Land Tenure Issues and Improvement of Urban Low Income Settlements – Experiences of Colombo, Sri Lanka

Presented by:

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GENERAL OVERVIEW OF CITY OF COLOMBO, CAPITAL CITY OF SRI LANKA

Total Land Area : 37.31 sq.km

Population
Residential Population (1998) : 800,000
Daily Floating Population (1998) : 400,000
Average Population Density : 278 person/ph
Annual Growth Rate : 1.14 %

Housing Units
Permanent Dwellings : 49%
Slums/Old settlements : 27%
Shanties : 24%

Infrastructure Services
Sewerage Network : 80% coverage
Pipe borne Water : 90% coverage

Distribution of Low Income Settlements by Type - 1998

<table>
<thead>
<tr>
<th>Settlement Type</th>
<th>No. of Settlements</th>
<th>%</th>
<th>No. of housing Units</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Slums</td>
<td>1071</td>
<td>71.1</td>
<td>25500</td>
<td>38.6</td>
</tr>
<tr>
<td>Shanties</td>
<td>183</td>
<td>12.2</td>
<td>13313</td>
<td>20.2</td>
</tr>
<tr>
<td>Low Cost Flats (LCF)</td>
<td>103</td>
<td>6.8</td>
<td>8950</td>
<td>13.6</td>
</tr>
<tr>
<td>Relocated Housing (RH)</td>
<td>97</td>
<td>6.4</td>
<td>14814</td>
<td>22.4</td>
</tr>
<tr>
<td>Old Deteriorated Quarters (ODQ)</td>
<td>31</td>
<td>2.1</td>
<td>2575</td>
<td>3.9</td>
</tr>
<tr>
<td>Unplanned Permanent (UPD)</td>
<td>21</td>
<td>1.4</td>
<td>870</td>
<td>1.3</td>
</tr>
<tr>
<td>Total</td>
<td>1506</td>
<td>100.0</td>
<td>66022</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: Survey of Urban Low Income Settlements of Colombo, STP, 1997/98

Ownership of Low Income Settlements and Improvement Responsibilities

<table>
<thead>
<tr>
<th>Ownership</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Commissioner of National Housing (CNH)</td>
<td>CNH and the Common Amenities Board</td>
</tr>
<tr>
<td>2. National Housing Development Authority</td>
<td>NHDA</td>
</tr>
<tr>
<td>3. Colombo Municipal Council (CMC)</td>
<td>CMC</td>
</tr>
<tr>
<td>4. Sri Lanka Land Reclamation &amp; Corporation (SLLR&amp;DC)</td>
<td>SLLR&amp;DC</td>
</tr>
<tr>
<td>5. Sri Lanka Railway Department (SLRD)</td>
<td>None</td>
</tr>
<tr>
<td>6. Sri Lanka Ports Authority (SPPA)</td>
<td>None</td>
</tr>
<tr>
<td>7. Private Individual</td>
<td>Owner / occupants</td>
</tr>
<tr>
<td>8. Illegal settlements on stale lands</td>
<td>Occupants</td>
</tr>
</tbody>
</table>
SIGNIFICANT PAST POLICY INTERVENTIONS

Major Step One

Introduction of the Ceiling on Housing Property Law No. 1 of 1973 (CHP law)

Background

At the beginning of 1970s, the housing situation of the city was very poor where about 50% of the city population lived in two types of low income settlements: i.e. in slums and shanties.

The people lived in slums were tenants of private house owners. The tenants did not have responsibilities for improving the houses they occupied. The owners neglected the maintenance due to low rent they received.

The other category was shanty dwellers who were squatters on others land. Since they did not have land ownership, they were unable to improve their houses.

Under the above situation, the policy makers realized providing legal ownership to the occupants of tenement gardens would help improve the housing conditions.

The CHP Law:

- Serious housing shortage in urban areas and the need for improving congested, poorly serviced residential quarters in inner city areas compelled the government to introduce the CHP law.

- Purpose of the law was to regulate the ownership, size and cost of construction of houses in the country.

- Permitted No. of housing units any individual and a cooperate body can own specified.

- Excess houses were appropriated with the Commissioner of National Housing which were subsequently re-distributed among the tenements.

Achievements of the Law

- The law permitted house ownership to the occupants but there was no comprehensive approach to improve these settlements. Hence, individual families attempted to improve their houses but no significant achievements recorded.

- The people living in shanty settlements who constituted about 12,000 families did not have any benefit under the CHP law.

- By 1978, about 12,347 tenements units of a total of 17,253 (71.6%) of the city's slum houses were vested with the CNH.
• About 5,365 (43.5%) of the vested housing units were transferred back to the occupants under a fee hold title.

• Thus, a majority of city's low income population gained access to land ownership.

**Major Step Two**

**Urban Basic Services Improvement Programme (UBSIP) of the UNICEF 1978 to 1986**

**Background**

Although the legal ownership of the houses were granted to a majority of slum dwellers, there was no proper settlements development programmes implemented to improve the living conditions of the urban poor. As a result, the urban poor suffered serious health problems as well as lacked adequate amenities. This was a grave concern for the government. At this point of time introduction of the Urban Basic Service Improvement Programme became a timely intervention.

• The UNICEF's UBSIP was the first ever comprehensive programme implemented in the city to upgrade the basic amenities and health conditions of the urban poor.

• Colombo Municipal Council and the Common Amenities Board (a government institution established solely for construction and maintenance of basic services in LIS) implemented the above UBSIP.

