

Third Draft
(For public views)

KERALA
HOUSING AND HABITAT
POLICY- 2007

Government of Kerala
Task Force on Housing

May 2007
Thiruvananthapuram

KERALA HOUSING AND HABITAT POLICY- 2007

CONTENTS

0.	GOVERNMENT OF KERALA TASK FORCE ON HOUSING	3
1.	PREAMBLE	5
1.1	The Need for Policy.....	5
1.2	Setting	5
1.3	Integrated Habitat Development.....	7
1.4	Housing Problem.....	7
1.5	Basic Services	8
1.6	Contemporary crisis	8
1.7	Evaluation of Housing Programmes	8
1.8	Policies and Programmes.....	9
1.9	Emergence of Sustainable Habitat.....	10
1.10	Focus Areas.....	11
2.	AIMS	12
3.	ROLE OF GOVERNMENT AND OTHER AGENCIES.....	14
3.1	Central Government	14
3.2	Kerala State Government	15
3.3	Local Self Government Institutions – Municipalities and Panchayats	16
3.4	Parastatals and Public agencies.....	17
3.5	Housing Finance Institutions (HFIs).....	18
3.6	Private, Cooperative and Community sector agencies	18
3.7	Research, Standardisation and Technology Transfer organisations.....	19
4.	SPECIFIC ACTION AREAS	19
4.1	Land.....	19
4.2	Finance:	21
4.3	Legal and regulatory reforms.....	24
4.4	Technology support and its transfer.....	26
4.5	Infrastructure	28
4.6	Sustainability concerns	29
4.7	Employment issues in the building sector.....	30
4.8	Slum improvement and up gradation	31
5.	SPECIAL NEEDS OF HOUSING FOR ALL WORKING GROUPS.....	32
6.	SPECIAL NEEDS OF SINGLE WORKING WOMEN, DISABLED AND SENIOR CITIZENS.	33
6.1	Women and Housing	33
6.2	Physically challenged	33
6.3	Senior Citizens	33
7.	IT HABITAT	33
8.	HABITAT TYPOLOGY AND HERITAGE CONSERVATION	34
9.	HABITAT LITERACY	34
10.	HOUSING DELIVERS SYSTEM.....	34
11.	ACTION PLAN / FOLLOW UP	35
12.	AFTERWORD.....	37

ANNEXURES

I.	MATRIX ON ROLE OF GOVERNMENT / PUBLIC AGENCIES.....	38
II.	NUMBER OF FAMILIES WITH LAND & HOMELESS AND LANDLESS & HOMELESS IN THE STATE OF KERALA	39
III.	HOUSING FINANCIAL FLOWS FROM HFI / BANKS IN KERALA.....	40
IV.	INTEGRATED HOUSING FINANCING OPTIONS.....	42

GOVERNMENT OF KERALA
TASK FORCE ON HOUSING

1. Sh. V. Suresh Chairman
International Consultant for
Housing & Urban Development
and former CMD, HUDCO
P-233/3 Officers' Enclave
Air Force Station, Rajokri
New Delhi – 110 038
2. Smt. Lida Jacob Member Secretary
Secretary to Government, Housing
Government of Kerala
Secretariat, Thiruvananthapuram 695 001
3. Smt. Ruth Manorama Member
(Recipient Right to Livelihood Award 2006
and Activist for Dalit Women issues)
No.392, 11th Main, 3rd Block
Jaya Nagar, Bangalore 560 011
4. Sh. S. Sridhar Member
Chairman & MD
National Housing Bank
5th Main, Core 5A
India Habitat Centre, Lodhi Road,
New Delhi 110 003
5. Adv. M. Rahumathulla Member
Chairman, Kerala State Housing Board,
Santi Nagar,
Govt.Press Road
Thiruvananthapuram 695 001
6. Sh. G. Sankar Member
Chief, Habitat Technology Group
Thiruvananthapuram 695 012
7. Sh. S. K. Tripathi Member
Director, Corporate Planning
HUDCO Ltd.
India Habitat Centre, Lodhi Road
New Delhi – 110 003

- | | | |
|-----|---|-----------------|
| 8. | Sh. N. Krishnakumar
Director, Mining & Geology(Rtd)
Thaliyal, Karamana P.O
Thiruvananthapuram 695 002 | Member |
| 9. | Dr. Kuncheria.P.Isaac
Professor, Dept. of Civil Engg.
College of Engineering
Thiruvananthapuram 695 016 | Member |
| 10. | Sh. Noyal Thomas
Housing Commissioner to Government &
Ex-officio Secretary
Kerala State Housing Board
Santhi Nagar, Thiruvananthapuram
Pin 695 001 | Member |
| 11. | Sh. Cyriac Davies
Jt.General Manager
KITCO Ltd.
PB No. 1820, Ravipuram
MG Road, Cochin 682 016 | Member |
| 12. | Sh. V.V. Krishna Rajan
Dy. Project Director
KSUDP, Indraprastham
Kuravankonam
Thiruvananthapuram 695 004 | Special Invitee |
| 13. | Sh. S. Sukumaran
Director, KESNIK
PTP Nagar, Thiruvananthapuram
Pin 695 038 | Special Invitee |
| 14. | Sh. H.T. Suresh
Regional Chief, HUDCO Ltd.
3 rd Floor, Saphalyam Complex
Palayam, Thiruvananthapuram 695 034 | Special Invitee |

KERALA HOUSING AND HABITAT POLICY- 2007

[Drafted by Government of Kerala Task Force on Housing]

1. PREAMBLE

1.1 The Need for Policy

Shelter is one of the basic human needs next only to food and clothing. Need for a Housing and Habitat Policy emerges from the growing requirements of shelter and related infrastructure. These requirements are growing in the context of rapid pace of urbanization, movement from rural to urban centres in search of livelihood, mis-match between demand and supply of sites and services at affordable cost and inability of most new and poorer urban settlers to access formal land markets in urban areas due to high costs and their own lower incomes, leading to a non-sustainable situation. The problems of housing in rural areas relate to high input costs of construction as well as affordability. The policy therefore has to promote sustainable and inclusive development of habitat in the state, with a view to ensure equitable supply of land, shelter and services at affordable prices for all groups in rural and urban areas, with special focus on the needs of the poor, marginalized and disadvantaged.

1.2 Setting

A house is a composite and complex good that fulfils many important individual and social needs. As shelter it fulfils a basic need and is a fundamental right. It also provides social security, an aspect of people's sense of identity and self esteem. Kerala is a state that has been witnessing very high levels of investment in housing since the mid 1970s. Housing is poised to be a leading sector in Kerala's economy with an annual investment of about Rs. 6000 crores, generating employment and income to thousands of skilled and unskilled workers.

Housing, besides being a very basic requirement, also holds the key to accelerate the pace of development. Investments in housing like any other industry, has a multiplier effect on income and employment generation. It is estimated that overall employment generation in the economy due to additional investment in the housing/construction is eight times the direct employment. Housing provides employment to a cross-section of people,

which importantly include poor. Housing also provide opportunities for home-based economic activities. At the same time, adequate housing also decides the health status of occupants. Therefore, on account of health and income considerations, housing is a very important tool to alleviate poverty and generate employment.

This is the second largest employment generation economic development activity next only to agriculture, with direct employment in addition to large-scale indirect employment. The high potential to create around 200 man years of employment for Rs.1 crore of investment in housing from direct construction and indirect activities including production of building material should be fully harnessed.

The most pressing problem in the housing sector is the continuing lack of adequate house in place of houses in a dilapidated condition among the very poor. A small section of people without land are in a still worse position as housing schemes for the poor have hitherto been targeted to those who have at least two cents of land. However, in general quantitative and qualitative terms, the housing situation in Kerala is better than in the rest of the country. According to the Census statistics, in 2001 while 51.8 per cent of households lived in permanent houses and 30 per cent in semi-permanent houses at the all India level, the corresponding figures in Kerala were 68 per cent and 21.6 per cent respectively. The Housing Census of 2001 indicates that on an average a house in Kerala had three rooms as against the all India average of two rooms. At the aggregate level, the mismatch between the households and occupied residential houses in 2001 was 63,000 units only – or less than one per cent of the housing stock in the State. The State's remarkable achievements in the sphere of social sector and human development are well reflected in the general housing situation of its mainstream society. But the housing problem of very poor households remains unsolved.

