reported to be 3-4 times more satisfied in Kochi and 2-3 times in Trivandrum than those in Mukkam. There is no significant difference in the level of satisfaction between Kochi and Trivandrum.

**Table 10: Comparing level of satisfaction among BLC beneficiaries**

	Kochi compared to Mukkam	Trivandrum compared to Mukkam
Stage 1 : BLC application submission	NS	NS
Stage 2: BLC verification process	NS	NS
Stage 3: Building design	3.34	3.05
Stage 4: Obtaining building plan approval	3.64	2.47
Stage 5: Verification of ongoing construction	4.2	3.05
Stage 6: Disbursal of subsidy	NS	NS

NS means not significantly different, indicating that the satisfaction levels of the two cities are similar





## CASE STUDY

### SATISFIED WITH INFORMATION DISSEMINATION



**Beneficiary:** Former painter, from Thetiyad, Kozhikode

**Family size:** 3

**Education level:** Literate

**Occupation:** Painter who is now differently-abled

**Sources of household income:** Wife works in a local shop

**Geographic location:** Thetiyad, Kozhikode

**Land owned by:** Beneficiary and his wife

**Size of house:** 600 sq ft

**Specifications of house constructed:** 2 rooms of size 8'× 9' and 9'×10', hall of size 10'×11', and kitchen of size 8'×10'

**Toilet:** Yes, 1 attached and the other outside

The beneficiary, a painter from Thetiyad in Kerala, became differently-abled after he met with an accident. He did not allow his disability to become a challenge in supervising his house construction. He constructed a ramp at the entrance of the house for easy mobility. He received a formal loan of INR 400,000 (USD 5,714) from the bank and invested an additional INR 100,000 (USD 1,428). These, along with the INR 370,000 (USD 5,285) he received in three instalments from PMAY, enabled him to complete the house.

The councillor of the area provided information and also helped in the application process. The beneficiary was well informed about the documents he had to submit and also about the verification processes. While his cousin helped him with the design, he gave a mason the contract for constructing the house. He used local laterite stone and black stone to construct the house on 12 pillars.

#### ACCESS TO CIVIC INFRASTRUCTURE

**Electricity:** Available

**Drinking water:** Own well

## CASE STUDY

**RATED THE  
BLC PROCESS  
HIGHLY  
SATISFACTORY**



**Beneficiary:** Employed in a hotel, from Mukkam

**Family size:** 4

**Education level:** Std X

**Occupation:** Works in a hotel

**Sources of household income:** Earnings from working in a hotel, driving an auto-rickshaw

**Geographical location:** Mukkam

**Land owned by:** Beneficiary

**Size of house:** 600 sq ft

**Specifications of house constructed:** 3 bedrooms, a hall and a kitchen

**Toilet:** Yes, 1 attached

*The beneficiary, an auto driver, and his wife made a house on a hillock. They had to bring up the raw material by means of a pulley that the beneficiary devised: a motorised winch attached to his auto. Earlier they lived in a small 300 sq ft house with an asbestos roof. The family has managed to build, within four months' time, a 600 sq ft house with a concrete roof in which they feel safe.*

The beneficiary has received all his instalments. He had spent INR 500,000 (USD 7,142) to build his house with two rooms, hall and kitchen. While the BLC scheme gave him INR 400,000 (USD 5,714), he borrowed another INR 100,000 (USD 1,428) from Kudumbashree. He and his family are very satisfied with the BLC process. The application procedure was easy for them, and so were the verifications that happened in stages. He gave a score of 9 out of 10 as his overall level of satisfaction with the process.

#### ACCESS TO CIVIC INFRASTRUCTURE

**Electricity:** Available

**Drinking water:** Public tubewell installed by a charitable organisation

## 5.7 CONVERGENCE WITH OTHER SCHEMES

Kerala has always emphasised convergence of schemes to benefit the EWS or low-income groups (LIGs) in particular. Some of the schemes being implemented in tandem with the housing mission in Kerala include the Ujjwala Yojana and the National Urban Livelihood Mission (NULM). Along with these, several municipalities and district administrations have provided benefits in various forms depending on the needs and the corpus of funds available.

