

Housing & Slum Development

Implementation of ISHUP Project
Housing project for urban poor



: Housing, Urban Poverty and infrastructure
(Affordable Housing)

: Housing for Urban poor at Ratlam

: HUDCO Supported Scheme



HUDCO BEST PRACTICES AWARDS - 2013-14

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&

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Glimpse Of ISHUP in Ratlam

1. NARRATIVE:

SUMMARY

With the announcement of ISHUP, Ratlam proactively participated in formulating the Vision and strategic slum redevelopment plan. The plan envisages Ratlam as a "zero slum city" with redevelopment of existing slum dwelling units.

DUDA Ratlam with the support of line departments identified 124 beneficiaries and successfully got housing loans approved. Ratlam is the only District where ISHUP has been successfully implemented.

With the combined efforts of ULB, DUDA Ratlam, HUDCO, the beneficiaries under the scheme have constructed pucca houses and the standard of living has improved tremendously.

KEY DATES

Project approval date : Year 2009

Project Start date : 2009

Project completion date : 2011-12

NARRATIVE

Ratlam is one of the important Districts of Madhya Pradesh which is situated in the North West part of the State "The MALWA" Region. The new town of Ratlam was founded by Captain Borthwick in 1829 with regular and broadened streets and well built houses. Ratlam was once one of the first Commercial Towns in Central India being the centre of an extensive trade in opium, tobacco and salt.

SITUATION PRIOR TO THE INITIATIVE

Name of ward/ Name of slum	No. of Slum HH	Housing (pucca)	Water Supply	Sanitation	Roads	Electricity	Health Centre	Education Centre
Bajrang Nagar	124	Not satisfactory				Satisfactory		
Subhash Nagar		Not satisfactory				Satisfactory		
Arjun Nagar		Not satisfactory				Satisfactory		

The absence of pucca houses and inaccessible funding schemes were proving to be major challenge for the health and wellbeing of people living in slums.

Figure 1 : Location of Ratlam district.

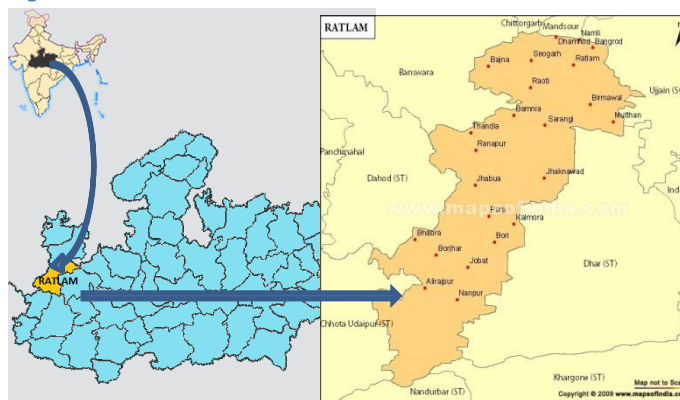


Figure 2: Condition of Houses before ISHUP



Most of the slums in Ratlam, have basic physical and social infrastructure facilities. However, Housing conditions are dismal. As per the survey results of Ratlam Nagar Nigam there are number of slums facing problems of insufficient housing. After a prioritization survey three slums were identified under ISHUP and following observations were made:

PRIORITIES & OBJECTIVES

During the year 2008-09 Nagar Nigam assessed the conditions of slums and the council unanimously passed resolution to solve this problem. The goal set was:

