Can rental housing address housing poverty?

Swastik Harish

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Case No 1-0010

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Reframing Urban Inclusion

The opening set of cases produced by IIHS represents a focus central to our institutional mission, its teaching and its practice: urban inclusion. Through an on-going collaborative, multi-year research project titled 'Reframing Urban Inclusion', the 30 cases available on the website, www.cases.iihs.co.in include original teaching and learning cases commissioned and produced at IIHS through support from the Ford Foundation.

The cases were curated to address a particular set of challenges. The first is pedagogical. IIHS' stated aim is to be part of a global moment to re-think urban theory and practice from India, South Asia and the Global South. These cases are a key curricular and pedagogical intervention within that effort. Distributed through open access modes to encourage widespread, public and diverse forms of use, the cases seek to give scholars and educators in the Global South a new canon to teach with, that begins from and is responsive to place.

The second is more outward facing. India is at a critical moment in its urbanisation. The urban agenda has begun to emerge strongly on the national political register, and questions of how to shape policy agendas from housing to employment, planning to service delivery, are more pressing than ever before. It is our hope that these cases will therefore equally be used by and inform an evidence-based, empirically rich, conceptually grounded and reflexive practice and interface with policy.

Since 2013, the project has brought together leading academics and practitioners from different disciplines to identify and contextualise social and economic realities of Indian cities through the case method. We hope that they will provide new evidence of the possible opportunities and mechanisms for urban integration as well as build a conceptual and empirical foundation for politically, socially, and economically inclusive cities.

The project has three thematic foci:

1. Conceptualising Pro-Poor Planning

    Urban planning processes determine access to basic resources such as land, shelter and housing, livelihoods, mobility, and security. Inclusive urban planning is aimed at serving all the citizens of the city, reducing vulnerability and addressing exclusion from access to these basic resources.

    Cases in this theme (1) untangle the current state of urban planning and its effects on vulnerability and exclusion, (2) explore how meaningful participation can be more effective in pro-poor planning, and (3) highlight opportunities for, and instances of, successful integration across agencies and organisations involved in urban planning.

2. Re-visiting Settlement Upgrading

   This theme seeks to expand and re-articulate debates on slums in India. The 'slum' is a form of an urban settlement that is situated at the intersection of land markets, new urban political economies, the efficacy of the state as a provider of housing to the poor, differentiated state-citizen relations, splintered urban infrastructure, questions of law, legality and planning, as well as conceptions of urban citizenship.

   Cases in this theme (1) explore the processes of settlement and resettlement, paying attention to the market and political forces that shape the outcomes, (2) broaden the scope of settlement transformation from spatial upgradation to impacts on other sites of transformation such as livelihoods and employment, and (3) explore alternative imaginations of 'property rights' and tenure regimes.

3. Re-drawing the Picture: Metrics of Urban Inclusion

   The dynamics of urban poverty and vulnerability are poorly understood. We know that the security of tenure, spatial coherence of urban infrastructure and service delivery, transit distances between livelihoods and living spaces, socio- cultural identities and social networks play important roles in inclusive cities. However, we have limited statistical data and information on the locational and distribution patterns of urban India.

   Cases in this theme (1) examine the use of data in urban decision making and identify potential sites for intervention, (2) provide a more contextual and holistic analysis of urban dynamics, moving beyond sector-wise administrative data collection methods, and (3) emphasise improvements in information and learning from experience for local decision making.

IIHS Case Method

The IIHS case is a work-in-progress that represents experiments in different forms of creating interdisciplinary and inter-sectoral cases, as well as a diversity of pedagogical environments to learn and teach with these cases. The opening set of cases is, thus, also in a sense, an experiment in form and teaching modes. Given this, we do not claim a singular 'IIHS Case Method' or any one form or definition of a case. Indeed, one of the explicit aims of case development at IIHS is to challenge conventional ideas of what case-based learning is.

