

Minutes of Housing for All(Urban)-State Level Advisory Committee Meeting held at the chamber of Hon'ble Minister for Urban Affairs and Welfare of Minorities, Government Secretariat, Thiruvananthapuram on 19.1.2016, 11AM

Ministry of Housing and Urban Poverty Alleviation (MoHUPA) has launched Housing for All- Urban scheme (PMAY) with the mandate of providing housing for all by 2022. The scheme is being implemented in 14 Urban Local Bodies in the State with Urban Housing Mission as the State Level Nodal Agency.

Government has constituted a State Level Advisory Committee vide G.O (Rt) No.3858/2015/LSGD dated 28.12.2015 under the Chairmanship of Hon'ble Minister for Urban Affairs. The committee is responsible for reviewing and guiding the overall implementation of the scheme in the state. The 1st meeting of the committee was convened under the chairmanship of Hon'ble Minister for Urban Affairs and Welfare of Minorities on 19.1.2016. List of participants annexed.

Hon'ble Minister for Urban Affairs and Welfare of Minorities reviewed the progress of implementation of PMAY in the State. Hon'ble Minister has directed to take steps to expedite the survey process under PMAY. Operational issues pertaining to the implementation of PMAY in the State has been put for the consideration of the committee. After detailed deliberations, the committee has taken the following decisions,

1. PMAY-Size of state subsidy under the vertical component Beneficiary-led individual house construction or enhancement.

As per the scheme guideline, the mission will be implemented through 4 verticals and the central assistance under each vertical is as follows,

- "In situ" slum redevelopment- Slum redevelopment grant of Rs.1 lakh/house.
- Affordable Housing through credit linked subsidy- Interest subsidy at the rate of 6.5% over and above prevailing rate for a tenure of 15 years or during the tenure of the loan whichever is lower.
- Affordable Housing in Partnership- Central Assistance at the rate of Rs.1.5 lakh/per EWS house

- Subsidy for beneficiary-led individual house construction or enhancement-Central assistance of Rs.1.5 lakh for construction of new houses under the mission

The fund sharing pattern between the centre and the state is in the ratio 60:40.

After a detailed discussion, the committee has decided to fix the following fund sharing pattern under the 4th vertical ,subsidy for beneficiary led construction model, for the construction of new house ,so that the unit cost per house is Rs.3lakhs

GoI share	State share	ULB share	Beneficiary share
50%	16.66%	16.66%	16.66%
(Rs.1,50,000)	(Rs.50,000)	(Rs.50,000)	(Rs.50,000)

While fixing the beneficiary contribution in respect of vulnerable group , the committee has decided to adopt the following criterion ,

Category	Beneficiary share (Rs)	ULB share(Rs)
Asraya	0	33.32% (Rs.1,00,000)
SC	10% (Rs.30,000)	23.32% (Rs.70,000)
ST	8% (Rs.24,000)	25.32%(Rs.76,000)

The committee has also decided to give sanction to meet the ULB share under PMAY from the “service sector” of the development fund including 13th FC/SCP/TSP,for which the Urban Local Body has to prepare plan under decentralized planning programme,and get the approval of District Planning Committee.On getting the approval of the DPC,the Urban Local Body can draw the amount from the development fund and remit the same in the account of PMAY in advance.There is no need foremarking the whole share of Urban Local Body, in the 1st Year itself. But the release of the next instalment by the State Level Nodal Agency(Urban Housing Mission),shall be based on the remittance of the ULB share.

Since, remittance of beneficiary share, by an urban poor, on execution of the agreement at a lumpsum is very difficult, the committee has also decided to give permission to the beneficiary to remit their share, in instalments according to the release of the subsidy.

2.PMAY- fixing of stages of release of financial assistance under the vertical component-subsidy for beneficiary led individual construction or enhancement .

