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HOUSING THE HOMELESS

Uplifting Urban Pavement Dwellers
Through the Equitas Bird's Nest
Programme

2009 - 2012

EQUITAS DEVELOPMENT INITIATIVES TRUST

Equitas Development Initiatives Trust (EDIT), the non-profit arm of Equitas Microfinance, was established in 2008 to implement innovative approaches to addressing poverty. Through its supportive initiatives in education, food security, healthcare, and livelihoods, EDIT aims to create positive impact in the lives of many poor families, including Equitas's microfinance clients.

UNITUS LABS

Unitus Labs is a USA 501(c)(3) non-profit focused on reducing global poverty through economic self-empowerment. Unitus Labs' unique focus is harnessing market forces to drive substantial increase in economic opportunity for those at the base of the economic pyramid ("BoP") in developing markets. Unitus Labs attempts to leverage its influence by not just demonstrating the commercial viability of BoP strategies, but by drawing other players into the space in a way that dramatically accelerates the scaling of proven ideas. Unitus Labs' current focus is to create improved income-generating livelihood opportunities for millions battling global poverty. Unitus Labs was founded in 2001 and is based in Seattle and Bangalore. For more info, see www.unituslabs.org.

SORENSEN / UNITUS ULTRA POOR INITIATIVE

The Sorenson / Unitus Ultra Poor Initiative (UPI) was established as a project of Unitus Labs in October 2008 with support from the Sorenson Legacy Foundation. The UPI's aim is to stimulate the microfinance industry to deliver sustainable services that provide opportunity to the poorest of the poor to improve their standard of living. To that end, Unitus Labs funds effective solutions to serve the critical needs of this population and provides hands-on support and strategic guidance to our partners.

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EXECUTIVE SUMMARY

In the past ten years, India has undergone a dramatic demographic shift as millions of farmers and villagers from rural areas move en masse to the cities. This urbanisation has grown from an observable trend to an increasingly complex problem as urban infrastructure struggles to keep pace. Climate change, disputes over land rights, and a multitude of other reasons have conspired to create circumstances that make it very difficult for rural farmers to make a living through agriculture. The search for alternative sources of income, coupled with the lack of opportunity in rural areas, brings many families to the cities in hopes of a better life. Unfortunately, many find themselves ill-prepared for city life and too often end up homeless as pavement dwellers.

This ultra poor population is arguably the most vulnerable segment of modern urban society. They have no shelter from the elements, no access to clean water and sanitation facilities; they struggle daily to find food, and illness and crime are constant threats. The main source of income for most pavement dwellers comes from begging on the streets.

The daily sight of entire families destitute on the streets of Chennai inspired Mr. P.N. Vasudevan (“Vasu”), a former banker, to found an organisation dedicated to alleviating extreme poverty. He started by offering microloans as a way for poor individuals to pull themselves out of poverty. However, microfinance wasn’t able to help the poorest of the poor. To refocus efforts on ultra poor populations such as pavement dwellers, Vasu created the Equitas Development Initiatives Trust (EDIT). EDIT provides a range of services to the ultra poor in Chennai around food security, livelihoods, education, and healthcare.

In 2009, EDIT partnered with Unitus, under the Sorenson/Unitus Ultra Poor Initiative, to pilot the Equitas Bird’s Nest (EBN) programme. EBN was to be an 18-month pilot programme broken into three distinct phases and focused on providing support and training to 100 pavement dwellers in five key areas: housing, food security, healthcare, livelihood skills, and supplemental education. The primary objective of the intervention was to move households off the pavement and into permanent housing. Secondary objectives included creating food security and a stable income through engaging in learned livelihood activities, and providing sustained access to healthcare and education. An additional objective of the pilot was to demonstrate that ultra poor programmes, which typically have a high cost

per beneficiary, could be more cost-efficient while remaining highly effective by having participants repay some of the programme costs when they are able.

Phase One: The plan was to move participants from the pavements into housing units in nearby slums. EDIT would secure the housing and pay the rent for the first six months. During this period, known as phase one, EDIT would provide skills training and introduce the member to a new livelihood that could double or triple the household income. At the same time, EDIT would provide the family with food, access to healthcare, and would begin offering tutoring sessions to help children with schoolwork in the hopes of re-enrolling them in school.

Phase Two: During phase one, the household would have started their livelihood activity and begun earning a stable income. In phase two, months seven through 12, the household would be expected to take over the responsibility of paying rent and buying its own food.