How then does a user know how to use cases? Pedagogical transactions will differ from case to case and indeed multiple options will be open within each case. Therefore, in order to aid users, all IIHS cases come with a set of consistent elements that help users navigate through the diversity of form and content. These are:

- **Preface:** Every case begins with an introduction by the case writer that describes their own approach to the case. How did the case writer frame the case? Why did they choose to structure it as they have? What were their intentions in writing the case?
- **Teaching Note:** The second shared case element is the Teaching Note. Here, the case writer lays out their imagination of how they would teach with the case in its current form. They suggest learning outcomes, pedagogical modes, learning environments and assessment frames. True to the diversity of the cases, each of these is particular to the case.
- **The Main Case:** This is the main body of the case—its core empirics, arguments, discourse and data. Across the cases, these come in different forms: PowerPoint presentations, audio-visual material, web interfaces, written text, and data visualisations.
- **Pedagogical Possibilities:** The next element lays out the case writer's suggestions on other ways in which the case could be taught, including in other disciplines or learning environments. These are not as detailed as the Teaching Note but offer a set of possibilities to the user to imagine other uses of the case than those laid out.
- **Case Archive:** The final element of the case is a library of documents—reports to interview transcripts, unedited footage to visual photo libraries—that act as an archive for the case. This repository allows users to also access a host of background and additional information necessary to navigate the larger contexts in which the case is situated.

Each IIHS case—regardless of the diversity of its form—comes structured with these elements. It is our hope that this recognisable framework will enable users to navigate easily across cases with very diverse elements and forms.

Case Note

A large proportion of low-income urban individuals and households in India live in and let out rented accommodation. The rental housing market enables their access and engagement with the urban economy, which in turn allows them to increase their opportunity set and productivity. Many households—landlords and tenants alike—are served well by a vibrant rental housing market.

For landlords, many of whom are as poor, if not poorer than their tenants, letting out their housing unit is actually a livelihood response that ensures a relatively predictable source of income. This is especially relevant for vulnerable households like those whose income may fluctuate, or households that are headed by the old and/or infirm or by women (Kumar, 2001).

For tenants, access to rental housing means access to affordable forms of security of tenure, especially for a large majority of urban households that may not be able to afford house ownership. Rental accommodation can also enable access to the urban economy for young and/or migrant individuals and households who might not want a permanent place in a particular city. Often, access to rental accommodation is a critical step for tenants to eventually become owners.

In recent studies, many scholars and governments are finding a correlation between the availability of rental housing in a city and its workforce participation (Blanchfl & Oswald, 2013; MoHUPA, 2013. Clearly, easy availability of rental housing enables individuals and households to locate themselves closer to their work-places, which eventually leads to higher productivity and engagement with the urban economy.

This case study focuses on the Mumbai Metropolitan Region Development Authority's (MMRDA) Rental Housing Scheme. It covers the conception of the scheme and details out its implementation along with a section on the final outcomes of the initiative from 2008 until 2013. While a substantial amount of housing stock of small unit size was created within this scheme, there were considerable difficulties in the full realisation of the scheme – and the government of Maharashtra took the decision in late 2013 to convert the rental units to outright sale and free housing.

Components and Materials

Two sets of presentations make up the primary material of this case. The first touches upon the history of public rental housing in India and then details the MMRDA Rental Housing Scheme also referred to as the 'Slum Prevention Program', the principles behind it, and its implementation.

Exhibit 1 shows the correlation between workforce participation rate and share of rental housing in urban India in 18 states.

Exhibit 2 shows the institutional capacity of the Urban Local Body and the intention of the different stakeholders in rental housing. With services such as water supply, education and sewerage services under its ambit, its list of schemes barely touches upon providing housing to workers by forming societies and providing them land on long-term rentals.

Exhibit 3 lists out the 50 MMRDA projects being planned and their location spread across districts, followed by a map that shows the current market rentals and their locations.

The case study on the MMRDA Rental Housing Scheme covers some general principles of public provision of housing as well as details out the mechanisms that were used by the MMRDA. Therefore, the case study can be taught as a whole across several sessions in a 'Commons' term or in the two parts in a 'Concentrations' term since the learning outcomes are quite distinct.