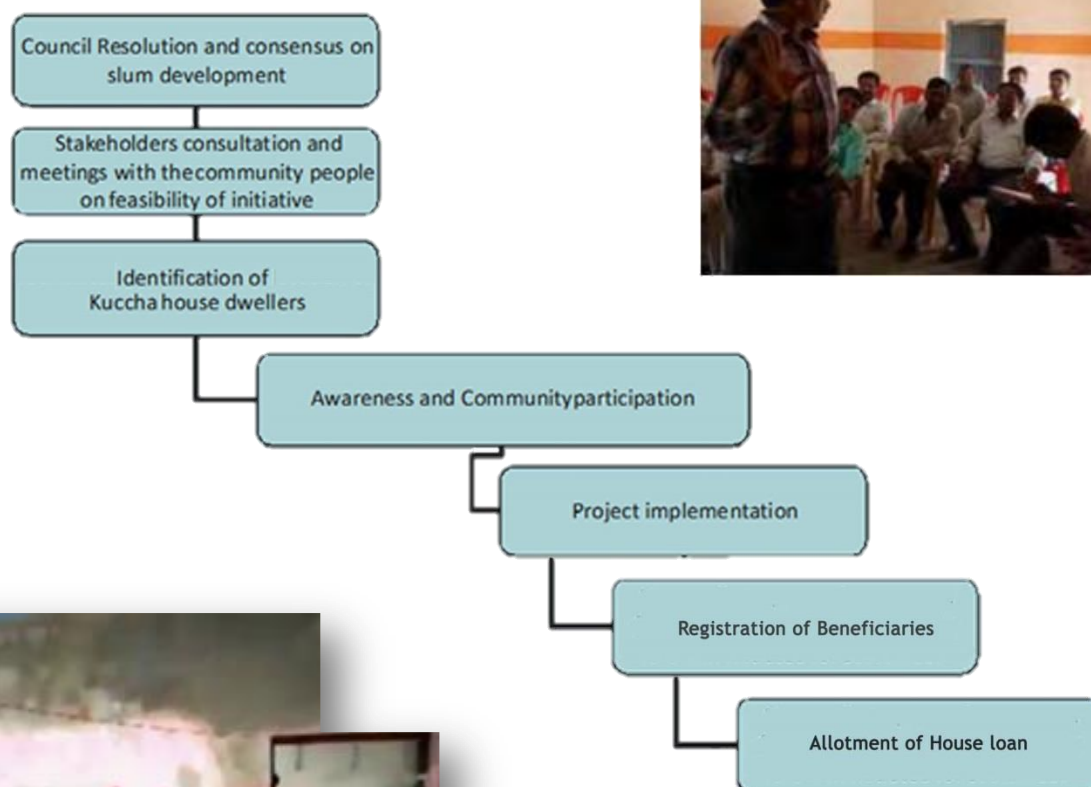
"To solve the problem of slums on priority"

Scarcity of funds was the biggest hurdle in achieving this goal. The unsatisfactory economic condition of Nagar Nigam was another constraint. The ULB was not in a position to implement the upgradation project with its own resources. Hence, the council decided to get support of DUDA and other line department. The PO DUDA with the support of District Collector decided to move for accessing the ISHUP funds. The co-ordinating

agency HUDCO was approached by the DUDA officials and "ISHUP" scheme was recognized as the only feasible option for slum eradication.

It proved to be wise decision taken by the council and a consensus was made. Out of the various objectives that were set at the beginning the first and foremost was provision of affordable housing.

THE IMPLEMENTATION PROCESS INVOLVED THE FOLLOWING STEPS:



PROCESS THE PARTICIPATORY APPROACH

All the projects were formulated with rounds of extensive public consultations incorporating their aspirations of area development for their own locality while devising the development strategies.

The revenue department, SUDA, Municipal Corporation Ratlam, HUDCO and central bank together prepared the frame work for the implementation of the scheme. Beneficiaries of Bajrang Nagar , Subhash Nagar and Arjun Nagar were identified on the basis of earlier survey (leasehold land right) done by Municipal Corporation under Mukyamantri Ashray Yogjna and Rajiv Ashray Yogjna .

The beneficiaries were informed that they would be provided subsidized bank loans for the construction of pucca houses. Beneficiaries were content as they got an opportunity to construct their own pucca houses.