As part of its social security and support programmes the State government has been active in the housing sector with several innovative schemes and programmes to help the weak and the needy. In fact, several agencies, in public and private domain have been active in the housing sector in the State for financing housing projects, preparing sites and services, evolving cost-effective designs and monitoring implementation. The government accorded the highest priority to housing of the economically weaker sections (EWS). During 1996-2006 government agencies/departments have provided assistance to construct 7,18,851 houses. About 80 per cent of the support provided by the State to various housing programmes has gone to EWS. During the decadal period over 14.5 lakh houses have been constructed through all initiatives. Yet households at the lowest rung of the socio-economic ladder have been unable to construct durable houses that are appreciating assets. The continuing problem of housing among the poor

indicates the need for effective intervention from the state on the issue of sustainable housing. The state is yet to put in place a system of ensuring housing for the weaker sections and low income groups inspite of massive housing investment from the private sector in the housing sector.

1.3 Integrated Habitat Development

Further an integrated 'Habitat' approach to housing is needed taking into account issues of spatial planning, including such crucial aspects as water supply, sanitation and waste disposal. It is absolutely crucial to integrate these aspects into planning a housing scheme if the growing ecological crisis and man made disasters are to be avoided and the health epidemics such as the recent dengue, chikanguniya are to be mitigated. This approach is also perfectly compatible with the involvement of people in planning and constructing a house. Kerala is known for its unique settlement pattern with independent houses on individual plots scattered and across the habitable areas, though it is a land scarce economy. Because of its distinctive social, geographic and climatic conditions, the centre of life of an average Malayalee for many centuries at least has been the house and not the village, with people favouring houses built on small garden lands. However, this has meant a tremendous pressure on land, with a much greater extent of land being occupied by houses than perhaps anywhere else in the country. Thus it is necessary to plan ahead in imaginative ways to reduce the pressure on land. There is a need for greater clustering of environmentally friendly low or high rise housing projects with strict enforcement of laws, that mandate a part of a house plot to be left free of construction for greening, landscaping and garden cultivation.

1.4 Housing Problem

The housing problem in the state affects the really poor and needy. Paucity of purchasing power, poverty, lack of security of tenure for land, speculative land market, inflexible housing finance system, inappropriate planning and building regulations, lack of awareness about appropriate building materials and construction technologies and problems with the institutional framework are barriers in providing adequate support for the poor.

Housing inequality has widened in Kerala. Although the gap between aggregate supply and aggregate demand has decreased considerably, in 2001 more than 8 per cent of the households lived in extremely poor quality or dilapidated houses (as against only 5.6 % at the all India level). Inadequate housing seems to have created several sociological and psychological problems among the people living on the margins.

There is a concentration of sub-standard or inadequate houses with high density and over crowding, insanitary conditions, absence of basic

amenities and slum-like conditions in certain rural and urban pockets in the state. It is estimated that numerical shortage of housing in 2001 was only 63 thousand units. But the number of dilapidated houses was 5.38 lakhs. With rate of growth of family formation remaining constant another 4.0 lakh houses may be required to accommodate newly formed households. It is estimated that there is a demand for 10 lakh houses in urban and rural areas needing investment of the order of Rs. 28,000 crores covering the needs of all groups. Nearly 4.6 lakh houses are needed for the very poor under EWS in urban and rural areas, around 1.4 lakhs for EWS above poverty line, 2 lakhs for low income group, 1.5 lakhs for middle income group and 0.5 lakhs for high income group families.

1.5 Basic Services

Housing provision should be linked with other programmes such as sanitation, potable drinking water and waste disposal etc. Given the scale of housing investment in the public and private and public sectors and expenditure on social security and support programmes it is not difficult to raise the amount. The scheme under Basic services for urban poor and the scheme for rural water supply, sanitation has to be integrated.

1.6 Contemporary crisis

Market forces dominate the housing scenario in the State. Quality building materials and modern structural design options are available at competitive rates and comparatively affordable housing finance is available from commercial banks and housing finance institutions, to all those who can provide collateral security. Though the people living on the margins of mainstream development cannot afford modern building materials and technology, they are either unaware or do not have access to traditional materials and construction methodology. There is also the problem of new consumer preferences and of the perception that traditional material and methods may not be sturdy. Homeless people or those with out adequate housing aspire to get houses built with modern materials and to scales they cannot afford. Financial assistance provided under the public housing schemes is inadequate to satisfy their requirements. With the limited funds that they receive from housing schemes, these people make plans for constructing larger houses, which require larger investment. Public housing schemes in the present form, therefore, need some realistic change.

1.7 Evaluation of Housing Programmes Implemented During the Ninth and Tenth Five-Year Plan Periods

More than 20 major agencies are implementing housing programmes in the State today. Kerala State Housing Board, Kerala State Co-operative Housing Federation, Kerala State Development Corporation for SC/ST, SC/ST Development Department, Rural Development Department, Local

Self Governments and other government departments and institutions are involved in these.

Over the years, the State government has accorded the highest priority to providing housing to economically weaker sections (EWS). All public sector agencies had together assisted 9.3 lakh households in the State to obtain housing till the beginning of the Ninth Five-Year Plan in 1997. About 80 per cent of the housing support provided by the State has been targeted at EWS. During the Ninth Five-Year Plan period, assistance under various schemes was provided to construct 5.74 lakh houses. An amount of Rs. 1063 crores was mobilised from financial institutions for housing during the plan period. Again, during the first four years of the Tenth Five-Year Plan period the public agencies provided assistance to construct 5.05 lakh houses.

The Nationalised Banks have assisted house construction on a large scale during 2000-05, to the extent of 48 per cent of the houses.

Similarly Rural Development Department under Indira Awas Yojana (IAY) assisted 43,291 (28%) households to construct their house during that year.

Local Self Governments (LSGs) have been actively involved in house construction for EWS since the participatory planning process was launched in 1996. All the three tiers of Panchayats give top priority to housing projects for EWS in their planned development programmes. During the ninth Five Year Plan LSGs assisted in the construction of 5.71 lakh houses and in the repair of 1.86 lakh houses. The District Panchayats in Thiruvananthapuram, Kollam, Alappuzha and Thrissur have been implementing Total Housing Programmes with specific focus on EWS, with implementation models through district cooperative banks, district panchayats and NGO's like Costford. The involvement of community based organisations in housing solutions have also played a supportive role.

1.8 Policies and Programmes

This Policy is in continuation of Public Sector interventions and related developments of housing initiatives in Kerala during a period of last 5 decades. Kerala has been a pioneer in the Housing sector with the historic One Lakh Housing programme taken up in 1971. Many significant initiatives have been taken up in subsequent decades like housing programmes under SASH, Maitri, Kairali, Thanal etc. The peoples' planning campaign has played a significant role to the overall development process including housing.

The National Housing Policy, 1994, National Housing & Habitat Policy, 1998 and follow up of 74th Constitution Amendment of 1992 came as National Policy initiatives. The first Housing Policy of Kerala was brought out in 1994. These policy initiatives focused on transition of Public Sector role as 'facilitator', decentralization, development of fiscal incentives and concessions, accelerated flow of housing finance and promotion of environment-friendly, cost-effective and pro-poor technologies. The National Urban Housing and Habitat Policy 2007 is now firmed up. The National Rural Housing Policy is also under finalization. The Kerala Housing and Habitat Policy 2007 is a response to the need of a housing revolution in Kerala.

Kerala has been a pioneer state in introducing cost effective housing and appropriate technologies in housing contribution with many innovative technologies, pioneered by Padmashri Laurie Baker. This has been taken forward through many technology transfer initiatives through the network of District Nirmithi Kendras, KESNIK, COSTFORD, HTG, IRTC, Mitra Niketan, KSHB, etc. and initiatives of young professionals.

The need for redefining and restructuring the role of Kerala State Housing Board has to be considered in the context of the large scale facilitation role played by KSHB for weaker section housing as an intermediary institution.

Equally important is the need to strengthen the KESNIK and the network of Nirmithi Kendras.