Exhibits

Exhibit 1: From presentation entitled "Urban Rental Housing in India"
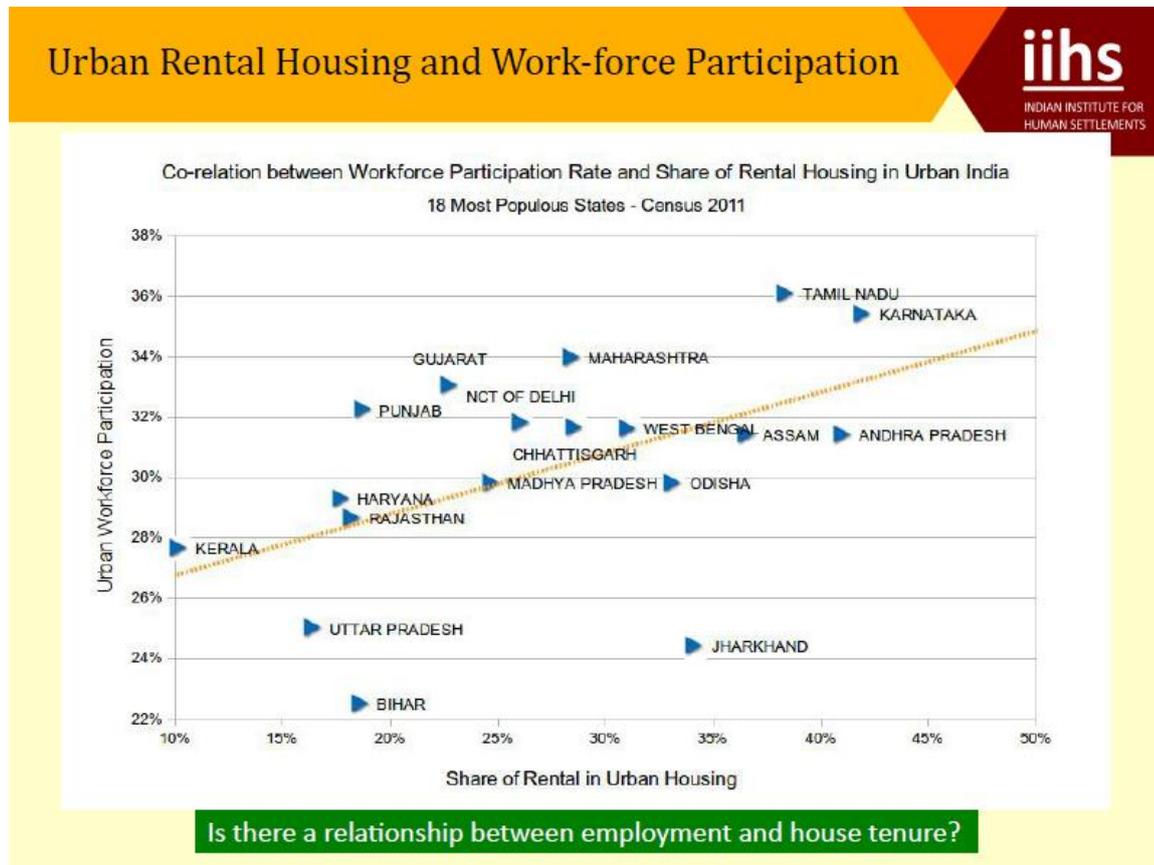
Exhibit 2: From presentation entitled "MMRDA Rental Housing Scheme"

Where the case writer presents a brief history of the public rental housing in India, and presents the institutional capacity and intention of different stakeholders in rental housing.

