Affordable Housing – A Solution to Shelter for Below Poverty Line Families

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Abstract - Housing is one of the basic human needs along with the food, clothing and education. Mankind has been evolving different kinds of shelters with changing civilization and time. It is understandable that economic growth leads to rise in income but this has also resulted in tremendous increase in property prices which are unaffordable for majority of population. Therefore many problems can be resolved by providing proper housing facilities to the weaker section of society. Affordable housing may be a good strategy to such home buyers and this will help to ensure housing across different sections of society.

In this paper an attempt is made to study the affordable housing concept for below poverty line families. This will comprise of people earning low and medium monthly salaries but with secure and unsecure jobs. This is done by taking a case study in Sangli district. The purpose of this is to create an economically and easily accessible affordable housing for below poverty line families.

Keywords - Affordable housing, BPL families, Planning, Case study

1. INTRODUCTION

The housing environment is an important and essential aspect for every human being. While the basic necessities of life are food, clothing and shelter which are increasingly becoming a luxury and unaffordable. It is understandable that economic growth leads to rise in income but this has led to even faster rise in property prices making it unaffordable for majority of population.

Home buyers face challenges while deciding "when" to purchase house. While favorable economic conditions lead to higher income for home buyers, it also leads to spirailing real estate prices making it difficult for a buyer to purchase homes even given their higher incomes. Affordable housing may be a good strategy to such home buyer's dilemma and can help ensure housing across different sections of society. And many of the problems can be resolved by providing proper housing facilities to the weaker sections of the society.

In 1980 Indira Awas Yojana was begun in which construction of houses was one of the major activities. Aim of Indira Awas Yojana is to provide financial assistance to the Below Poverty Line (BPL) families for construction of house. Many people got the benefit of this scheme in various districts but some families which are below poverty line and do not have sufficient plot size are not benefited yet. Customers and end-users which are benefited by such scheme were not happy because their accommodation does not meet their expectations and are not designed to fulfill their requirements.

Because of this under 'Jayant Daridrya Nirmulan Abhiyan' one scheme is in operation to provide the house for such below poverty line families. Therefore it is necessary to plan and design houses according to this scheme in proper manner and provide the houses for the people ho are below poverty line.

As per this scheme the families lying below poverty level have been considered. In this scheme the percentage of contractor profit is reduced and this share is well distributed to the client himself thus increasing the benefits from this scheme to the beneficiaries because the houses were designed for the clients by the students of engineering field. And these houses would be planned and provided depending on their annual income with the use of modern techniques and locally available materials.

1.1 Concept of affordable housing and its definition

"Affordability" as a concept is very generic and could have different meanings for different people based on differences in income levels. Affordable housing refers to any housing that meets some form of affordability criterion. Different countries have defined affordable housing to represent the economic potential of an individual buying a house. There is no clear cut definition of the term 'affordable', as it is a relative concept and could have several implied meanings in different contexts.

In United States and Canada, a commonly accepted guideline for affordable housing is that the cost of housing should not be more than 30% of a household's gross income. Housing costs here include taxes and insurance for owners, and utility cost. If monthly carrying cost of a home exceed 30-35% of household income, the housing is considered unaffordable for that household. Defining affordable housing in India is very difficult task given that at every square kilometer of the country, the dynamics of the market are different.

Affordable housing can be defined using three key parameters viz. income level, size of dwelling unit and affordability.

While the first two parameters are independent of each other, the third parameter is correlated to income and property price, and hence can be termed as a dependent parameter. The definition of affordable housing is not just restricted to the three categories mentioned above, but applies to people across the country and it may vary with regions and income levels of people.

2. METHODOLOGY

2.1 Introduction

The Affordable housing scheme for below poverty line (BPL) families is a project initiated under 'Jayant Daridrya Nirmulan Abhiyan' with a mission to create the first working and implemented pilot project on affordable housing. The purpose of this is to create an economically and easily accessible affordable housing and need to be put in place to achieve the "housing for all" vision in general, but specifically this research study is analyzing the concept of affordable housing in Sangli district, for the below poverty line families.