Under the 4th vertical component , “Subsidy for beneficiary led individual construction or enhancement ‘’ funds will be released to the beneficiary in various stages. In the guideline published by MoHUPA, it has been mentioned that State Governments should release financial assistance to the beneficiaries in 3-4 instalments and the last instalment of GoI share of Rs.30,000 will be released only after completion of the house. The committee has fixed the following fund releasing pattern for the construction of new house,

Instal lment	Stages of Release	% of Release	Monitoring/Report	Compliance
1 st	On execution of the agreement	10	ADS/CDC Report(Wherever CDC is applicable)	<ul style="list-style-type: none"> • Document showing that the beneficiary is an approved beneficiary under PMAY • Document showing that the beneficiary belongs to the EWS group • Ownership documents which provide legal validity for construction at site. • Approved plan (area not exceeding the project guidelines) • In case of joint ownership notary attested consent from other members . • If the owner is male ,notary attested consent from the male stating that the female member also has interest in the property and its development . • 2 passport size photographs of beneficiary/one photographs of site.
2 nd	On completion of basement	40	<ul style="list-style-type: none"> • CDC Report (Wherever applicable) or • ADS Recommendation • Confirmation by RAY CLTC,if Urban Infrastructure Specialist is appointed in the cell. 	<ul style="list-style-type: none"> • Completion of construction up-to the basement • Area, work plan, quality of work-compliance with DPR

3 rd	On completion of superstructure including roof	40	<ul style="list-style-type: none"> • CDC Report (Wherever applicable) or • ADS Recommendation • Confirmation by RAY CLTC, if Urban Infrastructure Specialist is appointed in the cell.(If not,report of the Engineering wing of the ULB) 	<ul style="list-style-type: none"> • Completion of construction up-to the roof level • Area ,plan, quality of work-compliance with DPR
4 th	On completion of construction	10	<ul style="list-style-type: none"> • CDC Report (Wherever applicable) or • ADS Recommendation • Confirmation by RAY CLTC. 	<ul style="list-style-type: none"> • After assigning House number by ULB in the new house, final Installment can be released. • Area & Plan ,kitchen, toilet, front & back doors, windows, quality of work- compliance with DPR

3. Modalities under the component subsidy for beneficiary led individual construction or enhancement .

Under the 4th vertical component "Subsidy for beneficiary led individual construction or enhancement" financial assistance is provided for the individual beneficiaries belonging to EWS(annual income below Rs.3 lakhs) category for the construction of houses/enhancement of existing houses. The committee has taken the following decisions pertaining to the component subsidy for beneficiary led individual construction,

3.1 Ownership of land and house is mandatory for construction/enhancement under this component. The committee has decided to make beneficiaries having possession certificate eligible for construction of house under this component. The Urban Local Body, shall give building permit, on the basis of possession certificate, under this scheme, provided, he has no other land.

3.2 There are urban poor having small plot having size from below one cent and onwards. The committee has decided to fix 1 cent in the Corporation and Municipality as the minimum size of the plot, to be eligible under the 4th vertical ie beneficiary led individual construction or enhancement ,so as to include more beneficiaries. Further, the Urban Local Bodies are directed to issue building permit.

3.3 In the case of properties belonging to the joint-undivided ownership category, the committee has decided that no objection certificate from the other owners is sufficient for issuing building permit.

3.4 The committee has decided to keep the property document(deed) under the safe custody of secretary of concerned Urban Local Body for a period of 7 years from the date of release of final payment, as in the prevailing housing schemes. The committee has also decided to give sanction to pledge the document in the bank, by entering into a tripartite agreement, for availing financial assistance from the bank, for the completion/renovation of home, provided the bank shall return the deed to the Urban Local Body, on discharge of the loan.

3.5 After detailed deliberations, the committee has denied the proposal that "if the beneficiary constructs up-to basement level by his own, it may be considered as his beneficiary contribution "

4.PMAY- Modalities for enhancement of existing houses under the component subsidy for beneficiary led individual construction or enhancement-fixing unit cost reg: _

Under the component enhancement of existing houses under the vertical component, subsidy for beneficiary led individual construction or enhancement, the following components can be included in enhancement, viz toilet, kitchen, and additional room, which shall not exceed 30m², including the existing area.

4.1 Considering the Kerala context, the committee has fixed the following unit rate and cost for constructing individual room, toilet and kitchen.