ABOUT THE PROJECT

District Ratlam became the first Nagar Nigam in Madhya Pradesh to adopt and implement the ISHUP scheme. As mentioned earlier, in Ratlam 3 slum pockets were covered under the scheme. Total 124 households were identified for providing housing loan(upto Rs 1 lakh/1.6lakhs to EWS and LIG beneficiaries with interest subsidy of 5% on Rs. 1.0 lakh given for a maximum period of 20 years). The



revenue department, SUDA, Municipal Corporation Ratlam, HUDCO and central bank together prepared the frame work for the implementation of the scheme. The beneficiaries of Bajrang Nagar , Subhash Nagar and Arjun Nagar were identified. There beneficiaries had leasehold right in the form of 'Pattas', which were given to them under Rajiv Ashray Yogjna and Mukhyamantri Ashray Yogjna. The Central Bank on 9/8/2010 conducted the orientation workshop in these area to make people aware of the scheme. Various workshops were conducted and registration of beneficiaries under the schemes were done till date 124 beneficiaries have been registered and 80 beneficiaries were allotted loan. The Nodal agency for the scheme is Housing & Urban Development Corporation Ltd. (HUDCO).

Table 1 : ISHUP Implementation process

क्र.	बैंक शाखा का नाम	बैंक शाखाओं की संख्या	लक्ष्य	बैंको मे प्रस्तुत प्रकरण		बैंको द्वारा स्वीकृत		बैंको द्वारा वितरित	
				भौतिक	वित्तीय (ईकाई लागतए In Lakhs)	भौतिक	वित्तीय (ईकाई लागतए In Lakhs)	भौतिक	वितरित राशि (In Lakhs)
1	2	3	4	5	6	7	8	9	10
1	सेंट्रल बैंक ऑफ इंडिया बजाजखाना रतलाम	1	30	12	13.20	12	12.00	12	12.00
2	सेंट्रल बैंक ऑफ इंडिया त्रिपोलियागेट रतलाम	1	40	78	78.00	75	75.00	75	75.00
3	सेंट्रल बैंक ऑफ इंडिया रेल्वे कालोनी रतलाम	1	30	23	31.60	23	28.40	23	28.40
4	बैंक ऑफ बड़ोदा दो बत्ती रतलाम	1	10	12	12.00	12	12.00	12	12.00
5	बैंक ऑफ बड़ोदा चांदनीचौक रतलाम	1	10	8	11.00	1	1.00	1	1.00
6	यूको बैंक रतलाम	1	10	7	10.60	1	1.00	1	1.00
	योग	6	130	140	156.40	124	129.40	124	129.40

Figure 3: Frame work of loan

Economically Weaker Section (EWS)	Low Income Group (LIG)
Subsidized loan for 15 to 20 years	Subsidy will be given for loan amount upto Rs. 1.00 Lakh only and additional loan if needed will be unsubsidized.
Maximum amount Rs 1.00 Lakh per person	Maximum loan amount 1.60 Lakh
For a House – at least of 25 sq mtrs.	House – at least 40 sq.mtrs.



2.MOBILISATION OF RESOURCES

CHALLENGES OVERCOME

There were several challenges arisen during the implementation phase of above project sanctioned under ISHUP. Identification of the beneficiaries to fit-in to sanctioned framework and also fulfill the aspiration of beneficiary was itself a challenging task.

One of the biggest challenge was successful implementation of housing scheme. As, it has been observed that most of the Housing schemes fail due to the unacceptability of the beneficiaries. Several round of consultations with beneficiary groups were organized, with proper community participation the challenges were overcome.

The Government has issued detailed guidelines on eligibility criteria of beneficiaries, composition of Ward committees, necessary documentation procedures, etc, for identification and mapping of beneficiaries. All these conditions have been fulfilled accordingly.

BENEFICIARY CONTRIBUTION

An important initiative has been tying up bank/financing agency loans for all ISHUP project beneficiaries. In case of Ratlam HUDCO is issuing long term (15 to 20 years) loans to the beneficiaries on indirect basis. The tenure and terms have been arranged after analysis of ability of pay of the poorest of the poor.