Some of these are enumerated below:

- Free gas connection has been given to beneficiaries across the state under the Ujjwala Yojana.
- Increase in income through skill upgrading and setting up of self-employment ventures to enhance the quality of life of urban homeless have been enabled under the NULM. Nearly 700 members of PMAY beneficiary families were given orientation and 160 received placement under the Employment Skill Training and Placement (EST&P) component of NULM.
- Chavakkad Municipality has formulated a corpus fund, Bhavana Nidhi, to provide additional financial assistance for completing house construction to PMAY beneficiaries belonging to the EWS category.



- Malabar Gold and Krishna Builders provided financial assistance worth INR 450,000 (USD 6,428), i.e. INR 50,000 each (USD 714) to 9 beneficiaries and INR 1.35 Million (USD 19,285), i.e. INR 150,000 (USD 2,142) each to 9 beneficiaries.
- In Vennalapara colony (within the Kochi Municipal Corporation limits), Puravankara Builders and Chittilappu Foundation contributed INR 3.35 Million (USD 47,857) and INR 1.4 Million (USD 20,000) respectively for the construction of dwelling units for 28 families.
- Anugraha Charitable Trust in Kochi has committed to provide INR 7 Million (USD 100,000), i.e., INR 500,000 (USD 7,142) as financial support for 14 beneficiaries each.
- Free water connection was provided to all PMAY households in Pallakad district through AMRUT scheme.
- Kollam Corporation provided 57 cents of land for the rehabilitation of 24 dhobhi families in Alakkukuzhi colony.
- Kodungallor Municipality initiated the planting of at least one sapling per PMAY household to compensate for the loss of trees being cut down for the construction of houses.

- Under AUEG Scheme, 90 person-days of work are provided to PMAY beneficiaries to support them with an additional financial assistance worth INR 24,390 (USD 348) per beneficiary, calculated as INR 271 (USD 4) per day for 90 wage days.

Out of the 254 respondents of the survey, 162 had benefitted from the Ujjwala Yojana and 92 had opened Jan Dhan accounts. The Jan Dhan Yojana was intended for ensuring financial inclusion. It had several relaxations in terms of zero minimum balance, overdraft facility, relaxation in KYC norms, accidental insurance cover and direct transfer of government subsidies without any leakage.

Trivandrum has adopted an innovative measure to make bricks available to the poorest. A large number of bricks are abandoned by devotees after the annual Attukal Pongala, one of the world's largest all-women religious event, observed in the months of February-March each year. Pongala offerings are made at the Attukal Devi temple in Trivandrum in makeshift brick stoves. Women line up on either side of the roads in the city and its suburbs to perform this ritual; the line is sometimes 7 km long. Under the LIFE Mission, the city corporation has started to collect the bricks left behind by devotees, and hand them over to the poor to construct budget houses. Under the initiative, around 5,000 bricks have been given to the identified beneficiaries.

## CASE STUDY

### BENEFICIARY UNDER AUEGS



**Beneficiary:** Carpenter from Trivandrum

**Family size:** 6

**Education level:** Literate

**Sources of household income:** Wages from carpentry

**Geographic Location:** Trivandrum

**Land owned by:** Beneficiary

**Size of house:** Within 600 sq ft

**Specifications of house constructed:** 2 rooms, kitchen, toilet

*Apart from the housing subsidy, the beneficiary received additional support under the AUEGS, under which she received wages worth 90 person days to work on the construction of her own house.*

The beneficiary applied for a house in 2016. But it took almost 2 years to receive the sanction. After she received the sanction, she started the house construction. Since the area was prone to floods, and hence they constructed



## CASE STUDY *contd.*

### BENEFICIARY UNDER AUEGS

the plinth at a higher level. The foundation was being built on concrete pillars. She had taken a loan of INR 200,000 (USD 2,857) from the Society Bank to construct the house. She also received money from the urban employment guarantee scheme. These, along with the INR 200,000 (USD 2,857) that had been obtained as housing subsidy from the government, had been invested in the construction of the house. Though without access to electricity or water at present, the family was confident about a comfortable living in the house they are building.

