

**STATE POLICY
ON
SLUM FREE ANDHRA PRADESH BY 2014**

With a view to achieving inclusive and sustainable growth of the urban areas, Government of AP adopts the vision of a slum-free State by 2014 achieved through a comprehensive reconstruction of the slums in the State, both in terms of the housing stock and infrastructure, and enabled by a legislation on regularization of slums and conferring of tenurial rights to all the slum dwellers in the state. This policy documents outlines the strategy of the government to achieve the goal.

Background:

1. According to the census of 2001, 28% of the State population (2.05 Cr) lives in urban areas, which is estimated to reach around 50% by 2030. The decadal growth rate of population in the urban areas was quite high over the last three decades; it registered a high of 48.62 percent in 1981 and 43.24 percent in 1991. The decadal growth rate in urban population considerably declined in 2001 to 14.63 percent but the Class 1 cities have continued to experience very high growth as compared to the state average. Urban areas being the engines of growth and employment hubs in the state, migration of people from the rural areas has contributed utmost to the rapid growth of cities in the state.

2. However, such a rapid pace of urbanization also created enclaves of abject poverty and squatter settlements of the poor across all the towns and cities in the state. This phenomenon of urbanization of poverty is evident in the nearly 7500 slums that exists today in the 124 cities/towns in the state, accommodating a total population of 80.79 lakhs (40%). People in these slum areas live without adequate access to basic infrastructure, social amenities, substandard housing without tenure security, etc. illiteracy, illness, malnutrition, inadequate purchasing capacity and lack of control over local resources characterize these areas. Distortions in urban land market with spiraling land prices due to speculation have driven the urban poor out of the formal land markets. This has led to the urban poor being forced to make on formal arrangements of shelter leading to proliferation of slums.

3. The 11th five year plan of the Govt of India adopted inclusive growth as the key paradigm for India's urban development. Government of AP (GoAP) is in the foremost position amongst states in its commitment to the task of providing decent and affordable housing along with reasonable access to civic infrastructure to all the urban poor. GoAp has accorded highest priority to provision of affordable housing to the poor in the state, including urban areas, and has adopted the goal of saturation of housing demand through its flagship INDIRAMMA Programme. Nearly Seven Lakhs houses are sanctioned in the urban non-mission cities of the state since 2006 for the identified poor. Attention has also been given to civic infrastructure deficits in the slum areas through programmes like, Rajiv Nagara Bata, APUSP, IHSDP etc in the last few years. Regarding the three mission cities of Hyderabad, Vijayawada and Visakhapatnam housing programmes for the low income group was taken up under the Rajiv Gruha Kalpa Programme as well as EWS (Economically Weaker Section) housing under BSUP component of JNNURM.

4. The State government took a path – breaking step in 2007 to set up the Mission for Elimination of Poverty in Municipal Areas (MEPMA) to guide formulation and implementation of pro-poor policies and programmes in the state. In 2009 government commissioned a systematic survey of the slums in the State through MEPMA. The results of the survey are as follows:

Table 1: Status of the Slums in AP in 2009

	State	4 Mission Cities
Notified Slums	5,389	1,679
Non- Notified Slums	1,996	661
Pockets of poor	66	65
Total	7,451	2,405
Slum Population	89.32 lakhs	

**Table 2: Percentage of slums covered with basic infrastructure
(% of total slums)**

	Drinking Water	Sewerage
Not served	10	55
Partially served	34	21
Fully served	56	24

4.1. Thus, there are severe services delivery gaps in slums across the State. According to APUSP survey (2003) nearly 60 percent of slum households depend on public stand posts for water supply, and 35 percent of households depend on either community toilets or resort to open defecation with regard to sanitation.

Table 3: Percentage of slum based on land ownership

Land ownership	% of total slums
Govt. Lands	35
Local Govt. Lands	20
Private lands	35
Central Govt. or PSU lands	5
Private occupied lands	5

4.2. An analysis of the physical location of slums across the state reveals that 4256 slums are non- hazardous slums while the remaining are either hazardous or located along the drains, water bodies, railways and major roadways. 4187 slums are located on Government and Municipal Lands.