• Provision of common toilets, common water taps, construction of community halls, drains, carry out health improvement programmes as well as introducing the Community Development Councils (CDCs).

• Improving the general living standards of the urban poor.

**Programmes Achievements**

In addition to the provision of basic amenities to the low income settlements, the following positive impacts were also generated by the UBSIP.

• Recognition of the poor communities in the city by the Colombo Municipal Council as well as the NHDA, UDA and Common Amenities Board.

• Municipal health services and community development activities continue to be focussing on the poor settlements.

• With all these positive improvements, the poor had developed self confidence and showed their strength to improve their shelter and services.
Major Step Three

Implementation of the Slums and Shanty Improvement Programme 1978 to 1984

Background

Under the favourable legal and institutional conditions created by the CHP law and the UBSIP need arose for introducing low income settlements improvement strategies. In this situation, the Slums & Shanty Improvement Programme was initiated by the Urban Development Authority as a pilot programme for improving the low income settlements in the city.

- Considering the complex ownership issues and physical characteristics of LIS, the programme envisaged different projects to be implemented.
- Onsite upgrading of infrastructure and amenities, site and services projects and relocation projects were thus implemented.
- *A policy paper on slums and shanty improvement* was prepared which was used by the UDA to declare LIS and implement special projects.
- Normal building regulations were relaxed in these special project areas i.e. minimum plot size for low income housing ranging from 35 to 50 sq.m. was allowed.
- The programme enabled upgrading of a large number of extremely poor slums and shanty settlements to a certain livable condition.
- These relaxed regulations under special projects remained still in force.

Achievements of the Programme

- The entire programme was based on the concept of self help and beneficiary participation in programme activities.
- This participatory approach enabled communities to organize into CBOs and actively participate in improving their own settlements.
- The approaches such as Community Action Planning (CAP) were tested under this programme.
- Low income communities gained access to officials and their participation in development process recognized.
The National Housing Development Authority (NHDA) which was Established in 1978 had Introduced First ever Major Housing Programmes in Sri Lanka

1978 – 1984  - Hundred Thousand Houses Programme
1985 – 1989  - Million Houses Programme
1990 – 1994  - 1.5 Million Houses Programme

Background

- The new government which took office in 1977 has identified housing as a major development programme of its development agenda.
- A country wide major housing programmes were thus introduced.
- Addressing land tenure issues in respect of housing development was taken as major policy issue of the programme.
- For urban low income settlements, continuation of onsite upgrading, site and services programmes, relocation programmes were thus introduced.
- All the above three programmes had an urban housing component with a several options for housing improvement.
- The Slums and Shanty Programme of the UDA was later incorporated to NHDA in 1985.
- The housing improvement options were
  - Site & services programmes
  - Common amenities improvement programme
  - Individual service improvement loans
  - Housing loans for individuals
- Acquisition of low income settlements by the NHDA, land regulations allocating individual housing lots and issue of leasehold ownership to the occupants were carried out.

Achievements of Programme

- The low income communities were given individual land lots with leasehold tenure rights enabling them to improve their houses.
- The above government housing programmes were the most significant government interventions in the past which fully recognized the urban poor in the city.
• Giving tenure rights had established sense of permanency of their occupation which in turn compelled them to invest in shelter improvement.

• During the period 1978 to 1994 about 60% - 70% of the urban low income settlements had benefited under the above programmes.

**Type of Tenure Granted to the Urban Poor under the Government Policy Changes**

<table>
<thead>
<tr>
<th><strong>Major Policy</strong></th>
<th><strong>Type of Ownership Given to the Poor</strong></th>
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<tbody>
<tr>
<td>Ceiling on Housing Property Law</td>
<td>Freehold right to tenements</td>
</tr>
<tr>
<td>Slums &amp; Shanty Upgrading Programme</td>
<td>Household enumeration cards - 30 year lease of individual lots</td>
</tr>
<tr>
<td>Urban Housing Sup-Programme of NHDA</td>
<td>- 30 year lease</td>
</tr>
<tr>
<td></td>
<td>- 40 year lease</td>
</tr>
</tbody>
</table>

**CURRENT DEVELOPMENT PROGRAMMES OF LOW INCOME HOUSING IMPROVEMENT**

• Introduction of an Urban Redevelopment Programme since 1999 under the Ministry of Urban Development and Housing emerged as a new government policy.

• The concept is to provide decent housing for the poor by releasing the land occupied by low income settlements for alternative developments (Urban Redevelopment Programme based on cross subsidization principles)

• The multi-storyed flats are planned to be put up instead of onsite upgrading of the low income settlements.

• The poor can exchange their present house / land with the proposed flat at the prevailing market rate.

• This is a government funded programme of which the first project was already started in the latter part of 1999.

• It is premature to make any conclusion of this programme.
MAJOR ISSUES RELATED TO LAND TENURE AND IMPROVEMENT OF LOW INCOME HOUSING IN COLOMBO

1. Need to re-establish the concept of incremental development as the method for improving urban low income housing.

2. Lack of consistency in government policies on urban poor housing create instability among the poor (upgrading Vs redevelopment).

3. Lack of legal ownership to a majority of urban poor (about 30%) who occupy on marginal lands in the city.

4. None of the existing housing policies can address the issues of such squatter housing.

5. Lack of accurate data on urban poor and their settlements.

6. Sense of insecurity and instability is being emerged in the minds of the poor.

7. Instead of playing a facilitating role, the government is attempting to play a role of housing developer which is a reverse of the process created.