#### ACCESS TO CIVIC INFRASTRUCTURE

**Electricity:** No

**Drinking water:** No, sourced locally through private arrangements

## CASE STUDY

### RECEIVED FREE BRICKS FROM KUDUMBASHREE



**Beneficiary:** Sewing machine repairer from Trivandrum

**Family size:** 5

**Education level:** Junior school

**Occupation:** Repairs sewing machines

**Sources of household income:** Repair work

**Geographic location:** Trivandrum

**Land owned by:** Beneficiaries

**Size of house:** 490 sq ft

**Specifications of house constructed:** 2 rooms, hall kitchen, toilet

*The family is a grateful beneficiary of several government schemes for constructing the house, after witnessing several house-shifting. They were supported by the LIFE Mission during the purchase of land.*

**CASE STUDY**  
*contd.***RECEIVED FREE  
BRICKS FROM  
KUDUMBASHREE**

The family had already changed 10 to 15 houses, moving every two to three years. Primary reasons for this frequent shifting were either livelihood-related or due to issues with the rented houses. It was only after the government provided them 1.5 cents of land that they purchased another 1 cent from a neighbour. On the basis of this, they applied under BLC. The approval came after six months and the couple began construction immediately thereafter. They have already spent INR 700,000 (USD 10,000) and need another INR 300,000 (USD 4,285) to complete their 490 sq ft house.

This family truly benefitted from the convergence of various government programmes. They received INR 350,000 (USD 5,000) from the housing scheme, INR 24,000 (USD 342) from the urban employment guarantee scheme, and also free bricks from the Attukal Pongal ceremony (see above). The beneficiary's wife also receives a medical allowance since she is a cancer survivor.

**ACCESS TO CIVIC INFRASTRUCTURE****Electricity:** Yes**Drinking water:** Bore well











# VI

## LAND TRANSFER FACILITATION IN KERALA



Kerala initiated its land transfer facilitation for urban development, including that for the urban poor, in 2007. It began land acquisition processes in the urban fringes with public and private initiatives providing appropriate statutory support. The state recognised that there were over 330,000 families that were landless and homeless, and the government attempted to provide land for the landless to take up housing initiatives. The provisions stated that the land could be of 1½ to 2 cents for the poor and may also have low-rise development in case of multi-storeyed development. It was also specified that when land/house is allotted, it would be in the joint names of the female and male heads of the household. In the event of demise of the male head, the allotment should only be in the name of the woman head (Government of Kerala, Task Force on Housing, 2007). The BLC approval process is based on this. Further, the government directed all local plans to necessarily earmark a portion of land at affordable rates for constructing houses for the EWS and LIG households. The idea was to prevent the growth of slums. The development agencies/authorities/private sector were also directed to look into the