One of the critical gaps in the housing sector is the large multiplicity of agencies in all development sectors dealing with housing for that employment development sector. In many cases the duplicity could be reduced and the need for a nodal group to provide planning, design and technology related advice has been strongly felt. In view of the above there is a lack of adequate data base at coordinated level and this brings into focus the need to create a strong information base in a coordinated manner by strengthening the Housing Directorate and the Office of the Housing Commissioner.

1.9 Emergence of Sustainable Habitat with harmony in Rural – Urban Development

In order to generate suitable strategies for housing and sustainable development of human settlements, this Policy takes note of shelter conditions, access to services and opportunities for income and employment generation with particular reference to poor. This policy also takes into account the growth pattern of settlements, the investment promotion opportunities, environmental concerns, magnitude of slums and

sub-standard housing. This policy also examines the importance of sustainable rural and urban structure which is able to (i) absorb rural and urban population with suitable access to shelter, services and employment opportunities and (ii) serve as service centre to the vast rural feeder hinterland. Creation of the integrated rural and urban habitat holds the key to sustainable development.

1.10 Focus Areas

It is in this context, that a housing and habitat policy is needed to focus on status of livelihood covering shelter and related infrastructure to promote sustainable development of habitat. In this regard, cities play significant role to operate as engines of economic growth and also rural development by providing linkages to their hinterland. At the same time, in-situ urbanization has also to be promoted to improve connectivity of rural sector clusters by inter-alia providing shelter, services and income generating activities. The thrust will be on inclusive approach to development of housing with focus on the needs of poor, marginalised and disadvantaged in rural and urban areas.

1.10.1 This policy takes note of Government's special focus on shelter for all and development of related infrastructure with particular reference to poor and promotion of economic development, quality of life and safe environment. In this regard, the Government of India has initiated in JNNURM (Jawahar Lal Nehru National Urban Renewal Mission) with the objective to accelerate the supply of land, shelter and infrastructure taking into account the requirements of economic development with a particular reference to balanced regional development, poverty alleviation and rapid economic development. Similarly the large number of Government sponsored housing initiatives through Indira Avas Yojana (IAY) and the credit-cum-subsidy scheme for rural poor and the schemes of Government of India for weavers, plantation workers and beedi workers are also to be taken account of

1.10.2 This policy seeks a solution to bridge the gap between demand and supply of housing and infrastructure to achieve a policy objective to increase supply at affordable prices. In this regard, specific initiatives are suggested to further reorient the public sector role. This is needed as a catalyst, enabler, facilitator to providing the enabling framework for encouraging investments and bringing in financial allies and enabling and empowering participation of public at large through cooperative community and private sector (see Annexure-I for Matrix for support from Government and Public Agencies for housing for various groups). At the same time, convergence of resources is also essential to provide synergy by involving various stakeholders in the supply of housing and infrastructure in the overall context of sustainable development of human

settlements. In certain situations the public sector also has to play the role of a builder, like speedy disaster re-habilitation programme for natural calamities like cyclone, flooding, landslide, tsunami, dense slum development, etc.

1.10.3 This policy also draws from the innovations in the area of housing and infrastructure in India and elsewhere. It also gives a menu of actionable points which inter alia includes promotion of FDI (Foreign Direct Investment), Public-Private- Partnerships, securitisation & development of secondary mortgage markets, and encourage savings to accelerate supply of investible funds, pro-poor development of partnerships, conservation of natural resources, development of environment-friendly, pro-poor, investment-friendly and revenue-generating regulations and bye-laws, etc. The purpose is to guide various stakeholders to take well-planned, concerted, transparent, mutually-acceptable and pro-poor initiatives in the best possible manner.

1.10.4 This policy also plans further expansion of fiscal concessions and incentives to motivate persuade and encourage various stakeholders to participate in the delivery of housing and infrastructure. However, the public sector shall continue its direct interventions to safeguard the interests of the poor and marginalized sections of the Indian society.

1.10.5 Finally, this policy tends to build synergy, convergence and integration of housing and related infrastructure interventions. This policy also aims to act as complementary to poverty alleviation, generation of income and employment to achieve overall objective of shelter for all and sustainable development of human settlements.

1.10.6 This policy dwells upon role of various stakeholders and specific actions pertaining to Land, Finance, Legal and Regulatory Reforms, Technology Support and Transfer, Infrastructure, Sustainability concerns, Employment issues in the building sector, Slum Improvement and Upgradation, Social Housing, etc. along with Action Plan and Follow up related aspects.

2. AIMS

The Kerala Housing and Habitat Policy aims at :

- (i) Creation of adequate and affordable housing stock on ownership and rental basis.
- (ii) Facilitating accelerated supply of serviced land and housing with particular focus to EWS and LIG categories and taking into account the need for development of supporting infrastructure and basic services to all categories.

- (iii) Facilitating upgradation of existing decaying housing stock and deficient infrastructure of villages, towns and cities and to make these comparable to the needs of the times.
- (iv) Ensuring that all dwelling units have easy accessibility to basic sanitation facilities and drinking water.
- (v) Promotin larger flow of funds to meet the revenue requirements of housing and infrastructure using innovative tools.
- (vi) Providing quality and cost effective housing and shelter options to the citizens, especially the vulnerable group and the poor.
- (vii) Using cost effective technologies for modernizing the housing sector to increase efficiency, productivity, energy efficiency and quality. Technology would be particularly harnessed to meet the housing needs of the poor and also specific requirements of `green' and sustainable housing.
- (viii) Guiding urban and rural settlements so that a planned and balanced growth is achieved with the help of innovative methods such as provision of urban amenities in rural areas (PURA) leading to in-situ urbanisation.
- (ix) Developing cities, towns and villages in a manner which provide for a healthy environment, increased use of renewable energy sources and pollution free atmosphere with a concern for solid waste disposal, drainage, etc.
- (x) Using the housing sector to generate more employment and achieve skill upgradation in housing and building activity, which continue to depend on unskilled and low wage employment to a large extent.
- (xi) Removing legal, financial and administrative barriers for facilitating access to tenure, land, finance and technology.
- (xii) Continuing with the full subsidy based housing scheme for deserving poorest of poor, a progressive shift to part cost recovery-cum-subsidy scheme for housing needs of others, through a pro-active financing policy including micro-financing, self-help group programmes will be made.
- (xiii) Facilitating, restructuring and empowering the institutions at state and local governments to mobilize land and planning and financing for housing and basic amenities.
- (xiv) Forging strong partnerships between private, public and cooperative sectors to enhance the capacity of the construction industry to participate in every sphere of housing and urban infrastructure.

- (xv) Meeting the special needs of SC/ST/disabled/freed bonded labourers/ slum dwellers, elderly, women, street vendors and other weaker and vulnerable sections of the society.
- (xvi) Involving disabled, vulnerable sections of society, women and weaker sections in formulation, design and implementation of the housing schemes.
- (xvii) Providing disaster resistant housing & habitat development from natural calamities like cyclone, flooding, landslide, tsunami and earthquake.
- (xviii) Encouraging small scale production units for building materials and components.
- (xix) Protecting and promoting cultural heritage, architecture, and traditional skills.
- (xx) Establishing a Management Information System in the housing sector to strengthen monitoring of building activity in the state through the office of the Housing Commissioner.
- (xxi) Restructuring and strengthening the Kerala State Housing Board and KESNIK and network of Nirmithi Kendras.
- (xxii) Strengthening initiatives for creation of scientific and periodic data base on socio-economic and technological aspects on Housing Sector in Kerala and strengthening the office of the Housing Commissioner.
- (xxiii) Ensuring that the Housing Department and its agencies will take up a responsible role in the accomplishment of State initiated “EMS Sampoorna Parpida Padhathi”.
- (xxiv) Removing bottlenecks and impediments related to legal, regulatory framework and revamping the existing laws and regulations to provide facilitating environment for housing initiatives.

3. ROLE OF GOVERNMENT AND OTHER AGENCIES

3.1 Central Government

The objectives of the Policy would be carried out through action-oriented initiatives at all levels of Government.