Exhibit 3: "MMRDA Rental Housing Scheme Part II"

Where the case author presents an analysis of the implementation of the MMRDA Rental Housing Scheme.
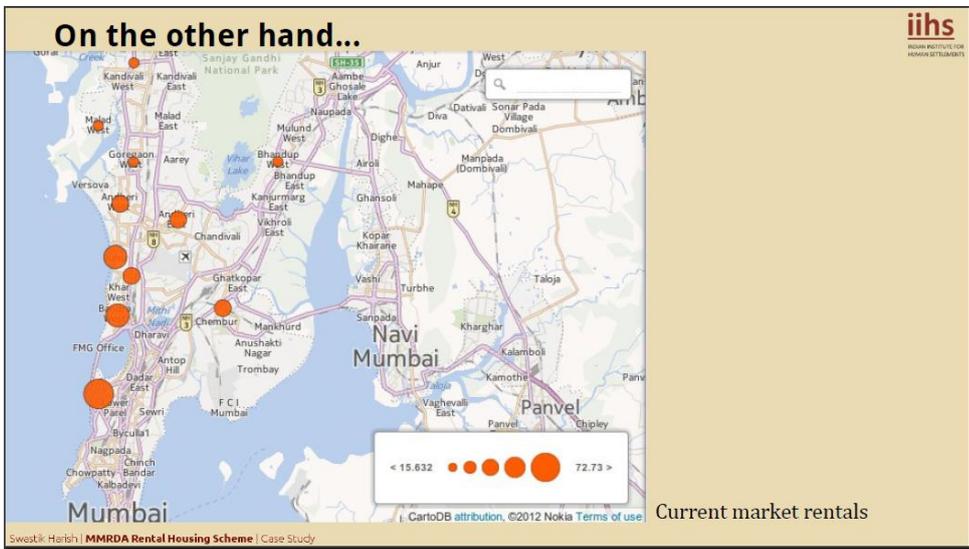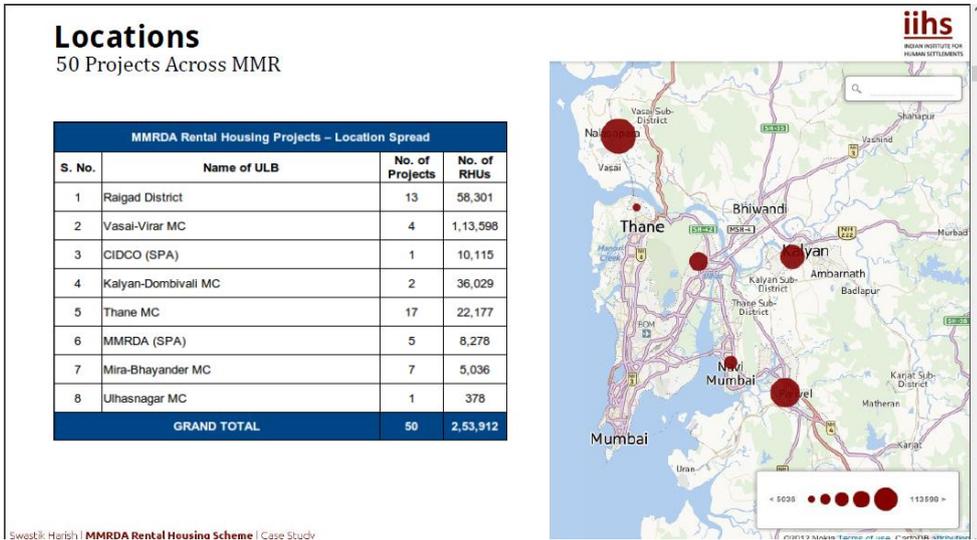
Teaching Note

The case study on the MMRDA Rental Housing Scheme covers some general principles of public provision of housing as well as details out the mechanisms that were used by the MMRDA. Therefore, the case study can be taught as a whole across several sessions in a 'Commons' term or in the two parts in a 'Concentrations' term since the learning outcomes are quite distinct. This would depend on the level of detail that the teacher would want to go into – while the principles are reasonably easy to understand by any learner of the urban sector, the detailed workings of the scheme require certain prerequisites.

The following pages contain outlines of the pedagogical narratives that should help the facilitator talk the learners through the various concepts covered in the case study. The facilitator could initiate discussions based on questions learners might have around core concepts and scheme workings. In the presentations as well as in the printed teaching note, there are some 'box items' which aim to bring out concepts and facts about rental housing in India, which may not bear directly on the case study but need to be highlighted for a comprehensive understanding.