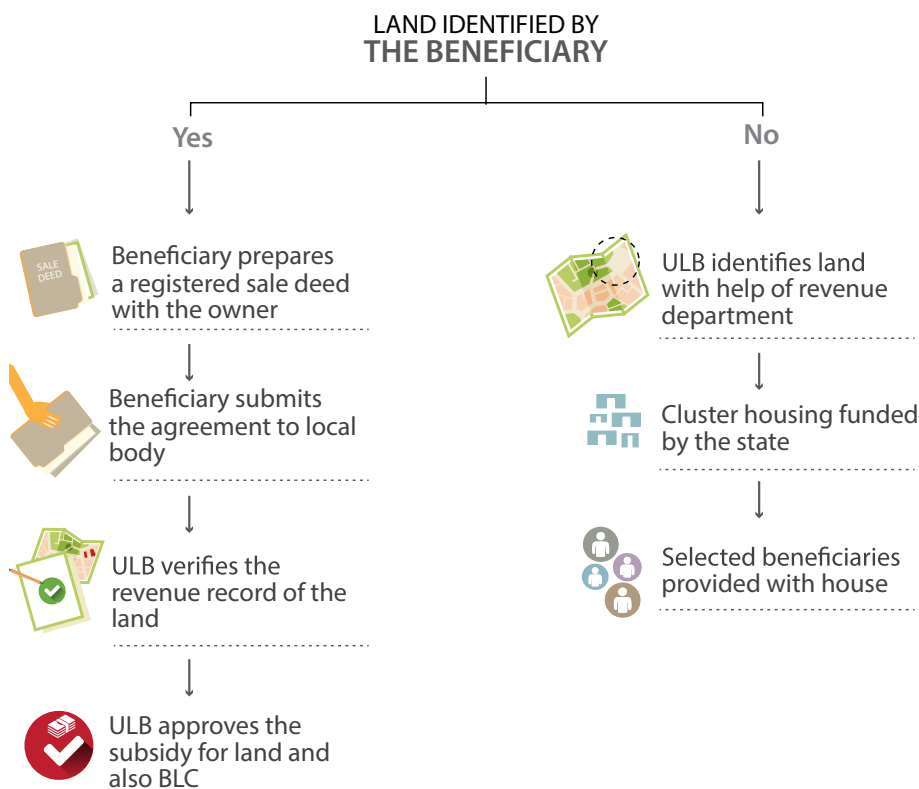
housing needs of EWS/LIG households. The law also had provision for redensification and better utilisation of land. This provision was replaced by another major step taken by the government: the LIFE Mission.

In 2017, the Kerala government initiated the LIFE Mission. The aim is to provide house to all homeless people in the state within the next five years, provide employment for their livelihood, and enable them to participate in social activities. The Mission seeks to provide the benefits of all social welfare schemes, including financial services, as also safe and affordable housing, to the beneficiaries. The ULBs are directed to allocate 20 per cent of their plan fund for implementation of LIFE Mission.

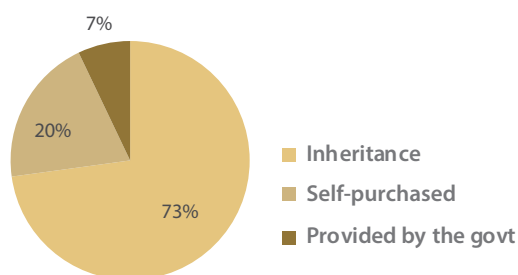
The programme has three phases:

- First phase: completion of incomplete houses already constructed under the LIFE Mission
- Second phase: construction of 400 sq ft houses within a budget of INR 400,000 (USD 5,714) for new identified beneficiaries
- Third phase: providing houses to landless beneficiaries

**Figure 34:** Process of giving land



**Figure 35:** Land ownership pattern



The second phase of the LIFE Mission has been converged with PMAY- BLC and is ongoing. The third phase is yet to be fully undertaken because it involves giving land and the state does not have enough land in its custody. So, the government has agreed to pay subsidy for buying private land to individual beneficiaries if they can identify the land on their own. Beneficiaries who are unable to

identify land for buying will be provided house in cluster housing to be built by government.

The process of giving land is documented below:

The proactive and intentful land transfer facilitation by the Kerala government smoothened the process of PMAY-BLC approval. In all the three cities, it was found that the land was either already owned by the female head alone or was under a joint ownership with her husband. Nearly 73 per cent of the respondents, of which only one was not a BLC beneficiary, had inherited the land. Another 20 per cent bought the land. Only a handful, i.e. 7 per cent, had recently received the land from the government (Figure 35). This indicates that land transfer facilitation had been effective in Kerala long before the inception of PMAY.