The project targets the people earning low and medium monthly salaries along with secure and unsecure jobs that can offer them opportunities to repay mortgages upon acquisition of the structure.

Jayant Daridrya Nirmulan Abhiyan has a group of people working in different villages in Sangli district from various backgrounds that contribute to the existence and operation of affordable housing scheme. These people find out the families lying below poverty line and prepare the list. All the families are divided into three categories namely A, B, C and then the families which come under C category are decided to the initiators of this particular project.

Table 1 Depicting the list of project objectives

Sr No.	Objective
1	Housing for all
2	Affordability to construct
3	Private agencies or government agencies(Jayant Daridrya Nirmulan Abhiyan)
4	Financial Institutions (Rajarambapu Bank or any other Bank or financial body)

2.2 Planning

It is important to understand the points in the development process where planning does have an influence. Planning can influence the outcomes and the development of housing. Following fig. shows the role of planning on which the development and completion of the project depends.
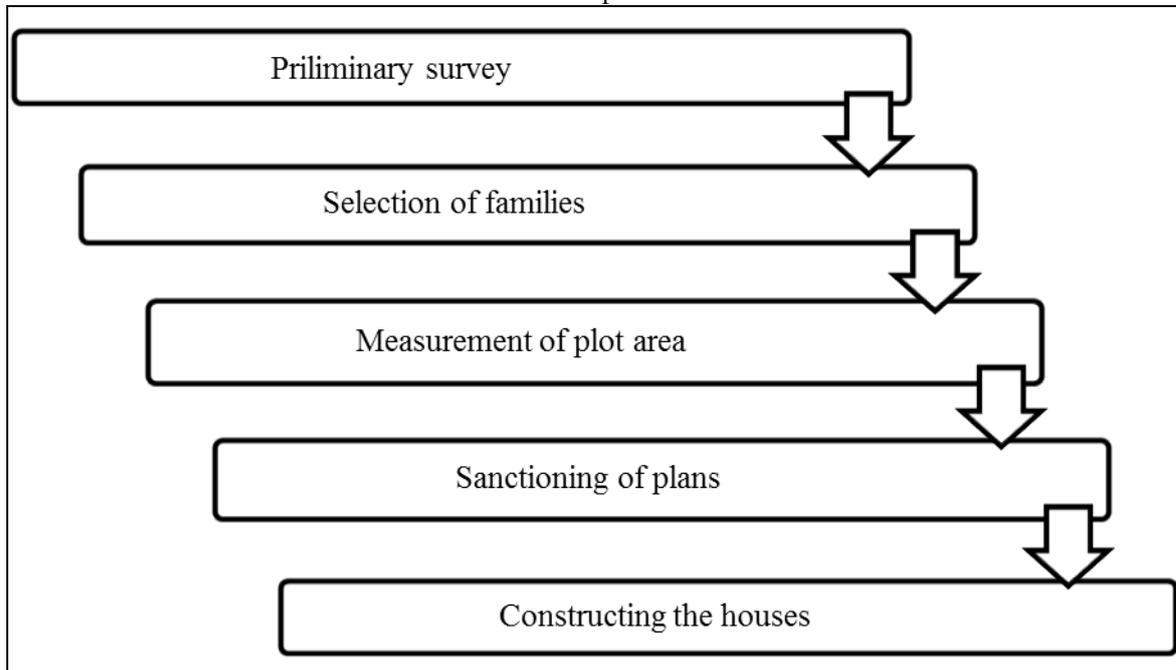

Fig.1 Depicting the various steps in planning.

2.3 Preliminary survey –

Research is a continuous process for any scientific investigation, previous findings provide basis to the research. For this a survey of various villages is carried out. To ensure that the project will meet the needs of beneficiaries, a survey was conducted in order to collect baseline data from the group of families. From this survey the information is collected and then random selection of families for the first stage pilot project was done.

Various information related to the concept of "Affordable housing" and other practices were used as second hand information from internet. The survey was conducted according to the list C given by Jayant Daridrya

Nirmulan Abhiyan. The list contained total 41 families from 11 villages in district Sangli.