4.3 With respect to tenure rights, the APUSP survey in 2003 revealed that less than 50 percent of households in slums have pattas and from the perspective of quality of housing in slums, about 60 percent of houses are pucca houses and the remaining are either semi-pucca or katcha houses. Government of AP has consistently adopted a progressive approach to tenurial rights for slum dwellers. Regularization of the slum encroachment by grant of heritable but inalienable pattas has been the overall policy of the government for the last few decades. Most recently, G.O. Ms.No.166, Revenue (Assignments POT) Dept. dated: 16.2.2008 was issued with the objective of providing tenure ownership to occupants on un – assigned government lands. However, a large number of slum dwellers do not seem to have benefited from this initiative. As per the survey conducted I 2009 covering 2776 slums, while there are around 16.36 lakhs occupants residing in the slums, only 9936 (0.67%) of eligible occupants (14.85 lakhs) sought regularization. In fact prior to GO 166 too, only 9% (1.51 lakhs) of eligible occupants were regularized. 90% of slum dwellers are yet to be provided with any kind of patta over their housing encroachment.

5. Emerging Key Issues

- a) Absence of comprehensive policy framework; although the state government has adopted a policy of according inalienable but heritable rights over house sites, and simultaneously also invested in slum infrastructure improvements under externally aided as well as Govt of India supported schemes. Continuing problems with housing quality and infrastructure in slums point to the fact that a comprehensive policy is required to address slum have to be viewed in a holistic perspective, in which according tenurial rights, housing improvements and slum wide regularization and infrastructure are addressed conjunctively.
- b) Instituting a sound information system on slums and poor settlements: A sound information system is the foundation for sound policies and implementation arrangements. Under the APUSP programme, a database was developed for the 42 class I towns in the state and slum infrastructure as well as poverty profile of slums. However slum improvement programmes with regard to slum dwellers, slum-infrastructure conditions, socio-economic profile of the occupants, slum-infrastructure conditions, socio-economic profile of the occupants, slum-maps etc. A state-wide web based data collection on the slum situation in the state by MEPMA in 2009 is underway and is providing fresh insights into the various issues likely to affect efforts for achieving a slum free status for the state.
- c) According Patta/Property rights to slum dwellers: Policy of regularization as per G.O.166 recognizes only those occupants of land who came into physical occupation of the land by way of structures and does not recognize those dwellers who are living in rented houses in slums since many years. This issue needs to be reviewed. Moreover, according property rights to slum dwellers in place of pattas, especially in congested, unhygienic and highly dense slum settlements, particularly in GHMC and other big cities in the state is to be examined as a viable policy option. This option needs to be examined in all cases of in-situ

relocation to prevent public health emergencies as witnessed in the case of Bholakpur tragedy in Hyderabad this year.

- d) **Regularization or formalization of slums:** slum settlements continue to be informal squatter settlements in the state. In order to legalize and formalize the settlements, town planning norms should be reviewed from the point of view of standards of density, common amenities like roads, open spaces etc to enable regularization of slums. Also classification of slums as objectionable purely on the basis of land use classification without reference to ground realities should also be reviewed. Only hazardous settlements causing concerns from the point of view of public health and safety and environment should be treated as objectionable.
- e) **Non availability of land:** Conventional system of master planning provides for land categorization for different uses like industrial, Commercial, recreational etc but does not provide for the housing or workplace needs of the urban poor. This issue needs to be addressed particularly to relocate hazardous slums, as well as prevent future growth of slums, Legal issues relating to regularization of slums existing on endowment lands, wakf lands, private lands remains unresolved, resulting in several occupants not being conferred any property rights.
- f) **Ineffective participation of local community and NGOs:** Housing programmes in slums need to be based on organized consent, proactive participation of the beneficiaries, Poor occupancy and lack of social infrastructure in relocated sites is primarily a consequence of inadequate participation by the beneficiaries. The widespread Self Help Group (SHG) network in the state, which has reached the level of saturation, should be integrally involved in any new slum redevelopment strategy of the state.
- g) **Inadequate financial allocations and lack of funds for civic infrastructure:** JnNURM programme has provided unprecedented funding for civic infrastructure in towns, including slum areas, as well as for EWS housing. However, slum wide improvement of infrastructure alongside upgradation of tenements and provision of public spaces on reasonable norms requires allocation of substantial project funding within a medium term time frame. Inability to provide linkages with microfinance institutions/ nationalized banks to meet the housing investments of the poor is a critical road block in upgrading slum across the state.
- h) **Institutional inadequacies:** While the state government has set up MEPMA at the state level to formulate and guide implementation of pro-poor policies and programmes in the urban areas of the state, appropriate structures and coordination mechanisms between the Urban local bodies (ULBs), MEPMA hierarchy, revenue department and town planning wings is to put in place to enable effective implementation of town-wide slum development strategies.
- i) **Lack of adequate incentives for private sector participation for slum upgradation or affordable housing projects:** Private sector participation is key to mobilizing of adequate resources for a slum free state, The public and private sector housing agencies require to be incentivized by the state government to attract appropriate investments for affordable housing for the low income categories.