# VII

## CONCLUSION





**K**erala is one of the most rapidly urbanising states of the country with the highest Human Development Index (HDI) among the Indian states (Suryanarayana, Agrawal, & Prabhu, 2011). The state has also managed to significantly avoid the emergence of slums by ensuring the development of its social infrastructure like public distribution system, schools, hospitals, agriculture offices, etc, which are equitably distributed across the state. The swift advancement of the state may also be attributed to the foreign remittances from the 2.4 million Keralites living abroad, as remittances comprised about 36 per cent of Kerala's GDP in 2018 (Khan & Chinnakkannu, 2016). As the wealthier segment of the population has augmented the house construction need of the state, it has also exposed the embedded inequalities.

While Kerala is home to a small share of India's poor, pockets within the state record a high incidence of poverty and consumption inequality. The Gini coefficient of the state was calculated as 0.38 in 2012, which was even higher for its urban areas at 0.4 (Oommen, 2018). NSSO 70th round (2012-13) statistics further reveal that 93.2 per cent of scheduled tribes and 72.3 per cent of scheduled castes in Kerala are landless (owning no land other than the homestead), highlighting the high skewness of the land distribution in the state (World Bank Group, 2017). Owing to its unique pattern of urban sprawl, the emerging rural-urban continuum in the state, along with increasing spatial inequalities, emphasises the need for urban renewal through shelter security for the urban poor, including the most vulnerable sections in Kerala.

Towards this end, the state has implemented the national housing scheme – PMAY – in convergence with the state's LIFE Mission, which has entailed several positive implications, as follows:

- **Enhancing the BLC uptake through the LIFE Mission:** With the implementation of the national housing scheme PMAY in 2015, the BLC vertical emerged as the preferred option in the state, owing to an increased subsidy provided by the Government of Kerala and pre-existing land-ownership among 93 per cent beneficiaries in the state, as evidenced by this study. To enable the inclusion of landless population under the ambit of BLC, the Government of Kerala dovetailed the LIFE Mission. Through the third phase of the

Mission, the landless poor are subsidised to buy private land, thereby enabling a deeper diffusion of the BLC scheme. This emerges as an important intervention towards mobilising private land for leveraging public subsidy.

- **Empowering women through home-ownership and employment opportunities:** Kerala is one of the forerunners in women empowerment. This also remained a cornerstone for the housing programmes, achieved not only by providing housing subsidy in the names of women, but also assisting them through gainful employment in the construction industry. The Kudumbashree Mission and the Housing and Urban Development Corporation (HUDCO) partnership project trained women for enhanced technical competency in construction activities, who supported the construction of houses under the BLC scheme. In addition, Kudumbashree women have also set up a hollow brick manufacturing unit and are providing these to BLC beneficiaries free of cost, to aid them in the process of house construction. Such forward and backward linkages within the community create 'small loop' interventions resulting in efficient construction practices and sustained supply chain.
- **Ensuring convergence of PMAY with various schemes:** Kerala has also progressed in ensuring the convergence of PMAY with various schemes. Among the beneficiaries surveyed, there was a prevalence of Jan Dhan accounts and gas connections through the Ujjwala scheme. Many beneficiaries also received extra financial assistance in terms of 90 person-days of work for constructing their own house under the state's Urban Employment Guarantee (UEG) scheme, and placement under the Employment Skill Training and Placement (EST&P) component of NULM. Thus, Kerala not only ensured enhanced access to adequate housing but also linked the housing beneficiaries with adequate livelihood opportunities.
- **Increasing financial assistance through collaborative efforts:** More than half of the beneficiaries under the BLC scheme remained dependent upon informal source borrowing, whether from friends/ relatives or money lenders. To assist the poorest of the poor, the state supported collaborations between ULBs



and Corporate Social Responsibility (CSR) funds in the form of financial assistance for the beneficiary families to expedite the construction of the dwelling units and prevent any unnecessary delays.