Item	Size	Unit Cost
Toilet	a) Toilet unit Size of room: 1.10m x 1.50m	Cost of construction : Rs. 32,000 Unit cost-Rs. 800/sq.ft
	b) Septic tank & soakpit Size of tank : 2.00m x 1.00m x 1.00m	Cost of construction : Rs. 15,000 Unit cost : Rs. 700/sq.ft-
Kitchen	Size of room : 1.80m x 2.10mm	Cost of construction : Rs. 59,000 Unit cost : Rs. 1450/sq.ft-
Additional room	Size of room : 2.70m x 2.70m (Maximum) (not to exceed 30m ² including the existing block)	Cost of construction : Rs. 1,00,000 Unit cost : Rs. 1275/sq.ft-

4.2 The committee has decided to release the financial assistance for enhancement in three instalments as detailed below,

<i>Instalment</i>	<i>Percentage of release</i>	<i>Stage</i>
<i>1st</i>	<i>10%</i>	<i>On execution of agreement</i>
<i>2nd</i>	<i>65%</i>	<i>On completion of lintel level</i>

3 rd	25%	<i>On completion</i>
-----------------	-----	----------------------

4.3 Regarding the fund sharing pattern for enhancement, the committee has decided to follow the same sharing pattern for enhancement, as proposed in new construction under vertical 4.

4.4 *The committee has also decided to take the concurrence of Ministry of Housing and Urban Poverty Alleviation before issuing instructions in this regard to the Urban Local Bodies*

5. Proposal for prohibiting Urban local bodies implementing PMAY from undertaking new housing schemes under decentralised planning programme during the project period ie 2015-2022.

The committee has declined the proposal for prohibiting Urban local bodies implementing PMAY from undertaking new housing schemes under decentralised planning programme during the project period ie 2015-2022, after detailed deliberation. The committee observed that, even if the proposal holds good, for the implementation of PMAY and financial advantages of the Urban Local Body, the Urban Local Bodies are independent entities and prohibiting them from undertaking other housing projects will prevent them catering to the needs of other categories of Urban poor who doesn't come under the purview of Housing for All scheme.

6. Exemptions in Building Rule under the verticals 'Affordable Housing in Partnership' and in-situ slum development"

In the guideline of PMAY published by MoHUPA, it has been mentioned that under the vertical -Affordable Housing in Partnership- "States and cities may extend other concessions such as their State subsidy, land at affordable cost, stamp duty exemption etc". In the guideline of PMAY published by Ministry of Housing and Urban Poverty Alleviation, it has been mentioned that under the vertical "In- situ slum development using land as a resource" "In-situ development of slums on private land can be incentivised by State Governments/ULBs by giving additional FSI/FAR or TDR to land owners as per its policy".

6.1 The committee has decided to constitute a sub-committee with the following members to explore the possibility of exemption of stamp duty to be given under AHP component, exemptions in building rule under the AHP component to increase the viability of the component, the extent of exemptions to be provided in the building rule in order to incentivise the In-situ slum development in private land, and transaction of public land to the bidders.

1. Secretary, Local Self Government (Urban) Department
2. Chief Town Planner, Town and Country Planning Department
3. Chief Engineer, LSGD
3. Director, Urban Housing Mission
4. Representative of HUDCO

6.2 The committee has also entrusted the sub-committee to follow-up with finance department regarding the stamp duty exemption to be given under AHP component. Regarding exemptions in building Rule, the committee has entrusted Chief Town Planner to submit a proposal, before the said committee, within 15 days.

7. Proposal for providing financial assistance under vertical 4 to beneficiary residing within the Urban Local Body in the land owned by him in the Grama Panchayath area.

The committee declined the proposal for providing financial assistance under vertical 4 to beneficiary residing within the Urban Local Body in the land owned by him in the Grama Panchayath area.

8. Affordable Housing in Partnership component - decision on convening a State level meeting of builders/developers reg:-

Under this component, the mission will provide financial assistance to houses being built with different partnerships by States/UTs/Cities. States can plan affordable housing projects through partnership with its agencies or through private sector. The committee has decided to convene a meeting of builders on 27.1.2016, 3PM at the chamber of Hon'ble Minister for Urban Affairs and Welfare of Minorities to explore the possibility of partnership in affordable housing. regard.