Since many of the housing initiatives are now taken up as joint initiatives of Central and State Government like JNNURM / BSUP / IHSDP, IAY, etc, it is hoped that the Central Government would:

- take steps to bring in planning, housing, financial and legal reforms.
- devise macro economic policies to enable flow of resources to the housing and infrastructure sector.
- promote research & development and transfer of technology to these sectors.
- evolve parameters for optimal use of available resources to promote development and growth in a sustained manner.
- provide fiscal concessions for housing, infrastructure, innovative and energy saving construction materials and methods and also set up a monitoring mechanism to ensure that the concessions are correctly targeted and utilised.
- develop and enforce appropriate ecological standards to protect the environment and provide a better quality of life in human settlements;
- devise action plans for the provision and creation of adequate infrastructure facilities like water sources, connectivity and power supply.
- develop convergence and integration between housing sector initiatives and financial sector reforms.
- mobilize global resources (including FDI) and technology to promote housing and urban infrastructure..
- strengthen a nation-wide Management Information System (MIS) on house building activities to help in designing and developing housing programmes and also assist in decision marking.

3.2 Kerala Government

Kerala State Government would:

- adopt and implement the Kerala Housing and Habitat Policy 2007.
- review the legal and regulatory regime to give a boost to housing and supporting infrastructure

- amend the existing laws and procedures or promulgate legislation for the effective implementation of KHHP with a particular reference to easy and affordable access to land by government/private sector.
- promote and incentivise private sector and cooperatives in undertaking housing and infrastructure projects for all segments in urban areas.
- prepare long term programmes and short term strategies to tackle problems in housing and basic services in close coordination with Kerala State Planning Board including identification of financial resources and supplement and complement the efforts of the Central Government for the provision and creation of adequate infrastructure facilities like water sources (from rivers and lakes), connectivity (via rail, road, air and waterways) and power supply;
- facilitate training of construction workers by converging other development programmes.
- promote and incentivise decentralised production and availability of building material
- develop MIS at state and local levels through the nodal set up in Housing Department and Office of Housing Commissioner.
- provide fiscal covenants and rationalization of tax rates on housing and housing inputs.
- Promote and encourage R & D activities in the field of housing through appropriate capacity building programmes and strengthening technology transfer initiatives through strengthening of the KESNIK and Nirmithi Kendra network in the state.
- Facilitate and empower the local bodies in regulatory and development functions.
- encourage NGOs/CBOs/Self help groups in housing activities including involvement in micro-finance.
- encourage joint sector (Public-Private-Peoples-Partnership) projects through housing projects benefiting all groups.

3.3 Local Self Government Institutions through Municipalities and Panchayats :

These would:

- identify specific housing shortages and prepare local level Housing Action Plans.

- devise programmes to meet housing shortages and augment supply of land for housing, particularly for the vulnerable group
- support public / private / NGO / CBO sector participation in direct procurement of land for EWS groups.
- plan expansion and creation of infrastructure services like a network of roads for safe and swift commuting, adequate & safe water supply, efficient waste treatment and disposal, convenient public transport, adequate power supply, a clean & healthy environment, amenities consisting of educational and recreational facilities, medical facilities, rain water harvesting, etc. through direct efforts and incentivising the private / voluntary sector.
- plan housing complexes and industrial estates which include a provision for hostel accommodation for working women, crèches and day-care centres.
- Implement central and state sector schemes and programmes pertaining to housing and infrastructure sector.
- enforce effectively regulatory measures for planned development.
- Promote participatory planning and funding based on potential of local level stakeholders.
- devise capacity building programmes at the local level

3.4 Parastatals and Public Agencies (KSHB, KWA, KSEB, etc.)

These would:

- revisit their method of working and redefine their role for facilitating land assembly, development and provision of infrastructure.
- suitably involve private sector to the advantage of the poor and the vulnerable sections and forge partnerships with the private sector and cooperatives in the provision for housing .
- use land as a resource for housing with a particular reference to economically weaker sections and low income groups.
- provide design / consultancy / technology advice / supporting services for housing initiatives of all groups.

- devise flexible schemes to meet the user's requirement.
- reduce their dependence on budgetary support in a phased manner.
- encourage and forge public – private – peoples – partnerships for housing and infrastructure delivery benefiting all groups

3.5 The Housing Finance Institutions (HFIs) :

These would:

- reassess their strategies and identify potential areas for further expansion of their operations towards housing projects and slum improvement and upgradation and infrastructure.
- adopt a more flexible and innovative approach in their credit appraisal norms.
- Promote innovative mechanism like mortgage guarantee and title insurance to augment fund for housing sector.
- devise innovative lending schemes to cover poorer segments, which depend on the informal sector e.g. micro credit for housing to the EWS and LIG of the population. The funding of these programs could be done through NGOs/CBOs / Self Help Groups / Micro-Finance Institutions, who could undertake the tasks of confidence building and mobilizing small savings from the beneficiaries.
- apart from their current operations, HFIs would also look at ploughing some of their resources towards financing slum improvement and upgradation programs including customized products for EWS / LIG categories for productive housing in rural areas.
- encourage housing beneficiaries to take insurance cover to save lives and property from any eventuality.

3.6 Private, Cooperative and Community sector agencies

These would:

- undertake an active role in terms of land assembly (within & outside of master plan area), construction of houses and development of amenities within the projects for the respective target groups.
- create housing stock on ownership and rental basis.

- be given preference in allotment of land and house sites to encourage group housing by this sector.
- work out schemes in collaboration with the public sector institutions for slum reconstruction on cross subsidization basis.

3.7 Research, Standardisation and Technology Transfer organisations

These agencies would:

- undertake research to respond to the different climatic conditions with a focus on transition from conventional to innovative, cost effective and environment friendly technologies.
- undertake research in housing and related infrastructure in order to promote affordable, viable and cost-effective delivery of houses and services .
- develop and promote standards on building components materials and construction activities to be taken up by agencies in public and private sector.
- develop disaster mitigation techniques for new constructions as well as strengthening of existing houses.
- intensify efforts for transfer of cost effective and environment friendly on proven technologies and materials to the grass-root level through the KESNIK, state network of district Nirmithi Kendras and strengthening and expanding the network and IRTC / COSTFORD / HTG / Mitra Niketan, technological institutions and Engineering colleges etc and the core group of professionals.
- promote shelter related forestry with faster recycling on wasteland and other land unsuitable for agriculture.
- accelerate watershed development to conserve water, stop soil erosion and re-generate tree cover in order to improve the habitat.

4. SPECIFIC ACTION AREAS

4.1 Land

- i. Government Public agencies would continue to undertake land acquisition proceedings for housing and urban services along with more feasible alternatives like land sharing and land pooling arrangements, particularly in the urban fringes, through public and private initiative with appropriate statutory support. Government could facilitate land acquisition by/for any

development agency for housing and urban infrastructure may also be considered, subject to guidelines for providing equitable development. Negotiated purchase of land between the owner(s) of land and the project proponents would be an ideal way to acquire land to give right value to the land owners.

- ii. There are over 3.3 lakh families who are landless and houseless (see Annexure II) and it will be endeavour to provide land for the landless for taking up housing initiatives. The land could be of 1½ to 2 cents for the needy poor and may also be of low rise development in case of multi-storeyed development.
- iii. When land / house is allotted, it will be in the joint name of Woman head and Man head of the household. In the event of demise of Man the allotment should only be in the name of the Women head.
- iv. In the local plans, it is necessary to earmark a portion of land at affordable rates for housing for the EWS & LIG. This would also help in checking the growth of slums. Development agencies/ authorities/ Private sector could be directed to ensure earmarking 20 to 25% land in new housing colonies/ projects for the housing needs of EWS/LIG households.
- v. An action plan needs to be initiated to provide tenurial rights to the in-situ/by relocates at affordable prices rural and urban poor with special emphasis on persons belonging to the SC/ST/BC/OBC/Weaker sections / physically handicapped / widows / women in crisis situations / women headed households.
- vi. Land being a limited and costly resource needs to be planned to provide for rationalized and optimum density use. Considering the high density of development in Kerala the intensity of development in Urban fringes and rural area could be higher. Where the intensity of development in existing congested urban areas is to be regulated or controlled, transferable development rights (TDR) in fringe/ rural areas could be permitted.
- vii. Further there are substantial pockets of land remaining under utilized belonging to central/state/public/ private sector units and such unused/ under utilized land should be considered for redensification and utilization, excluding the land needed for the purpose for which the land was originally given to the concerned unit.