Vision and Objectives

6. Government of Andhra Pradesh, keeping in view the goal of development of more equitable and inclusive cities in the state, adopts a comprehensive policy framework outlined in this document to achieve its vision of 'slum free' state by the year 2014. The policy lays down a holistic framework, based on a conjunctive approach for improving the living conditions and services in slums, to confer property rights to slum dwellers as well as legalization of slum settlements leading to slum free urban AP by 2014.
7. The Objective of this policy is to provide to every urban poor household in the state by 2014.
 - Secure, dignified and affordable shelter
 - Quality basic civic services and social infrastructure including livelihoods
 - Security of tenure and property rights in all slums.
 - Legalization of slum settlements
 - Promote sustainable development of habitat, poverty reduction, inclusive economic development, better quality of life and safe environment

Key Features of Policy

8. The new policy is based on the premise that a simplified property ownership and regularization policy for slum is necessary, through which every slum dweller will be benefited and the slums are developed with basic infrastructure in a planned manner.
 - Review of G.O.166 from the perspective of according property rights and regularization of slum.
 - A comprehensive legislation to confer property rights to all those slum dwellers who are in occupation of unobjectionable Govt, ULB, Wakf and Endowment lands.
 - Putting slum regularization frame work in place by adopting appropriate town planning norms for slums.
 - Review of tenability of slums based on realistic conditions existing on grounds.
 - Whole city approach will be followed and a city/town slum development plan will be prepared detailing the slum up gradation, Rehabilitation, in situ development, relocation strategies.
 - Detailed survey of all slums and slum households, preparation of slum-base-maps, enumeration of all slum-dwellers with bio-metric identification
 - In-situ development of all tenable slums and regularization of occupation with a view to protecting the livelihood interests of the slum dwellers.

- Realistic and participatory relocation strategy in respect of such settlements which cannot be allowed to continue at the same location due to concerns of public health and safety.
- Special institutional arrangements for steering all the activities relating to slum development at state, District and ULB level.
- Put mechanisms in place to enable Community participation and involvement of IKP-Urban self Help Groups (SHGs).
- Capacity building of ULBs to undertake the slum development programmes with active participation of community.
- Appropriate financing strategy for meeting the investment required for slum improvement and slum housing programme.
- Provide enabling policy framework so as to encourage public-private-partnerships to build affordable housing for LIG&EWS categories.
- Formulate strategy to make adequate credit available to the poor from formal banking institutions.

8.1. Issue of patta/Property Rights: A review of the implementation of G.O.166 will be taken in order to identify appropriate provisions in a new statutory regime that will remove the roadblocks for conferring security of tenure to the slum dwellers.

- A new comprehensive legislation will be formulated to enable grant of property rights to the dwelling units or pattas for the house site to all slum dwellers.
- All occupants of slum tenements will be made eligible for pattas or property rights for the site or dwelling unit under their occupation on government-owned or ULB-owned lands in the first instance.
- Grant of patta for a house site up to an extent of only 80 square yards in mission cities, and 100 square yards in Corporations and municipalities will be done free of cost for all the BPL families. All APL encroachments will be regularized will be regularized on payment of market value of the site as determined by appropriate authority.
- Conferring property rights will be free of cost to occupants of tenements up to 25 square meters.
- The patta/property certificate will be given in favour of the female member of the household or jointly with the male head of the household.