9. Affordable Housing through Credit linked subsidy component-decision on convening a State level meeting of bankers reg:-

Under the component, credit linked subsidy will be provided to home loans taken by urban poor belonging to EWS/LIG category for acquisition/construction of houses. It has been reported from the field/beneficiaries that the banks are reluctant in entertaining housing loan applications and also putting stringent provisions for processing the applications, in earlier schemes such as RRY and ISHUP. To address the apprehensions of the urban poor and to promote the bankers to have a liberal approach in entertaining the applications, the committee has decided to convene a meeting of bankers under the chairmanship of Secretary, Local Self Government (Urban) by 1st week of February, 2016.

4 10. Relaxation of KMBR ,in respect to beneficiaries having less than 3 cents for the construction of the house under PMAY.

The 4th vertical provides for individual led construction. The urban poor, who owns, small plots is not in a position to comply with all relevant provisions of Kerala Municipal Building Rules (KMBR), while submitting building applications.

10.1 The committee has considered the proposal for relaxation of KMBR ,in respect of beneficiaries having less than 3 cents for the construction of the house, within the urban area. The Committee has observed that, there need a revisit to chapter VI 11 (Rule.60-64) of KMBR, for the effective implementation of PMAY. Since it needs a detailed examination, legal as well as technical, the committee decided to refer the matter to Chief Town Planner for detailed examination and also directed to submit report with specific recommendations on the proposals within 15 days. The committee, while examining the matter, shall consider the beneficiaries are urban poor, without home having less than 3 cents of land.

10.2 In the case of plots, in the residential zone (as per the master plan), but the nature of land is not suitable for construction as per the revenue records or in the registration deed (may be wet land/paddy etc), the committee has observed that, even if it is the need of the hour, in view of the reforms to be implemented as part of implementation of PMAY, as mandated in the GoI guideline and demands from the Urban poor in many Urban Local Bodies. There are certain legal hurdles in proceeding with the proposal. The Government Secretary remarked that if the proposal is accepted, it would violate the very basic provisions of The Wet Land

opined
Preservation and Conservation Act. Hence, he ~~opinioned~~ that ,before taking a decision in this. regard, concurrence from the Revenue department is needed. Hence, the Committee decided to entrust the subject to LSGD(Urban) Secretary for appraising the issue with the Revenue department and sort out the issue in favour of urban poor.

11. Extending the admissible carpet area eligible for central assistance from 30 Sq.m to 60 sq.m under PMAY and to have change of roof, flooring, plastering of wall ,electrification, water supply etc in the scheme of enhancement .

The committee has decided to follow up with the Ministry of Housing and Urban Poverty Alleviation to extend the admissible carpet area eligible for central assistance from 30 Sq.m to 60 sq.m under PMAY and to have change of roof, flooring, plastering of wall ,electrification, water supply etc in the scheme of enhancement .The State Governemnt has already take up the matter with MoHUPA,which is presently under the consideration of MoHUPA.

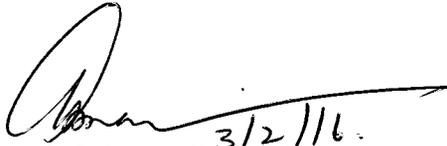
12. Review of implementation progress

The committee has also reviewed the progress of implementation of Rajiv Awas Yojana in the State.The committee has decided to convene a meeting of ULB functionaries and officials of concerned Corporations viz, Kollam , Kochi and Thiruvananthapuram under the chairmanship of Secretary,LSGD(Urban) to clear the bottlenecks in the implementation of SMP Palace and Thuruthy project approved under RAY and to review the progress of implementaion of Mathipuram in Thiruvananthapuram Corporation.

The committee has also reviewed the progress of construction of shelters at Karimadom colony,constructed under National Urban Livelihood Mission.Hon'ble Minister for Urban Affairs and Minorities has directed to convene a meeting with the implementing agency,Hindusthan Lifecare Limited to expedite the construction of shelters at Karimadom,so as to complete the construction of the shelters by 2nd week of February.

The committee also entrusted the Secretary LSGD(Urban) to issue,Government orders,so as to materilize the decision of the Committee,in time.

The meeting was concluded by 12.15 PM.


Chairman, State Level Advisory Committee 3/2/16.

&

Hon'ble Minister for Urban Affairs and Minorities

12	Shri.Binu Francis, Director (Urban Housing Mission)			
13	B.K. BALARAJ Joint Director (Admin) Urban Affairs Dept.	9447653725		
14	Jacob Chandy Manager - Engg: Kudumbashree	9447191135		