

Gram Vikas Housing Programme, Orissa

The Gram Vikas Housing Programme integrates water and sanitation with housing for the rural poor in the state of Orissa in India. Its most significant feature is the 'all-or-none' approach, which provides housing for every single family through participatory processes of community mobilisation, empowerment strategies for women and micro-credit.

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With water supply and sanitation as the prime moving force or 'entry point activities', the families are then mobilised for greater developmental goals, including housing.

Context

The Need

Orissa is one of the poorest states of India, with 80 percent of the population living in rural areas in unhygienic conditions, characterised by lack of proper sanitation, improper disposal of human waste and unclean drinking water. The villages of Orissa have a record of poor health and have high rates of morbidity and mortality. The houses are small and cramped, with up to three generations of poor families living in rooms as small as 10 sq mts in area.

Traditional construction systems are also seen to be inappropriate, with inequitable access to raw materials such as grass, straw, stone and timber, and vulnerability to recurring natural disasters, such as floods and cyclones, that hit the villages. The houses get blown or washed away, leaving families exposed and poorer. (Gram Vikas, 2000).

Response

The Gram Vikas Housing Programme is an integrated effort to help poor tribal villagers of Orissa realise their dream of a safe and disaster-proof house and enhance their self-confidence. Gram Vikas has responded to the needs expressed above through an intervention that treats the habitat and consolidates water and sanitation provision with housing.

Scale

Gram Vikas directly reaches out to 20,000 households in 500 villages in fifteen districts of rural Orissa. The focus is on *adivasis*, *da/its* and small and marginal farmers. 80 percent of these communities are *adivasis*,

The important features are an integrated approach towards housing, an 'all or none' approach and the micro-credit systems set up by Gram Vikas

Gram Vikas has so far supported the construction of 3,479 houses across 169 villages/habitations. Over 11,000 families in 143 villages have also been mobilised and supported for protected piped water supply and sanitation systems.

Objective and Strategies.

Gram Vikas' mission is to promote a process which is sustainable, socially inclusive and gender equitable, to enable critical masses of poor and marginalised rural communities to achieve a dignified quality of life. Integral to this mission is the creation of an infrastructure with appropriate living conditions including protected drinking water, sanitation, disaster-proof housing and adequate common infrastructure such as community halls, grain stores, communication systems and energy systems.

Housing finance activity has evolved over the past two decades from a full grant to a full loan approach. This transfer has been slow as the government schemes operate on a full grant basis. Gram Vikas now provides financial and technical support for building permanent and disaster-proof houses.

The strategies adopted include a coverage of the entire village, clearly defined mechanisms for maintenance of infrastructure, promoting self reliance and ensuring sustainability through clear stakes and defined institutional and financial mechanisms.

Stakeholders involved

Poor families

The strategy adopted by Gram Vikas places the community as the owner of the programme. Selected villages contain a majority of poor people from *adivasi*, *dalit*, landless and other marginalised communities. The families deposit an initial amount, construct their own house, individual toilet and bathing room and a community overhead water tank with piped water connections to all houses. Communities also devise mechanisms to raise a corpus fund with individual contributions of INR 1,000 per family at the start of the programme and maintenance funds for the upkeep of public buildings.

Gram Vikas

Gram Vikas provides for the two most important needs of the rural families: loans and technical support for construction. Gram Vikas accesses loans from the Kreditanstalt für Wiederaufbau (KfW), a German Bank, through the Housing Development Finance Corporation (HDFC) and disburses them to the families at the same interest rate. Gram Vikas takes the complete responsibility for the loans disbursed and the defaulted loan returns. Concurrent training in masonry and aspects of construction happens through the course of the programme to enable local people to maintain and extend facilities in future. The entire process is discussed in detail in the following sections.

Innovative Features

'All or none' approach

The most significant feature of Gram Vikas approach is its 'all or none' approach, covering every single family in the project village. The advantage is that peer pressure forces the families to participate in the housing initiative. This approach is necessary because unhygienic conditions created by a few non-participating families in the village can affect other participating families adversely, nullifying the positive effect of the programme. In addition, the village cannot be disaster-proof unless all the families have safe, permanent houses.

All adult men and women of the village are brought together to form the village general body. The general body elects an Executive Committee with equal representation of women and men from different sections of the village. A village society is formed under the Societies Registration Act 1860, with all members of the general body as primary members and the members of the Executive Committee as office bearers. The village society takes responsibility for managing all development activities in the village.

The focus is on building ownership by making the families customers or clients to a service rather than beneficiaries

Holistic approach

Gram Vikas has learnt from its experiences that a housing programme cannot be implemented in isolation and that it needs to be supported with other holistic development programmes. Its approach to housing combines water, sanitation, education, health and livelihoods and has an integrative perspective on holistic development. Its linkage with housing hence comes naturally. The approach focusses on participatory processes of community mobilisation, equity, sustainability and women's empowerment. It emphasises self-reliance and community governance management rather than dependence on external aid.

Credit systems

The lack of financial resources to construct a safe house is the most important reason why the poor are denied a secure home. Conventional financial institutions and banks are reluctant to extend credit to the poor without collateral. Gram Vikas has proven that this is unwarranted by extending credit to poor families.

Gram Vikas provides technical and management support to the families in constructing their houses, along with the loan funds.