2.3.1 Variables for the study

The variables for the study were selected based on the available literature and opinion of the experts in the field. The variables selected for the study are as follows:

1. Members in the family
2. Age of the members in the family(male female)
3. Annual income
4. Source of income
5. Educated member in the family
6. Land holding
7. Type of house (if present)
8. Present condition of the house
9. Need of the new house

2.4 Data collection

2.4.1 Interview

The interview technique was used for the study which helps to collect the correct information about the number of families. By using interview type of schedule qualitative and quantitative data was collected. This schedule was constructed in the local language (Marathi) for the better understanding of the questions asked and for easier comprehension of the respondents.

2.5 Outcomes of the preliminary survey

1. The survey was done for total 41 families out of which 8 families (20% households) had constructed their own homes.
2. Remaining 33 families had their houses in very bad condition within a very small plot area.
3. In these 33 families, 6 families (18% households) were not ready to pay 50% amount out of the total construction cost for the construction of their own house.
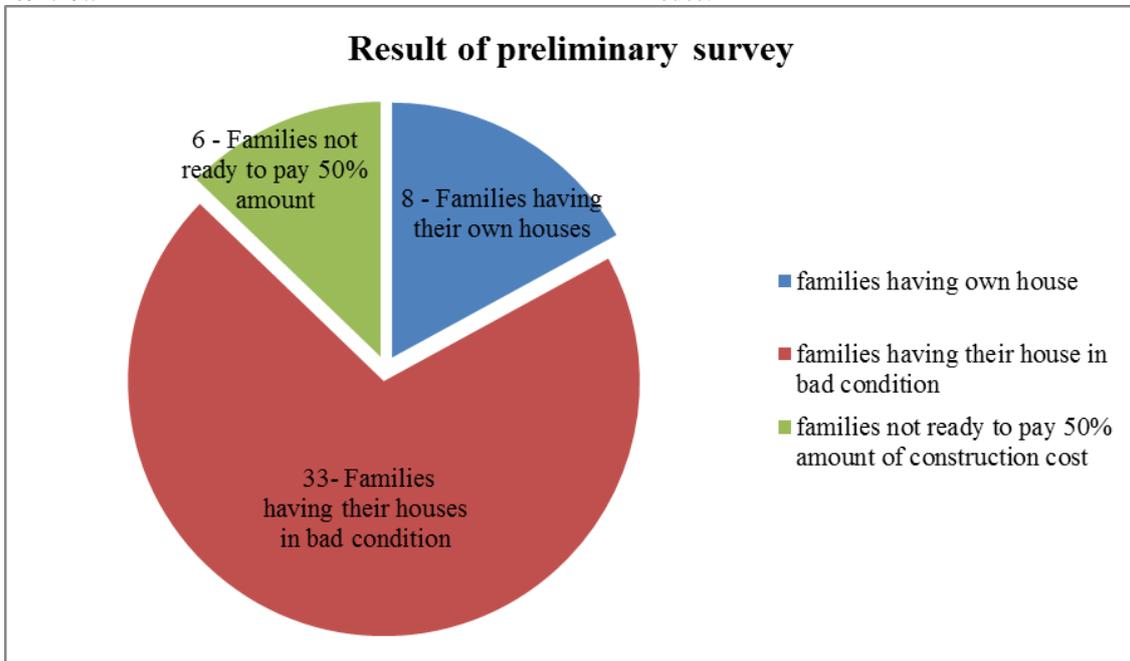

Fig.2 Result of Preliminary survey

2.6 Income level and housing affordability

The relationship between income and affordability for the various income groups follows the nonlinear trend. A significant portion of income for lower income group and economically weaker section is spent on the food, non food essentials and house rent as seen from the preliminary survey. As we move towards higher income level, the rise in cost does not increase at the same speed and level. Thus people of higher income level can better afford to purchase the new houses, because of their higher disposable surplus incomes rather than lower income level people but though the purchasing capacity is very low for lower income groups, and there exists a large demand for housing amongst this segment.