Phase Three: By phase three, months 13 through 18, the household was expected to have become much more financially stable and was expected to begin paying back the first six months of subsidised rent. By the 19th month, the household would have paid back the first six months of rent and would then begin paying back the security deposit that EDIT had paid to secure the apartment. By having participants pay back the rent and security deposit, the programme would be able to recover 75% of its costs, which could then be used to expand the programme to help more families.¹

LESSONS LEARNED

Challenges Securing Housing

Lesson 1: *Work with strategic partners to identify and secure housing while EDIT focuses on providing training and support around education, healthcare, food security, and livelihoods.*

Securing housing turned out to be an extremely labour intensive process in which each unit took between 9 and 12 weeks to secure. With 100 units to secure, this

¹ This figure does not cover personnel or program management costs. It only accounts for the direct costs incurred in serving the beneficiaries (rent, security deposit, food grain provision, and materials).

significantly slowed progress. The team first experienced difficulty finding affordable units within the target slum areas. Once a unit was located, a litany of additional challenges with the landlord commenced. Problems included charging inflated prices once the landlord knew an organisation was involved, not wanting families from a lower class moving into their slum, not wanting to sign any contractual agreements with EDIT, not having a bank account in which to deposit monthly rent cheques from EDIT, and numerous others. Often, even after the process of securing the unit was completed, repairs needed to be made, which took even more time. Unfortunately, each unit had to be sought out and secured individually, as such, there was no foreseeable way to speed up or scale the process.

In the future, the team may partner with another organisation to identify and secure the housing, allowing EDIT to focus on its core competencies of providing healthcare, livelihood training, food security, and education. EDIT is investigating other possible housing options and has also begun to explore the possibility of partnering with the local government to convert abandoned or vacant buildings into low income housing projects as a way of addressing homelessness.

Lead with Livelihoods

Lesson 2: *When working with homeless populations, it is important to begin with skills training and establish an alternative livelihood before introducing housing*

Lesson two came as a surprise to the team. Once the arduous process of securing a rental unit was finalised, the team saw that families were not moving into the housing. After investigation, the team realised that families feared losing their place on the pavement and the means to their only source of income: begging. In order to coax the families into leaving the relative security of their pavement location, EDIT had to establish an alternative livelihood for them. This meant also securing buyers for their finished products to ensure a steady stream of income. Only once the families gained confidence in their ability to generate an income from sources other than begging, would they be willing to relinquish their place on the pavement and move into a rental unit.

The team changed their approach and began conducting the livelihood skills training while the families were still living on the pavements. Once they began their livelihood activity and saw they could earn a steady income from it, they began to move from the streets into the secured rental units.

Programme Effectiveness vs. Cost-efficiency

Lesson 3: *It is possible for an ultra poor programme to be cost-efficient and highly effective by asking participants to pay back a portion of programme costs*

The pilot is slowly demonstrating that ultra poor beneficiaries are both willing and able to pay back a portion of the costs incurred to serve them, providing evidence that programmes can dramatically improve quality of life for beneficiaries while also operating under a more cost-efficient design. Instead of spending the average \$600-\$800 per beneficiary, EBN is on a path to achieving more economically sustainable positive change for approximately \$60-\$100 per beneficiary.

All households that have been moved into housing have been able to successfully take over and continue making their own rent payments. While it was determined that month 13 was too early for beneficiaries to start paying back the first six months of rent, all have committed to beginning payments once they reach the 18th month. In the original EBN model, the EDIT team had hoped to recoup 75% of the cost per household, namely the security deposit and first six months of rent. At the time of writing this case study, the programme has recovered close to 10% of its original costs and there is sufficient evidence to believe that 75% of programme costs will be recovered.

The EBN team plans to take the lessons learned from this initial pilot to formulate a revised plan and second pilot that will reach 1,000 households. The team will continue to improve the model, eventually scaling to other cities, providing a cost-effective model for successfully and sustainably elevating pavement dwellers to a higher standard of living.

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INTRODUCTION

Urban migration is a growing problem for India. Since 2001, 22 million people have migrated from rural areas to the cities.² Historically, more people have lived in India's villages and rural townships than in its metropolitan areas. However, the 2011 census brings forth a striking reality: for the first time in 90 years, urban India has added more members to the country's population than rural India has. Apart from a natural increase in population and the inclusion of new geographical areas as 'urban' by officials, migration is seen as the biggest contributor to the rapidly expanding urban populations. It took nearly 40 years, from 1971 to 2008, for India's urban population to rise by 230 million. However, India could add the next 250 million to its cities in half that time—only 20 years from now.³

India's largest cities—such as Mumbai, Delhi, Chennai, and Kolkata—are already struggling to house this surge in population. Most of the inflow is comprised of poor, rural households who seek better employment opportunities and reside in slums, self-constructed makeshift housing, or on the pavements. Researchers predict that in India's large cities, the slum-dwelling and homeless populations will quickly outpace other communities in the next two decades. For the homeless, arguably the most vulnerable segment of urban society, opportunities will be harder to come by and the ensuing poverty more severe.

Growing homelessness in the city of Chennai bothered long-time resident and former banker P. N. Vasudevan, or 'Vasu' as he is commonly referred to. In 2007, Vasu founded Equitas Microfinance with a mission to provide financial services to the poor. Soon after, he and his team worked to establish the Equitas Development Initiatives Trust (EDIT), a non-profit sister company that focused on piloting new initiatives and working with the poorest, most marginalised populations. One of EDIT's most innovative programmes is the Equitas Bird's Nest (EBN), a programme designed to address the growing problem of homelessness in Chennai.