Of a total estimated cost of INR 46,500 per house (of about 50 sq. mts), Gram Vikas accessed a loan of INR 31,500 from financial institutions such as a credit line from KfW through HDFC on behalf of the beneficiaries. Gram Vikas underwrites the loans, bearing the entire risk and responsibility for proper disbursement and recovery. The beneficiaries meet the remaining expenses by contributing with locally-available materials and all unskilled labour. The houses

have two rooms, a kitchen/dining room, a front *verandah*, and a toilet and a bathing room. (Gram Vikas, 1999).

For building the toilet and bathing room, each unit costs about INR 8,000. On average, 40-50 percent of the amount is accessed as a social cost from external grants (up to INR 3,500) and government subsidies (INR 500). Funds for development of the water source, overhead water tank and piped water supply system are accessed from the government under the *Swajaldhara* scheme.

The Process

To initiate the programme, the village representatives submit an application to Gram Vikas, after which Gram Vikas field supervisors conduct village level meetings to assess the status of the village, resources available and interest to work collectively. To mark their intent to build a house, each family is required to raise an initial deposit of INR 3,000 to INR 5,000. In addition, each family must contribute INR 1,000 to a village corpus fund which is placed in a fixed deposit, the interest from which is used to extend water supply and sanitation facilities to new families in the village in the future.

House designs and site layout designs are then discussed with the families. A contract indicating the time frame for construction and division of responsibilities is drawn upon the basis of negotiations with the community, after which the construction of the houses is started collectively.

In most villages, houses are constructed in rows to allow for resource and space efficiency. Gram Vikas arranges for the collective purchase of raw materials such as steel, cement, galvanised corrugated iron sheets etc. and also organises masons for the construction of houses. Concurrent training of local persons in masonry, wire-bending, etc. is also organised. The skill-building processes help communities to undertake periodic repairs and maintenance, also offering an alternative livelihood source.

Financial sustainability is assured through the corpus fund, savings and credit systems, loan funds and a village development society

All families participate actively in the construction process. The construction process is managed and monitored locally by the village committee, which is elected from a general body of all adult men and women of the village. The loan is released in installments at various stages, such as the completion of plinth, sill level, lintel level and casting of the roof. Construction has to be completed within six months, after which the loan is frozen. The entire loan is repayable over fifteen years.

Mechanisms are also established to optimise the use of common resources including ponds, forests and agricultural land. The goal is to build a self-sufficient village.

Performance

Impact

The programme has contributed to the upgrading of houses and community infrastructure, education, nutrition levels, improved sanitation and livelihoods for the families (Gram Vikas, 2000).

With improved housing conditions, many villages have developed community infrastructure including multipurpose community shelters, grain banks, a common working place for women and community livestock sheds. Residents collectively manage the common land, forest and water bodies in the village leading to improved environmental protection and economic returns. The improved habitat conditions, unity within the villages and reduced conflicts have led to increased visits by government officials to village. Empowered communities have accessed funds from the government to support the construction of village roads, drains, school buildings, etc.

With improved living conditions, the number of children enrolled for school has increased. Gram Vikas trains the education facilitator and the villagers contribute or use common funds to pay for the facilitator's remuneration, teaching aids and learning materials. The produce from the kitchen gardens developed by the children is used for their mid-day meal. Women, free from the chores of fetching water from long distances and maintaining the house engage in productive activities. The dramatic improvement in living conditions in villages has led to an increased desire for enhanced incomes. With ready access to community funds and savings, indebtedness to money lenders has decreased.

Potential

Sustainability and Scaling up

The programme promotes self-help and self reliance among the people by ensuring stakes for the people in the initial process of building infrastructure. The family contribution for part of the costs of the facilities ensures that the use and maintenance of these public facilities is high. Various mechanisms, like corpus and maintenance funds and the Village Development Society are built into the programme to ensure its long-term sustainability. Savings, credit systems and loan funds are made available to the community. The registered village society, with all adult men and women as primary members, has the responsibility of managing all development activities. The society also liases with banks, panchayat, government, etc. to mobilize the necessary resources for development.

The empowerment of women through the savings and credit programme is another measure towards ensuring sustainability. Many women groups have already accessed loans from banks for income generation activities. Through the introduction of loan funds, the programme contributes to reduce dependence on subsidies and grants and thus makes the whole system more sustainable.

However, the financial sustainability of Gram Vikas's strategy of disbursing loans to families at the same rate of interest as it receives from HDFC is arguable. This strategy is not self-supporting over a longer time period, unless its management and other support costs required are financed by another medium. The responsibility for the defaulted loans is also risky and with no insurance, this also questions the financial sustainability of Gram Vikas's strategy.

Replicability

There are many components in the Gram Vikas housing programme that can be replicated in similar contexts of extreme poverty and vulnerability to recurring disasters; however, with a very important prerequisite. The replicability of this programme depends on an organisation committed and willing to underwrite loans, bearing complete responsibility for the proper disbursement and recovery to and from poor families. Experience is that this is a very important and a difficult prerequisite.

Key Processes / Learning

Housing programmes are best implemented when integrated with other developmental agendas like water and sanitation.

Loan funds instead of grants and subsidies make the whole system more sustainable.

Efforts should be made to include every family in the village in the programme, as this builds ownership and ensures the sustainability of the housing initiative.

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