4.2 Finance:

- i. Affordable finance is the next most critical input for housing and infrastructure services. It is imperative to develop a debt market for housing and infrastructure, fully integrated with the financial market, and introduce suitable mechanism for providing affordable loan through viability gap funding by public interventions.
- ii. A secondary mortgage has already been initiated by the National Housing Bank (NHB). HUDCO and other leading HFIs act as market makers and supporters. NHB would take necessary and adequate measures required to strengthen and develop a sound and sustainable Secondary Mortgage Market. The Government would provide a conducive and supportive fiscal and regulatory framework, The Government would support RMBS initiatives for mortgage loan to low income group segments as approved securities so that investments from insurance, provident fund can be attracted.
- iii. Stamp Duty on the instruments of residential mortgage-backed securitisation (RMBS) would be rationalized and reduced to 0.1% on the lines of Gujarat, Tamil Nadu, Karnataka, West Bengal etc. The Central Government would incentivise the state governments for undertaking such reform-oriented measures. Regulatory framework for banks to engage in RMBS transactions both as originator and investor would be supportive. RMBS instrument for low income and weaker sector segment would not attract stamp duty.
- iv. Housing is to be considered at par with infrastructure as far as funding and concessions are concerned, in order to encourage investment in these sectors.
- v. Incentives are to be provided for encouraging investments by financial institutions, HFIs, Mutual funds, Companies, Trusts and Foreign Institutional Investors into rental housing.
- vi. Financial institutions like Banks, HFIs , Self Help Groups should float special Home loan, saving cum credit scheme for EWS/LIG household ensuring housing loans after three years of regular saving, with a view to help in financial interventions for such segments. (Details of assistance made available by HFI's / Banks in 2000-2006 are given as Annexure III)

- vii. Kerala State would consider creation of State Shelter Fund with a corpus of annual accretion of Rs.50 crores for leveraging in the creation of larger financial flows for EWS/LIG needs.
- viii. "A Housing Risk Fund" with an initial corpus of Rs 50 crores (to be contributed by the government) is to be set up, to cover repayment risks on loans upto Rs 1,00,000/- provided by HFIs to EWS/LIG households.
- ix. Private sector would be incentivised to invest a part of their profits for housing needs of the poor.
- x. Foreign Direct Investments, Investment from Non Resident Indians and Persons of Indian Origin would be encouraged in housing, real estate and infrastructure sectors. FIIs would also be allowed to invest in RMBS issues.
- xi. Further, Kerala State Government will encourage/ initiate the setting up of a 'Bhavana Nidhi' from NRIs and corporate establishment of Kerala for the purpose of initiating housing projects for EWS/LIG. This could be either in the form of very soft interest investment or Grants/ Donations. This could also be provided to attract investments under Corporate Social Responsibility towards housing the poor.
- xii. "Real Estate Investment Trusts (REITS)" / Real Estate Mutual Funds (REMF) would be recommended to be set up to serve as a mutual fund for real estate development through State level financial intermediaries. REITs through the pooling in of resources would allow individuals with small amounts of cash to take advantage of returns available from the buoyant housing and real estate market. Larger funds would thus, become available for investment in housing related projects.
- xiii. Interest subsidy through State Government/ Banking sector interventions could be attempted for helping repayment incentivisation (See Annexure IV) .
- xiv. To enable housing finance institutional mechanism to serve all segments of society in urban and rural areas, constraints like non-availability of clear land title; absence of guarantee mechanism to enthruse the lenders to expand their operations to weaker segments may be removed. Appropriate Insurance Scheme to cover disputes/default in title deeds may be introduced. One time premium in this regard may be shared by Government and the

primary lending institutions. Similarly, in urban areas, Government may consider providing security of tenure (atleast for a period of 25 years) to poor and LIG households. Providing security of tenure for land in urban areas and allowing mortgage for raising loans should be encouraged and institutionalized.

- xv. To encourage primary lending institutions to enhance their credit flow to poor/EWS in urban and slum settlements, Government may allow complete exemption of profit derived from the business of long term housing finance for these segments. The existing institutional mechanism as available through Self-Help Groups/NGOs and Micro Finance Institutions would be actively supported in extending housing loans to poor and EWS. Government's initiative for raising funds from NRIs for benefiting Housing scheme for poor would also be included under this category (See Annexure IV).
- xvi. Government would encourage Public-Private-Peoples'-Partnership (PPPP) to undertake Integrated Housing and Township Projects in the semi urban and rural areas and replicate the experience of already successful PPPP models in urban settlements. These projects could be integrated with various programmes/schemes of Government of Kerala.
- xvii. Financial Institutions would be encouraged to forge joint ventures to augment supply of funds for development of housing and related infrastructure. In this regard, Joint Ventures would be encouraged.
- xviii. Plan Funds and other assistance for housing and infrastructure would be dovetailed according to the Action Plan prepared and followed by the State (See Annexure IV).
- xix. Micro-credit for the poor: Whereas housing finance has become more accessible and affordable for the organized sector (mainly due to macro-economic environment) it continues to elude the households, specially the poor residing in Rural and Urban areas and Squatter Settlements. There is an urgent need to take a closer look at policies, which will ensure accessibility of Housing Finance to low-income group (See Annexure IV). In this context Micro-credit for housing along with other micro-credit programmes for economic activities would be given a strong push, by convergence of various income generating micro credit programme with housing micro credit.
- xx. With a view to provide inclusive housing development and to eschew ostentatious housing a 1% cess on cost of individual

residential units of built up area above 3000 sq.ft. will be imposed and this cess will be pooled into State Shelter Fund for use in State assisted housing scheme for rural and urban poor.

4.3 Legal and regulatory reforms

- (i) Procedures for sanctioning building plans would be simplified to eliminate delays through strict enforcement of rules and regulations along with simplified approval procedures to ensure that the system is made user friendly. A single window approach would be developed. Chartered Registered Architects and Engineers would be allowed to sanction building plans, who would be responsible for enforcement of the norms. Professional responsibility would be vigorously enforced.
- (ii) The preparation of a master plan would be made time bound and be put in place before expiry of current plan. The laws and procedure for notification of new master plan would be simplified.
- (iii) Provisions relating to housing and basic services will be examined in line with the NBC to make specific provisions for implementation at the state and municipal level, for realistic provisions for low-income housing.
- (iv) Kerala Buildings (Lease and Rent Control) Act 1965 would be amended to stimulate investment in rental housing in line with a Model Rent Control Act, along with such modification as may be necessary.
- (v) FAR need to be optimised and increased wherever possible in relation to the adequacy of social and physical infrastructure services (e.g. water, drainage, solid waste management, electricity, roadwork, sewerage system etc.)
- (vi) Considering the specific requirements of housing and urban infrastructure projects, a comprehensive land policy would be drawn up with a view to acquire and assemble land for housing needs of all groups with special focus on land needs for housing of EWS/LIG. Such a policy would ensure that the farmland needed for Agricultural production and eco system are preserved.
- (vii) The concerned land policy and land-use regulations should provide statutory support for land assembly, land pooling and sharing arrangements.

- (viii) NGOs and CBO would be promoted as part of Public – Private – Peoples Partnership (P-P-P-P) housing schemes, through special purpose vehicle or joint initiatives.
- (ix) The laws relating to housing cooperatives need amendment to facilitate housing cooperatives to take up Slum Rehabilitation projects.
- (x) As part of the Reform Agenda under JN National Renewal Mission (JNNURM), the scale of stamp duty for residential properties may be rationalized to about 3% for the poor and low income group and 5% for middle income and high income group. For properties owned by women, the stamp duty will be reduced by 1%.
- (xi) With the introduction of information technology, the registration procedures in the conveyance of immovable properties will be simplified. The procedure of the process of registration would be made easy, and for that non-encumbrance certificate and other details would be readily made available for any transaction of land.
- (xii) The land revenue records of the States would be computerized and put on GIS mode within a time frame.
- (xiii) The present process of issue of stamp papers from Collectorate, Treasuries and Stamp vendors would be modified to pay the stamp duty directly in the proper head of account of the State Govt. in the specified bank.
- (xiv) Property Tax reforms (such as Unit Area Method) would be introduced along with self assessment scheme.
- (xv) The Apartment Ownership Act 1983 would be revised.
- (xvi) Urban renewal of inner cities is becoming imperative. The Kerala Building Rules and Planning Regulations would be amended to take care of upgradation. States Government would take initiatives for tackling deteriorating housing conditions, proliferation of slums and the dilapidated structures in the cities.
- (xvii) Clean environment and quality of life in the settlements depend on various legislations and coordination among the regulatory authorities. There is a need to integrate policies regarding air and water pollution, solid waste disposal, use of solar energy, rain water harvesting, energy recovery from wastes and electricity supply in the planning process. Maintenance of internal feeder/distribution

lines free from pollution should be obligation of the developer/local bodies.