8.2. Regularization of Slum: As part of the new comprehensive legislation for grant of pattas / property rights, a slum Regularization Scheme will be formulated which will, initially be applicable to slums located on government and municipal lands. The Slum Regularization Scheme will include the following features:

- Revised minimum standards of road-width relating to internal roads, approach roads lanes, by-lanes etc. so as to facilitate the provision of a basic services like water supply, sewerages, drainage lines, keeping in view the over all public health and safety.
- Appropriate reservation towards vacant land for social infrastructure like community Halls, Livelihood Centres, Schools and Hospitals etc.

8.3. Review of tenability of the slums: Many of slums in the state are found to be categorized as objectionable slums because of rigid application of town planning criteria on classification. A realistic re-assessment of the conditions existing on ground in such slums, from the point of environmental sensitivity, public health and safety will be conducted. Settlements posing categorized as objectionable slums. A state level committee will be constituted to make recommendation to the state Govt. in the matter based on field inputs for declaring the tenability or otherwise of each slum. Suitable guidelines will be evolved to complete this work as a prerequisite for slum regularization.

8.4. Whole city approach: In order to implement the vision of a ‘Slum free state by 2014, Phasing of towns will be done for the purpose of slum development programmes. The government will follow the norm of coverage of one-third of the ULBs every year on the lines of the INDIRAMMA programme, starting 2009-10. However, given the size and complexity of Greater Hyderabad Municipality Corporation (GHMC) , the city will implement the programme over a three year period ,covering one-third of the slums every year.

8.5. Preparation of town-wide slum Infrastructure Requirements (DPRs): The above policy frame work related to slum regularization and issue of property rights would enable all the non-objectionable slums located in the State.Government and ULB lands to improve physical and social infrastructure in accordance with revised town planning norms.

While a slum survey has been conducted by MEPMA to assess the number of slums in every town, the nature of lands encroached, the extent of access of the slums to town-wide civic infrastructure in terms of water supply, storm water drain, Sewerage, road connectivity, a household survey with biometric identification will be conducted to assess the household connectivity and socio-economic profiling of the slum population.

Based on the survey data, the respective urban local bodies of each city will be required to prepare a comprehensive ‘slum-free city’ plan, including all the notified, non-notified, and informal settlements, GIS- based slum maps will be prepared as also an inventory of all the vacant lands.

All those slums which are tenable will be developed in-situ and projects for upgradation and regularization will be implemented.

For those of the slums which are hazardous and objectionable in nature rendering it impossible for regularization and according property rights in-situ, the ULBs will formulate schemes for appropriate relocation projects for housing through PPP or public housing agencies.

8.6. Support for House Construction /Upgradation: After regularizing the slums and providing the occupants with property rights, the government will facilitate access to credit for upgrading /constructing pucca houses for those who are currently having katcha or semi-pucca houses. This will be done by utilizing the Central and State Government Schemes under JnNURM, RAY and providing bank linkage and bridge loans. Implementation of INDIRAMMA urban will be given focus, and integration/convergence with the Slum-free city projects at the city level will be achieved. To the extent possible in situ housing by the beneficiaries will be encouraged and relocation strategy will be adopted only in case of objectionable slums. The main focus will be on providing loans through a single window using a banking intermediary at the door-step of the beneficiary.

8.7. Institutional Arrangements: All the policy issues relating to the vision of a slum-free AP will be dealt by the Municipal Administration and Urban Development Department, GoAP. The overall implementation of the policy will be the responsibility of MEPMA and an exclusive Slum Development Unit (SDU) will be constituted under MEPMA at the state level to coordinate, implement and monitor the policy. Slum Development Authorities (SDAs) will be set up in each District to plan, implement and monitor the policy.

8.8 Community Participation; The success of the Slum-Free state programme will critically depend on the participation of the intended beneficiaries, the slum dwellers. AP has a network of around 1.9 lakh self help groups in the urban areas and they are in the process of being federated into slum level federations (SLFs) and Town Level Federations (TLFs). These Community based organizations in slums will be enabled, motivated and trained to proactively participate at all stages of implementation of the programme. Wherever feasible, Non-Governmental Organizations (NGOs) will also be involved in implementation of the programme.

8.9. Capacity Building: Regular and periodic capacity building will be provided to the CBOs, Project staff and Municipal functionaries at all levels and particularly at the district and ULB level on various aspects of the policy and implementation. A capacity building plan along with cost implications will be prepared and implemented by SDU in MEPMA in a phased manner.