The data was collected by using interviews for 41 families in tal. Walva dist. Sangli, out of which 8 families have their houses in very good condition. The relation between the income levels of individual family and their housing affordability which is calculated on the basis of 30% to 40% criteria is also given.
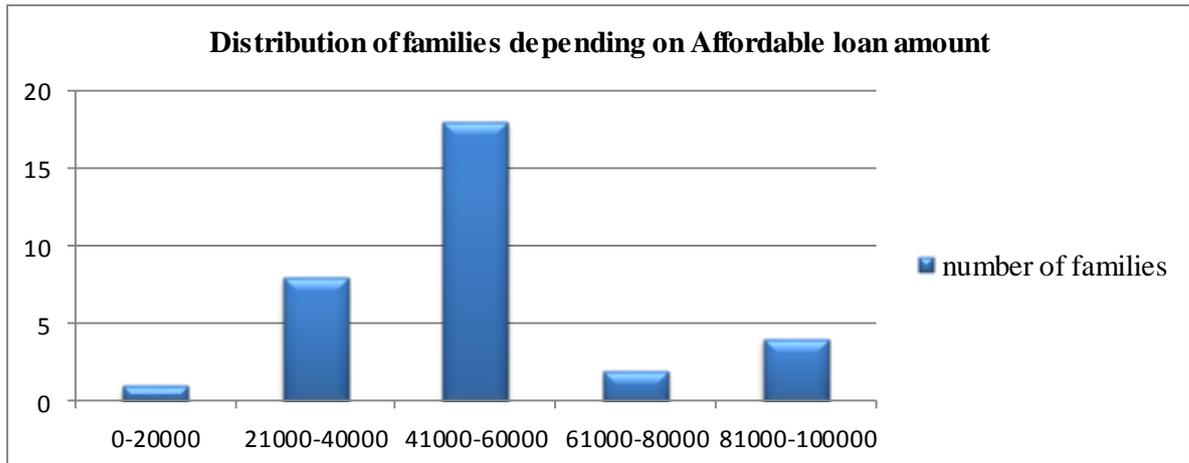
Fig. 3 Result of preliminary survey on basis of their annual income.

2.7 Criteria for selection of the beneficiaries

Selection of the beneficiaries is one of the important tasks in this research work. As the new house is built for the selected family therefore selecting such family is most important. For selecting the family, on the basis of the information collected from the preliminary survey main conditioned were put forward. These conditions were,

1. The beneficiaries must have their own sufficient plot to construct the house.
2. Loan amount must be affordable to the beneficiaries depending on their income.

3. CASE STUDY

As per the planning the survey was been conducted of 41 families from Sangli district and from the result obtained from this survey the one family have been short listed as the most prominent beneficiaries on the basis of selection criteria.

Beneficiaries' are:

1) Fulabai Balu Powar.

Table 2 Project profile

1	Name of scheme	Jayant Daridrya Nirmulan Abhiyan
2	Location of site	Gowndwadi
3	No. Of units	1 (ground floor)
4	Total Built up area	24.4 m^2 (262 sq.ft.)
5	Unit consist of	one room, kitchen, bathroom and wc unit
6	Cost per unit	160000 Rs.

Table 3 Technologies / Specification

1	Foundation	Pile foundation
2	Walling	Solid red mud brickwork in Rat trap bond
3	Roof	G.I. sheet roofing
4	Floor	Red oxide flooring
5	Doors and windows	Pre-cast RCC door and window frame Doors
6	Plastering	Internal and external plastering

5. CONCLUSION

As per the scheme of Jayant Daridrya Nirmulan Abhiyan the families lying below poverty level have been considered which have the real need of the housing facility. As the Survey works was carried out for below poverty line families in the vicinity of Islampur it was found that number of families don't have permanent shelters and they are living in worst situations.

In this scheme the percentage of contractor profit is reduced and this share is well distributed to the client thus increasing the benefits from this scheme because the houses are designed for the clients by the students of engineering field. And these houses would be planned and provided depending on their annual income with the use of modern techniques and locally available materials. In this manner the concept of Affordable housing was effectively implemented by using alternative techniques which became affordable. From this research a way to providing a better solution to below poverty line families have been developed. Therefore affordable housing can

be a better alternative in order to solve the housing problem for weaker section of the society by considering their requirements.

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