- (xviii) The notification issued by Government of India, Ministry of Environment & Forests dated 16.09.2006 would be recommended for review in the context of provision of low-income housing and to exclude housing projects especially benefiting the poor and low income groups. The development agency would be made responsible for creation, maintenance of housing and infrastructure and treatment and disposal of wastes; and for prevention of pollution.
- (xix) With a view to provide safe, durable and right priced housing and to protect the interests of the public, Government will come up with regulations and establish Regulating Authority for Registration of Builders and Developers and Property Agents.

4.4 Technology support and its transfer

- i. Technology support would continue to play a vital role in providing affordable shelter for all groups.
- ii. The Government would take an active lead in promoting and using building materials and components based on agricultural and industrial waste and through sustained research and development work.
- iii. Use of wood has to be optimally done using timber substitutes. Use of bamboo rubber wood, coir composite as wood substitute and in other building components, would be encouraged.
- iv. In order to reduce energy consumption and pollution, low energy consuming construction techniques and materials would be encouraged.
- v. Use of partially prefabricated factory made building components would also be encouraged, especially for mass housing, so as to achieve speedy, cost effective and better quality construction.
- vi. Enforcement of the National Building Code for disaster resistant construction technologies and planning as per NBC would be made mandatory and this would be ensured by the State Governments/ Municipalities /Panchayaths.
- vii. Use of appropriate technological inputs for enhancing effectiveness of local building materials will be encouraged. Innovative building

materials, construction techniques and energy optimizing features would be made an integral part of curricula in architecture, engineering colleges, polytechnics and training institutions and also through appropriate awareness creation in Schools.

- viii. Transfer of proven cost effective building materials and technologies, from 'lab to land', would be intensified through the vast network of institutions including strengthening of the KESNIK/ Nirmithi Kendra network and the large number of technology transfer institutions like COSTFORD/ HTG/ MN/ IRTC/ Professional groups.
- ix. States would include the specifications of new building materials and cost effective technologies in the Specification of Works, Schedule of Rates of the Public Works Departments and promote them vigorously.
- x. Government would promote use of such innovative and environment friendly, ecologically appropriate and energy saving materials and products through fiscal concessions and tax rebates for easy and affordable access to basic building materials and availing of Carbon Credits.
- xi. Standardization of various building components, based on local conditions would be emphasized so as to get better quality products at competitive rates, through mass production at decentralised locations and through SME initiatives.
- xii. Building Material/components supermarkets / retail outlets would be established to provide easy and affordable access to quality building material/ components at affordable prices. Access to river sand and alternates and forest products will be enabled.
- xiii. Government would facilitate the creation of quality testing facilities for building materials, products and construction across the state for ensuring quality control. The existing facilities in technological institutions and engineering colleges would also be utilized.
- xiv. Documentation of all proven cost effective and disaster resistant technologies and construction systems will be done and widely disseminated using print & electronic media and demonstration projects

4.5 Infrastructure

- i. There is a need to find ways to achieve the required upgradation of infrastructure of villages, towns and cities and to make these comparable to the needs of the times.
- ii. The areas that fall within the ambit of infrastructure in all human settlements encompass the provision and creation of a network of roads for safe and swift commuting, adequate and safe water supply, efficient waste treatment and disposal, convenient public transport, adequate power supply, a clean & healthy environment. A major thrust for providing water supply and sanitation will be taken up in all habitat settlements.
- iii. Social Infrastructural amenities consisting of educational facilities (Nursery, Primary, Secondary and Higher Secondary Schools, Colleges, Universities, Research Institutes), recreational facilities, sports fields and stadiums, medical facilities (clinics, hospitals and allied health care), and e-Connectivity would be facilitated to be provided, in all habitats, depending upon the scale and size of development.
- iv. `Public- Private -Peoples –Partnership` approach for Infrastructure would be devised for the development of all the areas. Macro-economic strategies would be devised to enable flow of resources including attracting private capital to the infrastructure sector.
- v. The Policy would address issues to compensate investments made by the private sector through numerous innovative viable alternatives other than direct monetary compensation. A `Habitat Infrastructure Action Plan` would be developed to prevent and plug losses, leakages and wastages that are existing in the system at various levels.
- vi. Specific initiatives would be taken to use Provision of Urban Amenities in Rural Areas (PURA) at different locations in a participatory manner using contribution from various stakeholders. In this regards, feedback would be taken from demonstration projects being implemented.
- vii. Financial institutions, State Governments and Central Government would encourage and support `local` infrastructure development efforts being made by local authorities as well as by the private sector for the development of all areas referred to in iii above.

- viii. Steps would be taken to tap all financial resources (including domestic and international funding institutions) including FDI as per Govt. of India guidelines into infrastructure development at the rural, town and city levels.
- ix. Transport connectivity via rail, road, air and waterways has a strong impact in creating sustainable rural -urban growth. An optimum mix of reliable and eco-friendly public transport systems would be planned to meet this requirement.

4.6 Sustainability concerns

- i. No settlement can support unbridled consumption of natural resources, such as land, water, forest cover and energy. Norms for consumption of these resources and also conservation techniques would be specified and enforced.
- ii. Sustainable strategies would be devised for the maintenance of housing and infrastructure services.
- iii. Settlements would be planned in a manner, which minimises energy consumption in production of building materials, construction systems, various building services, transportation, power supply, water supply and other services.
- iv. Growth of a city beyond its capacity imposes unbearable strain on its services. Development of urban sprawls and satellite townships to take care of the larger growth of cities will be taken up.
- v. Decongestion and decentralization of metro cities is urgently needed through development of regional planning linked with fast transport corridors and connectivity for balanced growth.
- vi. Model bye-laws would be drawn up for use of renewable energy source particularly solar water heating systems in residential and commercial buildings. Rain water harvesting, aquifer charging, waste water recycling would be insisted to be taken up on priority.
- vii. Use of natural lighting and ventilation systems will be encouraged including the creation and maintenance of green open spaces, parks and landscaping.
- viii. Poverty and unemployment are detrimental to healthy growth of any settlement. Poverty alleviation and employment generating programmes would be devolved along with habitat initiatives. Development of income augmenting activities, expansion of the

services sector and imparting of training and skill upgradation would be taken up.

- ix. Kerala Building Rules will be revised in line with the comprehensive provisions of National Building Code of India 2005 to provide for special housing needs of hilly areas, coastal areas needs of poor and low income group, rural and urban housing.
- x. Government could encourage the setting up of eco-habitats or eco-villages as model settlements using all environment friendly and energy saving options and products.

4.7 Employment issues in the building sector

- i. The building construction sector provides the second largest employment work force generating sector. However nearly 55% of them are in the unskilled category. Skill upgradation would result in higher productivity and income for the workers.
- ii. The workers need to be trained and certified to keep abreast of technological advancements in this sector and the institutional mechanism for this will be strengthened and operationlised.
- iii. Women construction workers have been victims of exploitation in terms of disparity in wages. Skill upgradation and induction of women at supervisory levels and encouraging women as contractors would be facilitated / encouraged. Public agencies would take a lead in this. All training institutions must enroll women on a preferential basis.
- iv. Adequate provisions for the safety and health of women engaged in construction activities which are hazardous in nature would be made by the authorities executing the project.
- v. Support services like crèches and temporary accommodation would be provided by the implementing authority at the construction site.
- vi. Training and capacity building cess would be levied on all construction projects except those being done on a self-help basis. This amount could be spent on training and imparting new skills and certifications of construction workers.
- vii. Decentralized training both for men and women construction workers will be taken up under several schemes of Government for imparting training and skill enhancement through convergent and integrated efforts in this direction. Training and certification of

construction workers for their skills will enhance productivity, efficiency and lead to right levels of incomes and this will be operationalised in a phased manner.