Since the beneficiaries built their own houses they have the feeling of belongingness of their houses other than the loan amount some of the beneficiaries also invested their own capital and built their houses as per their requirement.

As beneficiaries are poor slum dwellers it was difficult for them to arrange the beneficiary contribution. Ratlam Nagar Nigam approached the banks to sanction of the home loans for paying off beneficiary contribution.

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2.1 OPERATION & MAINTENANCE OF THE ASSETS BEING CREATED UNDER THE PROJECT

The post implementation infrastructure in and around include -Proper maintenance of dwelling units constructed. Ratlam Nagar Nigam is making special provisions for maintenance of dwelling units.

Beneficiary Contribution for O&M has been finalized as Rs. 50 per month per household. It will be the responsibility of Mohalla samitee to collect the monthly O&M charges and handover the collection to the ULB.

2.2.RESULTS ACHIEVED

This scheme have changed the condition of the identified urban poor. They now have their own permanent houses. About 60% of the registered beneficiaries have been benefited from the ISHUP scheme.

The scheme has truly evoked sustained patronage from slum residents. The 80 beneficiaries are now living in the permanent houses with all the basic services and utilities. The scheme is still under the status of achieving new beneficiaries for development of the slum areas and moving the Ratlam Nagar Nigam to the status of the slum free city.

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Since the beneficiaries invest their own money the successful repayment of the loan by the beneficiaries is also appreciable.

INNOVATION IN TECHNOLOGY

Ratlam Nagar Nigam with Revenue department, SUDA,HUDCO and Central bank together prepared the frame work for the implementation of the scheme and successfully implemented the scheme without engaging any consultants, low cost and on site materials have been used which has further bring down the cost.

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2.3.LESSONS LEARNED

The success of this effort rested on the belief of the participatory approach and community participation.

If the feeling of belongingness develops in the beneficiaries, they take the work as their responsibility and better results are achieved. Since the beneficiaries invest their own money the successful repayment of the loan by the beneficiaries is appreciable.

After the implementation of works, all the beneficiaries are satisfied with their new houses and it was observed that the people residing in semi-pucca and pucca houses of the selected slums are also approaching the Nagar Nigam for similar housing to them.

All the beneficiaries got pucca housing with water and sanitation. Ratlam is the only Nagar Nigam in whole district which has got ISHUP implemented

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2.4 SUSTAINABILITY

Requirement of shelter is vital. Ratlam Nagar Nigam has set an example by providing shelter to the houseless poor people of the town. The initiative of Nagar Nigam Ratlam in constructing such a large number of housing units for the slum dwellers under ISHUP is highly appreciable. Institutional Mechanism developed within the Nagar Nigam fully ensures sustainability of these initiatives.

The financial tie up between Ratlam Nagar Nigam, HUDCO and beneficiaries has almost solved the funding problems. which otherwise proves too be a major hurdle in similar projects.

The example of Nagar Nigam Ratlam can be very well replicated in the cities situated in the similar circumstances. In this Scheme the feeling of belongingness plays the major role in the success of the scheme is because the people take the loan given to them as their own money, they invest them in their houses accordingly and due to which the repayment of the loan is also good.



recognition and increase in individual

2.5 AWARENESS GENERATED

There is a feeling of content and satisfaction among the citizens of Ratlam. It gets reflected from the fact that a majority of residents of slum localities of Ratlam have requested the council to provide them with similar housing units. Surrounding villages and towns have learned how to move ahead for eradicating poverty..

As Community based participatory approach was adopted in the process hence sustainability and success of initiative remains assured. The community is willing to contribute when they foresee the benefits of a program , this is contrary to the myth that people are unwilling to contribute for development work.

More importantly the project has created community feeling of belonging and individual



credibility and asset base for future demands.