The table in the following pages summarises for the teacher learner prerequisites, pedagogical methods as well as the broad learning outcomes from each part of the case study.

Summary: Learner Prerequisites, Teaching Methodology and Learning Outcomes for the Parts of the Case Study

Part of the Case Study	Learner Prerequisites	Teaching Methodology	Learning Outcomes
Part I A *The 'Slum Prevention Program'*	Basic familiarity with the urban development sector in India	1. Talk-through the slides 2. Discussions	1. Appreciation of certain modes of public procurement 2. Glimpse of the political economy of urban development 3. Sense of target-setting vis-a-vis capacities within the public sector 4. Awareness of existing public social rental housing in some towns
Part I B *Working Principles of the Scheme*	1. Understanding of Built Environment terms such as Built Areas, FSI, TDR 2. Ability to use spread sheets to create simple financial models	1. Talk-through the slides 2. Discussions 3. Exercise on financial modelling of the various developmental models of the scheme	1. Understanding 'PPP' propositions without any actual public investment – only through adjustments in regulations (Development Control Regulations (DCRs) in this case) 2. Appreciation of the gap in the public sector understanding of rental housing – the need for well thought out management models 3. Ability to question density and unit size norms in social housing 4. Ability to create simple financial models around housing projects

Part II A *Projects under the Scheme*	1. Basic understanding of the geography of Mumbai Metropolitan Region and the planning authorities therein 2. Basic understanding of broad implications of housing densities, high-rise developments and O&M	1. Talk-through the slides 2. Discussions based on the 4 identified challenges faced by the MMRDA – locations, densities, management and O&M 3. Exercise around creating a Rental Management Company – operational and financial models	1. Sensitisation to the importance of assessing housing demand across the regions of a city 2. Appreciation of the close relation between work and housing 3. Clear understanding of the criticality of design and planning in the layouts of housing projects 4. 2 and 3 lead to an understanding that the creation of housing stock is not the same as sustained occupancy 5. Understanding the unique requirement for rental housing – a robust rental management system, that is not necessarily required in the case of outright sale
Part II B *Outcomes of the Scheme*	1. Basic understanding of Public Procurement processes 2. Rest as above in Part II A	1. Talk-through the slides 2. Discussions	1. Failing schemes can be quietly 'killed off' in complete contrast to any fanfare during launch 2. Picking apart the claim that public sector cannot manage public social rental housing 3. Following up on the after-life of such a scheme

Session Narrative – Part 1

PART I A – THE 'SLUM PREVENTION PROGRAM'

Pedagogical summary

This part lays out the conception of the MMRDA Rental Housing Scheme as a program for the prevention of slums in Mumbai, as well as the institutional arrangement for its implementation.

Learner Prerequisites	Teaching Methodology	Learning Outcomes
Basic familiarity with the urban development sector in India	1. Talk-through the slides 2. Discussions	1. Appreciation of certain modes of public procurement 2. Glimpse of the political economy of urban development 3. Sense of target-setting vis-a-vis capacities within the public sector 4. Awareness of existing public social rental housing in some towns

PART I B – WORKING PRINCIPLES OF THE SCHEME

Pedagogical summary

This part details out the working principles of the scheme, and includes an exercise on financial modelling of the incentive structures proposed.

Learner Prerequisites	Teaching Methodology	Learning Outcomes
1. Understanding of Built Environment terms such as Built-up Areas, FSI, TDR	1. Talk-through the slides 2. Discussions	1. Understanding 'PPP' propositions without any actual public investment – only through adjustments in regulations (Development Control Regulations (DCRs) in this case) 2. Appreciation of the gap in the public sector's understanding of rental housing – the need for well thought out management models

2. Ability to use spread sheets to create simple financial models	3. Exercise on financial modelling of the various developmental models of the scheme	3. Ability to question density and unit size norms in social housing 4. Ability to create simple financial models around housing projects

Session Narrative – Part II

PART II A – THE PROJECTS

Pedagogical summary

Pedagogically, this part familiarises learners with the projects that were started (and finished) under the scheme from 2009 to 2013. The challenges faced in the realisation of the scheme are brought to the fore. There can be an exercise around creating a financial and operational model of a rental management company.