- viii. With a view to increase productivity, efficiency, safety and speed in construction and remove drudgery, modern construction tools, equipments, appropriate machineries would be introduced.

4.8 Slum improvement and upgradation

- i. Slum improvement programmes for upgrading the services, amenities, hygiene and environment would be taken up with a view to make the State a Slum free state in a decade.
- ii. Slum reconstruction programmes for creating a better environment would be encouraged by schemes with cross subsidization. These would be based on the basis of audit of slum areas covering health status, education, sanitation, environment, employment status and income generation.
- iii. 'Land as a resource' would be used while taking up slum rehabilitation. Land sharing and pooling arrangements would be resorted to in order to facilitate development of land and improvement of basic amenities in slums. This will be done through low rise multistoreyed group housing and cluster planning for optimum and efficient use of land.
- iv. Transferable development rights and additional FAR would be released as an incentive for providing shelter to the poor. The private sector, community based organisations (CBOs), non-governmental organisations (NGOs) and self help groups would be involved in such activities.
- v. The land or shelter provided to the poor / slum dweller would as far as possible be made non-transferable for a period of ten years.
- vi. Specific projects would be taken up based on poverty alleviation strategies of JN National Urban Renewal Mission (JNNURM)/IHSDP/BSUP.
- vii. Income generating activities in slums have a direct bearing on housing and other environment issues. The various development programmes would be converged to cover the target group completely.

- viii. Formation of multi-purpose cooperative societies of urban poor and slum dwellers would be encouraged across the country for providing better housing and environment to improve the quality of life as well as for undertaking multifarious activities for the economic and social development.
- ix. Forced eviction of slum dwellers will be avoided and insitu rehabilitation attempted .In such cases appropriate shelter and environment up gradation programmes will be taken up.. Where it is unavoidable, alternative shelter options will be given as rehabilitation solution.
- x. The traditional rights of indigenous Adivasies/ Fishermen families will be protected.
- xi. Migrant workers have shelter problem and appropriate interventions will be facilitated and encouraged.

5. SPECIAL NEEDS OF HOUSING FOR ALL WORKING GROUPS

- 5.1 Kerala's working class consist of agricultural workers, plantation workers, fishermen, handloom weavers, beedi workers, coir workers, jewelers artisans, handicraft workers, etc. In many cases housing has to be integrated with home based work areas like beedi rolling platform, beedi leaf storage, provision of pit and bench loom for weaving, fish drying area and net and boat repair, pappadam / condiment / pickles making, cluster level coir operation area for retting, coir reeling, yarn making, matt making, etc. The Policy would encourage creation of house cum work area to be integrated and pooling the financial resources for employment support facility creation from Development Commissioner – Handlooms for weavers, Labour Commissioner for beedi workers and industrial workers, JNNURM for employment generation of urban poor, Coir Board / KVIC for coir sector employment support and Khadi and Village Industry support, etc. for the work areas creation, dovetailed with housing initiatives.
- 5.2 Multipurpose village level service cooperatives and other Micro credit institutions will contribute to provide access to institutional credit for composite loans for productive housing in rural areas.

6. SPECIAL NEEDS OF SINGLE WORKING WOMEN, DISABLED AND SENIOR CITIZENS

6.1 Women and Housing

- a. The issue of title for house / land in favour of women or joint name to be ensured.
- b. The positive role of women in creating, maintaining sustainable housing has to be fully harnessed. Women should be associated in participative planning process in design, construction and maintenance of houses.
- c. Special housing scheme for single workingwomen as ownership condominium or rental hostel units would be taken up.
- d. The special problems of domestic women workers has to be kept in view.
- e. The stamp duty charges for women headed housing should be given 1% rebate.
- f. The need for creation of creshes/community centers for women construction worker will be kept in view.
- g. Skill upgradation/certification of women construction workers will be specially covered to elevate them from unskilled to semi skilled and skilled construction workers.
- h. Women headed self help groups will be encouraged to form saving cum loan groups/ schemes for employment support and shelter options.

6.2 Physically challenged

The barrier free and special design features for housing the physically challenged as per NBC will be incorporated and sappropriate provisioning in housing scheme and public buildings will be done.

6.3 Senior Citizens

The needs of senior citizens housing will be taken up through various agencies with sensitively planned shelter options providing for dignity, caring concern and special geriatric consideration with health and paramedical support facilities. The new initiatives for Reverse Mortgage scheme benefiting senior citizens will be encouraged.

7. IT HABITAT

- 7.1 With major initiatives taken up for employment generation through IT and Technology Parks, BPO services, massive housing initiatives for the young women and men will be needed and this

will be taken up through IT Habitat approach including creation of ownership housing and rental serviced apartments for all groups, at affordable terms.

8. HABITAT TYPOLOGY AND HERITAGE CONSERVATION

- 8.1 Kerala, with its distinct development pattern of rural – urban (RURBAN) continuum also demonstrate wide variety of housing typologies. The urban and rural housing typologies provide for sensitive planning and architectural design features to blend with nature and take care of the climatological features like high rain fall, hot humid climate, etc. The vernacular, traditional and local housing typologies in both rural and urban housing would need to be nurtured and conserved and suitably adapted in the contemporary context with new material forms and construction technology options. The blending of rich architectural heritage and the housing typologies into the new urban – rural skylines would be a thrust areas for action. Appropriate incentives for maintenance and up keep of Heritage Buildings and precincts will be considered.

9. HABITAT LITERACY

- 9.1 A major public awareness programme for providing awareness, appreciation and application leading to habitat literacy will be launched. “Housing for All” in the 11th Plan period will be taken up as a major peoples movement with significant public participation and driving benefits under public-private –peoples-partnership (PPPP). Use of print, electronic and other media would be utilized for the major habitat literacy initiative for spreading message on sustainable habitat development.

10. HOUSING DELIVERY SYTEM.

- 10.1 The construction, production, maintenance, and upkeep of housing should be encouraged and supported through initiatives of individuals, communities, cooperatives, public, private and joint sector initiatives.
- 10.2 Community based production for housing initiatives has sustainable potential through access to land, finances, services, materials, design, construction and delivery and this will be encouraged.

- 10.3 The special needs of vulnerable groups, with inability to compete on an equal basis for resources and opportunities, will be specifically addressed.
- 10.4 The indigenous tribal/ traditional fishermen would be covered through special housing interventions. The access to natural resources like bamboo, weed, bio mass based building materials would be permitted subject to sustainability concerns taken care of.
- 10.5 In respect of private sector housing delivery, Regulatory Authority for real estate development will be setup and registration of builder, property agents introduced to take care of the interests of the consumers in terms of land and property records, statutory approvals, quality, safety and costs.
- 10.6 Maintenance and up keep of all group housing and common areas including safe working of all services installations will be ensured through the Resident Welfare Associations and asset and facility management agencies. The maintenance of open spaces, parks, landscaping and greens will also be devolved around the community groups deriving benefits there from.

11. ACTION PLAN / FOLLOW UP

- 11.1 The State Housing & Habitat Development Plan (SHHDP) to eradicate house-lessness and providing for creation of housing for 10 lakh families by 2012 would be prepared and launched in 2007.**
- 11.2 The Action Plan as above would cover preparation of Model Plan/Acts including broad action areas for legal & regulatory reforms, broad areas for fiscal concessions and financial sector reforms including innovations in the areas of resource mobilization, etc.
- 11.3 The Action Plan would tend to create housing stock to facilitate EWS/LIG, upgrade related infrastructure, enhanced access to water, drainage and sanitation facilities, larger flow of funds for housing, development of cost-effective housing and shelter options, promotion of a planned and balanced regional growth, creation of employment, protection of weaker sections and vulnerable groups, promotion of partnerships, promotion of urban conservation and development of suitable MIS.
- 11.4 SHHDP will provide a road map of Actions pertaining to (a) institutional, Legal, regulatory and financial initiatives to be taken up

by States in relation to (i) supply of land (ii) modification of Acts/Bye-laws (iii) technology promotion (iv) infrastructure provision (v) slum improvement, etc.