- **Enabling integration between the Revenue Department and the ULBs:** Kerala has not only enabled its landless citizens to leverage the benefits under BLC by providing them with tenure security, but has also streamlined the role of the Revenue Department. The integration of the Revenue Department with the ULBs has enabled the upkeep of land records in the state and thereby strengthened the state's endeavours to provide housing for the urban poor.
- **Achieving a high satisfaction levels among the beneficiaries:** Overall, among the three cities surveyed in Kerala for this study - Kochi, Trivandrum, and Mukkam - the BLC beneficiaries were reported to be reasonably satisfied with the norms and procedures of the housing mission in the state. This is further manifested in the high completion rate for the BLC houses with only about 10 per cent of the applications being in the preliminary phases of construction.

Regardless of the noteworthy interventions in the 66 realms of finance, construction and employment opportunities, there remains significant scope for the improvement in the process of BLC dissemination in Kerala, as summarised below:

- **BLC houses lack adequate access to basic services:** While the PMAY households in Pallakad district were provided with free water connection in convergence with AMRUT, 52 per cent of the beneficiaries in Trivandrum and 81 per cent in Mukkam lacked access to in-house water and electricity connection. Despite the availability of toilets in all the BLC houses in Kerala, access to infrastructure such as covered pucca drainage system, door-to-

door solid waste collection require efforts for considerable improvement.

- **Enhancing financial burden among the ULBs:** Despite its strides, Kerala's high subsidy model is leaving the ULBs in deep financial stress. While the additional financial assistance of INR 200,000 (USD 2,857) by the ULB for each BLC house has contributed towards an increased traction of BLC scheme, limited sources of revenue mobilisation have forced them to defer the most important activities of ULBs i.e. improving neighbourhood level civic and social infrastructure. Further, ULBs are required to reserve 20 per cent of their fund for the LIFE Mission. To meet this extra burden, the ULBs often stagger the subsidy for the land in one financial year and the subsidy for the houses in the next financial year.

Although the comprehensive approach to housing improvement is a significant step forward towards upgrading the lives and livelihood of the beneficiaries, Kerala now needs to focus on adopting a city-wide, inclusive spatial planning approach. Owing to the flood-prone nature of the state, it is also imperative for the state to integrate resilience in its housing structures, as 30 per cent of the beneficiaries were uncertain about the ability of their newly built BLC houses to endure disasters. Going forward, Kerala may also need to consider other tenurial solutions for its increasing migrant workers by instituting provisions for rental housing, especially in its bigger cities, such as Trivandrum and Kochi. Further, for an absolute achievement of the housing objectives and to ensure habitat improvement in Kerala, there is a need for spatial integration of the beneficiaries, along with the provision of allied basic civic infrastructure like water supply, sewerage, road, drain, electricity and solid waste disposal systems. In its present form, PMAY(U) exhibits limited emphasis on holistic spatial planning and provision of basic infrastructure, and addressing the same is vital to achieve the national housing objective.