Learner Prerequisites	Teaching Methodology	Learning Outcomes
1. Basic understanding of the geography of Mumbai Metropolitan Region and the planning authorities therein 2. Basic understanding of broad implications of housing densities, high-rise developments and O&M	1. Talk-through the slides 2. Discussions based on the 3 identified challenges faced by the MMRDA – locations, densities and rental management 3. Exercise around creating a Rental Management Company – operational and financial models	1. Sensitisation to the importance of assessing housing demand (and rental rates) across the regions of a city 2. Appreciation of the close relation between work and housing 3. Clear understanding of the criticality of design and planning in the layouts of housing projects 4. 2 and 3 lead to an understanding that the creation of housing stock is not the same as sustained occupancy 5. Understanding the unique requirement for rental housing – a robust rental management system, that is not necessarily required in the case of outright sale

PART II B – OUTCOMES OF THE SCHEME

Pedagogical summary

This final part of the case study outlines the recommendations of the Government of Maharashtra committee that was constituted to rationalise the MMRDA Rental Housing Scheme. There are brief outlines of the overall outcomes of the scheme as well some questions raised on the after-life of the scheme and projects.

Learner Prerequisites	Teaching Methodology	Learning Outcomes
1. Basic understanding of Public Procurement processes 2. Rest as above in Part II A	1. Talk-through the slides 2. Discussions and debate	1. Failing schemes can be quietly 'killed off' in complete contrast to any fanfare during launch 2. Picking apart the claim that public sector cannot manage public social rental housing 3. Following up on the after-life of such a scheme

Accessing the Full Case

The full content of this case is open-access and downloadable at www.cases.iihs.co.in.

The full content of this case includes the following documents:

Folder A: Introduction to the Case
Terms of Use and Agreement
Reframing Urban Inclusion
IIHS Case Method
Preface Note
Teaching Note

Folder B: Main Case
MMRDA Rental Housing Scheme (2008-13)_part 1
Design of the MMRDA Rental Housing Scheme
The Slum Prevention Programme
Working Principles
MMRDA Rental Housing Scheme (2008-13)_part 2
Implementation of the MMRDA Rental Housing Scheme
Locations: 50 Projects Across MMR
Project Locations Visited
Media and Public Perception
The Changing Role of MMRDA RHU
Researcher's RTI
Outcomes
Urban Rental Housing in India

Folder C: Case Archive
Modifications to Development Control Regulations (DCRs)
Interviews
Kota
Media Reports
MMRDA Related Information
Projects

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About the Author

Swastik is a part of the design and implementation team for the IIHS Urban Practitioners' Programme, the executive and continuing education function at IIHS. His main area of work is around housing for the urban poor, with a special focus on rental housing mechanisms. Besides these, he is also involved in capacity building programmes around heritage planning and management, data visualization and green building technologies and concepts. Swastik has earlier been involved in the planning, research and execution the development of various IIHS campuses, and has also assisted in the financial modelling for IIHS long term financial projections. He has also contributed significantly to the IT-based Pedagogic and Project Technology Systems.

In his 12 years of work experience, Swastik has founded a start-up architectural consultancy, worked as an independent architectural consultant and installation artist, and been faculty at many architectural design studios. Besides his experience in his core areas of architecture and design as well as teaching and pedagogical design, Swastik has technical expertise in physical and virtual modelling (prototyping), and advanced proprietary and open source software. Swastik received his B.Arch from the School of Planning and Architecture in New Delhi.