- 11.5** SHHDP would encourage actions to motivate, guide and encourage private sector, NGOs, CBOs and suitable feedback for State parastatals and ULBs to re-orient their perception and strategy towards increased supply of land, shelter and services at affordable prices.
- 11.6** The State Commission on Human Settlements (SCHS) may be set up by Government of Kerala to :
- (a) Assess the status of 'Human Settlements in Kerala' in terms of 'sustainability', 'balanced regional development', 'shelter status', access to basic services, nature and dimension of poverty and creating data base on rural and urban housing in all 58 cities and 999 panchayats
 - (b) Strengthen the decentralization process in urban and rural areas for integrated habitat development.
 - (c) Suggest inter-sectoral action plan to achieve Housing and Habitat related policy objectives
 - (d) Carry out research, undertake field visits, meetings, etc. to gather information on (a), (b) and (c) above.
- 11.7** State level monitoring Committee would be set up to review implementation of SHHDP periodically and suggest further actions to be taken up by concerned stakeholders in the State.
- 11.8** Housing and Habitat Development Plan (HHDP) will be prepared at local level, taking into account requirements of urban local bodies. These plans shall become integral part of 'State Housing and Habitat Development Plan'.
- 11.9** As part of training and capacity building, Kerala Institute of Habitat Management Studies would be established.
- 11.10** Few representative pilot projects will be undertaken to demonstrate various best practices and innovative reforms and construction systems for long term replications in the total housing movement. This will also include development of Eco-Villages and Eco-Habitats.

11.11 A Monitoring Committee at local level shall be set up to review progress made on SHHDP and suggest follow up for various stakeholders at local level. This could play the role of Surveillance and Alert group for the efficient and timely implementation of housing schemes and initiatives.

12. AFTERWORD

12.1 The ultimate goal of this Policy is to ensure “Housing for all” leading to sustainable development of human settlements and providing a better quality of life to all citizens using potential of all the stakeholders. The Policy would be reviewed from time to time (every five years) taking into account the developments in the settlement pattern, urbanization and human settlements trends, rural-urban balanced development, environmental status and overall socio-economic scenario.

MATRIX ON ROLE OF GOVERNMENT / PUBLIC AGENCIES

Role → ↓ Aspect	Catalyst			Enabler			Facilitator			Provider			Builder		
	E	L	M/H	E	L	M/H	E	L	M/H	E	L	M/H	E	L	M/H
Group →															
Land			✓					✓		✓					
Infrastructure							✓	✓	✓	✓	✓	✓			
Plans / Designs			✓	✓	✓					✓					
Building Materials	✓	✓	✓	✓	✓		✓	✓							
Technologies	✓	✓	✓	✓	✓		✓	✓		✓	✓				
Access to Grants										✓					
Access to Loan			✓				✓	✓							
Laws & Regulations										✓	✓	✓			
Fiscal Concessions										✓	✓	✓			
Others (Construction)		✓	✓					✓		✓			✓ @	✓ @	

E – EWS

L – LIG

M – MIG

H – HIG

@ for some situations

**NUMBER OF FAMILIES WITH LAND & HOMELESS
AND LANDLESS & HOMELESS
IN THE STATE OF KERALA**

Sl. No.	Name of District	No. of families with Land but Homeless	No. of families who are Landless and Homeless
1	Thiruvananthapuram	30,989	42,445
2	Kollam	25,527	20,165
3	Pathanamthitta	18,270	21,198
4	Alappuzha	9,668	6,709
5	Kottayam	106,226	12,052
6	Idukki	11,967	71,104
7	Ernakulam	22,230	19,128
8	Thrissur	27,286	19,959
9	Palakkad	35,272	35,571
10	Malappuram	14,763	15,990
11	Kozhikode	19,373	13,038
12	Wayanad	14,972	19,266
13	Kannur	27,688	31,717
14	Kasaragod	8,253	4,614
Total		372,484	332,866

FINANCIAL FLOWS FROM HFI / BANKS IN KERALA

Banks	March 2000		March 2005	
	No. of Housing units	Loan	No. of Housing units	Loan
State Bank of India	79913	Rs.563 cr.	133939	Rs.3761 cr.
Nationalised Bank	62209	Rs.419 cr.	116568	Rs.2510 cr.
RRB's	-	Rs. 29 cr.	1015	Rs.140 cr.
Other Scheduled Commercial Banks (Private Sector)	66286	Rs.470 cr.	14135	Rs.185 cr.
Total overall Assistance	2,12,651	Rs.1482 cr.	340124	Rs.8802cr

HDFC	Financial Year	No. of Housing units	Loan
	2002-03	13495	Rs.336 cr.
2003-04	15385	Rs.468 cr.	
2004-05	18477	Rs.704 cr.	
2005-06	21356	Rs.898 cr.	

CAN FIN HOME	2006-07	-	Rs.131 cr.
---------------------	---------	---	------------

LIC HOUSING FINANCING COMPANY	Financial Year	No. of Housing units	Loan
	2002-03	2790	Rs.89 cr.
2003-04	3682	Rs.123 cr.	
2004-05	4315	Rs.149 cr.	
2005-06	4494	Rs.177 cr.	
Total overall Assistance		29748	Rs.968 cr.

HUDCO FINANCED HOUSING SCHEMES IN KERALA

(Rs. In crores)

Year	Dwelling units sanctioned	Loan Sanctioned	Loan Released
1995-96	27214	118.85	144.31
1996-07	50411	177.76	173.50
1997-98	67333	229.03	202.32
1998-99	1,89,722	524.58	341.68
1999-00	1,88,795	648.18	358.93
2000-01	116825	390.99	307.92
2001-02	29761	127.69	41.22
2002-03	41431	479.75	427.15
	Vambay 11528	(incl.Hudco niwas bulk loan)	
2003-04	18411	72.30	63.85
	Vambay 7026		
2004-05	7650	102.51	13.52
	Vambay 6137		
2005-06	28336	40.68	4.36
	Vambay 1546		
TOTAL	792126	2912.32	2078.76

INTEGRATED HOUSING FINANCING OPTIONS

1. SOURCES OF HOUSING FINANCING

The sources for housing financing could be from:

- Grants / subsidies from Central / State / Local Governments.
- Affordable financing through Banks (FI), Housing Financing Institutions (HFI) and Micro-Finance Institutions (MFI) (formal and informal sector)
- Contribution in cash savings, kind and labour from the people (affected families) as sweat money.
- Subsidy / loan from civil society (local, regional, national and international CBO's / NGOs / Donors) organisations

























2. HOUSING FINANCING PARTNERSHIP OPTIONS

- **Governmental** contributions as grant / subsidy
- **Individual** contribution
- **Institutional** (Financial) assistance
- **Societal** contribution from local / regional / national / international donor agencies, NGOs.

3. INDICATIVE INCOME PROFILES AND AFFORDABILITY

	Income Category	Family Income	Recommended Approach
a)	Poorest of the poor (Below Poverty Line) (BPL)	< Rs.2000 per month	90% grant / subsidy (Cannot afford to take any loan) 10% sweat money by family
b)	Economically Weaker Section (EWS)	upto Rs.3300 per month	40% grant / subsidy upto 50% loan upto 10% cost by family
c)	Low Income Group (LIG)	upto Rs.7500 per month	20% grant / subsidy upto 60% loan upto 20% cost by family
d)	Middle Income Group (MIG)	upto Rs.14500 per month	upto 70% loan. Balance from savings. Possible support from Govt. in land and infrastructure.
e)	High Income Group (HIG)	> Rs.14500 per month	Upto 70% loan Balance from savings

4. HOUSING FINANCING OPTIONS

Contribution / Options		I	II	III	IV	V	VI	VII	VIII	IX
C O S T O F H O U S E S H A R E D B Y	State Govt. / Provincial Govt. Grant / very soft loan					-			-	-
	Central / Federal Govt. Grant / very soft loan	-			-		-	-		-
	FI / HFI / MFI - Loan	-	-	-	-					
	Beneficiary Cash / Kind / Labour (Sweat money)			-		-				
	NGO/ CBO / Donor Local / National International - Grant / soft loan	-	-	-		-		-	-	-
Target Group	BPL	BPL	BPL	BPL EWS	EWS	EWS	EWS LIG	EWS LIG	MIG HIG	