# VIII

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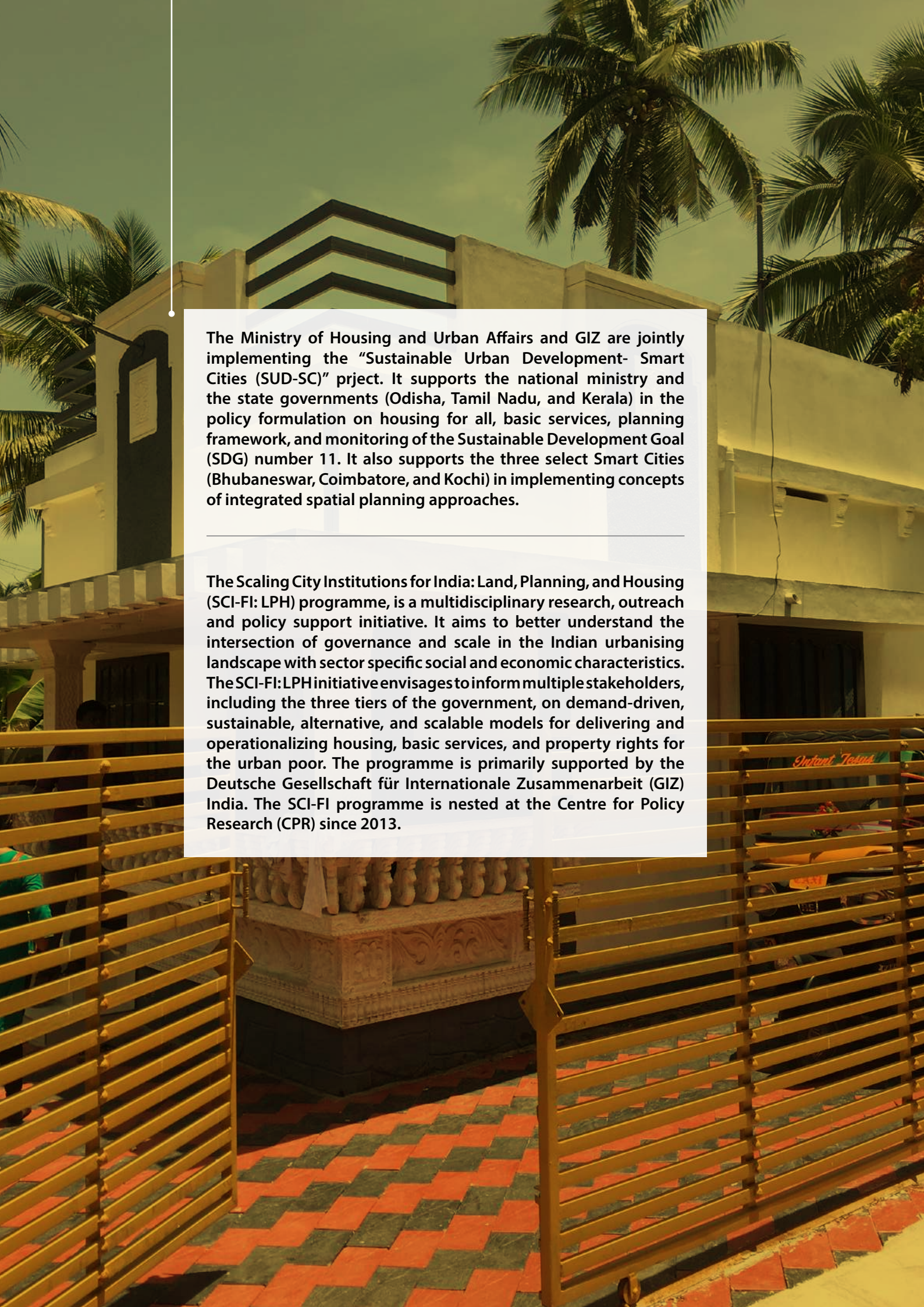






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The background image shows a modern building with a white facade and a dark, angular roofline. Several tall palm trees are visible against a clear sky. In the foreground, there is a wooden fence made of horizontal slats, and a paved area with a red and grey checkered pattern. A white text box is overlaid on the image, containing two paragraphs of text.

The Ministry of Housing and Urban Affairs and GIZ are jointly implementing the “Sustainable Urban Development- Smart Cities (SUD-SC)” project. It supports the national ministry and the state governments (Odisha, Tamil Nadu, and Kerala) in the policy formulation on housing for all, basic services, planning framework, and monitoring of the Sustainable Development Goal (SDG) number 11. It also supports the three select Smart Cities (Bhubaneswar, Coimbatore, and Kochi) in implementing concepts of integrated spatial planning approaches.

The Scaling City Institutions for India: Land, Planning, and Housing (SCI-FI: LPH) programme, is a multidisciplinary research, outreach and policy support initiative. It aims to better understand the intersection of governance and scale in the Indian urbanising landscape with sector specific social and economic characteristics. The SCI-FI: LPH initiative envisages to inform multiple stakeholders, including the three tiers of the government, on demand-driven, sustainable, alternative, and scalable models for delivering and operationalizing housing, basic services, and property rights for the urban poor. The programme is primarily supported by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) India. The SCI-FI programme is nested at the Centre for Policy Research (CPR) since 2013.