8.10. Financing Strategy: Reconstruction of each slum will have two components of housing and civic infrastructure. Initial pilot studies revealed that on an average an investment of Rs. 4 crores is needed for a partially connected slum. The fund requirement towards infrastructure upgradation alone in the state is estimated to be well above Rs. 10,000 crores. This requirement will be raised from support under various schemes of GoI, budgetary support from the state government and ULB contribution. Specifically, the state government will consider adopting the following measures:

- A shelter Fund for Urban poor will be set up with a seed capital of Rs. 50 crores to take up various activities.

- 8% cases on property tax as shelter cess, on the lines of Library cess, will be levied and these revenues will be transferred to the shelter fund.
- Grant from the Central and state finance commissions will also be earmarked for implementation of the slum –free state initiative.

8.11. Earmarking of Land for the Poor for Preventing Future Growth of Slums:

In order to prevent future growth of slums and to enable adequate supply of land for meeting the housing needs of the urban poor, the State government will take up the following legislative and policy measures:

- a) Amendments to Legislation: The existing town planning and urban development laws will be amended to reserve certain percentage of developed land or certain percentage of floor area of new housing or integrated developments for EWS/LIG housing.
 - In respect of Hyderabad, while approving the revised Master Plan, in the zoning regulations it is stipulated that 5% of plotted development in case of layouts and 5% of built up area in case of group housing and development have to be earmarked exclusively for EWS and LIG sections. It is proposed to extend these provisions to rest of the Municipalities and Corporations in the State.
 - The State Government also in the process of finalization of a new Township policy. Government will consider earmarking at least 20-25% of the area for EWS/LIG housing.
 - Extant provisions in town planning laws with reference to land use, urban Land expansion and other aspects will be reviewed and a new Town and Country Planning Act for orderly town planning and growth will be enacted.
 - Necessary amendment to the town planning regulations and development control regulations to allow greater density development in respect of EWS and LIG housing and also new minimum standards for external infrastructure will be evolved to facilitate slum redevelopment schemes.
 - Government will also examine feasibility of earmarking 10% of lands alienated by the State Level Empowered Committee to various public/private/institutional/ industrial purposes, located within the limits of all ULBs and located within 10 km from the limits of corporations and 5 km from the limits of municipalities for meeting housing needs of the poor.
- b) Incentives for affordable Housing: Financial incentives in terms of concession in development charges /fees levied by the ULBs and UDAs will be provided for private developers /public agencies willing to construct affordable houses in projects which houses for EWS and LIG categories for at least 25% of

constructed area. The funds available under RAY for Affordable Housing in partnership will be utilized for the purpose.

- c) **Housing Schemes by Public Agencies:** The State Government through its agencies such as A.P. Housing Corporations, A.P. Housing Board, Urban Development Authorities, Municipalities and Corporations will take up housing projects exclusively for EWS/LIG categories. The funds available under JNNURM (BSUP, IHSDP) and RAY (IHSUP) will be utilized for the purpose. The land made available through legal stipulations (earmarking 10% of land for EWS/LIG in public/private layouts) will be made use for construction of EWS/LIG housing by public agencies. Credit risk guarantees will be introduced to promote loans.
- d) **Rental Housing:** Provision of rental housing by public agencies to meet the needs of the newly migrating urban poor at affordable rates has not been part of the state strategy so far. Keeping in view the rapid growth of the metropolitan cities in the state, the government will evaluate the strategies adopted and best practice in this regard in other states as also international experience and formulate appropriate policy.

9. Timeframe: The overall timeframe for implementing the policy will be 5 years starting from 2009 to 2014. The detailed time frame is as follows:

S.No	Activity	Time Frame
1.	Drafting of Policy	August,2009
2.	Legislations	September, 2009
3.	Detailed Survey	October – December2009
4.	DPR preparation	November-December,2009
5.	Setting up of SDU/SDAs	March2010
6.	Regularization of all eligible slums	2010
7	7. Issue of Pattas to all eligible households	2010
8.	Infrastructure upgradation	2010-2011 to 2012 – 2013
9.	In-situ House upgradation	2011-2014
10.	Relocation housing	2011-2014
11.	Provision for prevention for future slum rise	2009
12.	Earmarking of land, Public Housing, Rental Housing	2011-2014
13.	Shelter fund	January,2010

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