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The Indian Institute for Human Settlements (IIHS) is a national education institution committed to the equitable, sustainable and efficient transformation of Indian settlements. IIHS aims to establish an independent funded and managed National University for Research and Innovation focused on the multi-sectoral and multi-dimensional challenges and opportunities of urbanization. The University is intended to be a globally ranked institution. The IIHS is a proposed network of mother and daughter institutions across South Asia, leveraging on the local and regional knowledge and innovation and linking them to global best practices. Its mother campus, based in Bengaluru, will include academic, research and social infrastructure, student and faculty housing. This campus is expected to set international standards for efficient, economic and sustainable design, operations and maintenance.
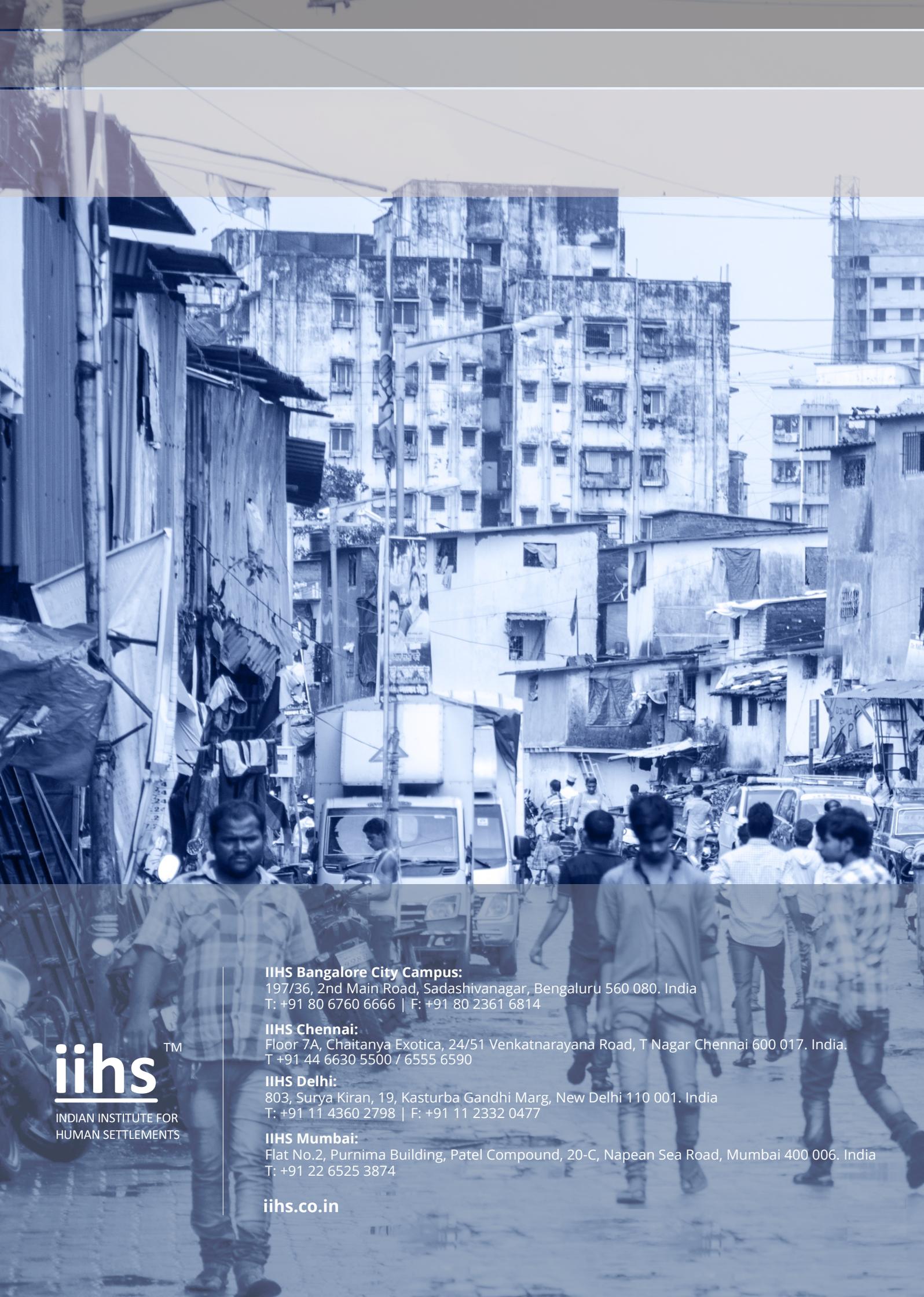
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