Over an 18-month period, EBN would provide housing, healthcare, food security, education, and dignified livelihoods for pavement-dwelling populations. The goal of the intervention was to improve the quality of life of these homeless families by moving them into a sturdy home and helping them develop new skills. Armed with these newly learned skills, homeless families could engage in new livelihood

2 Banerji, Devika, 'Stop blaming rural migration for urban ills: Study'

3 Sankhe, Shirish. et al. *India's urban awakening : Building inclusive cities , sustaining economic growth.*

activities to increase their income and maintain their new standard of living.

This case study will familiarise readers with the challenges and realities of working with urban homeless populations, narrate the EDIT team's experience as it rolled out the intervention, and provide insight into the lessons learned. It is hoped that other like-minded organisations and practitioners can benefit by learning from the EDIT team's experience and be inspired to extend EDIT's commitment to uplift the poorest of the urban poor.

BACKGROUND

THE PROBLEM OF URBANISATION AND HOMELESSNESS

The worldwide trend of urbanisation—when a rural household migrates to an urban environment with the intention of staying long term—has recently become a buzzword among many informed circles, but perhaps none so strongly as city planners, civil engineers, and organisations working to alleviate global poverty. In 2008, marking the first time in history, over half of the world's population was estimated to be living in cities. Development experts and economists predict that by 2030, nearly 5 billion of the world's people will be living in cities, with most of this growth concentrated in developing countries in Asia and Africa.⁴ If true, the population density would severely strain already choked infrastructure and resources in large cities. This means an expansion of slums, rapidly increasing illegal settlements, and a potential surge in homeless, pavement dwelling populations.

In India, large cities such as Mumbai, Delhi, and Chennai have seen an unprecedented boom in their populations in the past two decades as more and more rural households make the journey to city centres in search of opportunity. For the vast majority of migrants, however, life in the bustling metros translates into poverty, not prosperity. According to the 2001 census, over 78 million people in India were homeless and over 10% were concentrated in the largest metropolitan areas.⁵

Agriculture is no longer considered a lucrative livelihood for many farmers in India's

⁴ United Nations Development Programme website. "India: Urban Poverty Report 2009 Factsheet"

⁵ Sainath, P. "Census findings point to decade of rural distress"

villages. The industry has been hit hard by climate change (mostly droughts), increased disputes over land rights, decreasing profit margins, and unresolved infrastructure challenges making it difficult to take products to market. Between 1991 and 2001, over 7 million farmers stopped farming.⁶ This translates into over 2,000 farmers per day looking for alternative sources of income generation. Due to the lack of livelihood options in rural villages, many of these farmers and their families move to the cities.

Once they arrive, villagers often find themselves without the right skills for employment and without any assets of their own to set up a business. Unlike in their hometowns, where land is more readily available and the economy is largely based on agriculture or livestock, city life is cash-based and the cost of living is much higher. Under-educated, under-skilled rural migrants immediately struggle to find work and affordable housing.

Those who are able to find work may be able to afford a small rental unit in a slum. Others manage to construct makeshift dwellings out of plastic bags and discarded building materials on unauthorised slum land, hoping that law enforcement does not force them out. The poorest of the poor can afford no form of housing at all and are often left with no choice but to reside on the sidewalks and resort to begging for a living. Intended to be a temporary situation, often times years go by before the family has saved enough to earn a spot in the slums. Many households, in fact, occupy the pavements for generations. For the vast majority, begging at traffic stops and street corners, with their children in tow, is the primary source of income.

Even for those that are able to afford a small slum unit, homelessness is an ever-present reality. Many of today's pavement dwellers did at one time live in the slums but lost their homes for any number of reasons. If they experienced hardship in paying the rent for a one-to-two month period, or if they were unfortunate enough to reside in the many settlements suddenly deemed illegal by local authorities and razed, or if they were hit with a large expense (like a health emergency) that wiped out their savings, they would have suddenly lost their homes. Once a family relinquishes its rental unit in the slum, another family who can afford it occupies the unit quickly. Demand for and turnover in slum housing remains high in the large cities of India. Once out, it is very difficult to work one's way back into a slum.

Pavement dwellers are arguably the most vulnerable members of modern urban

6 Ibid

society. They have no food security or reliable source of income, no shelter from the elements or access to clean water and sanitation facilities, and often have no access to healthcare or education for their children. These problems are further compounded by their lack of any proof of identity or official government documentation, which means they are not able to participate in government schemes designed to help the poor.

Despite the hardships faced in urban areas, most ultra poor households have little hope of a better future back in their villages. There, many cite a complete lack of income-generating opportunities and a sense of hopelessness. In the cities, though they struggle with decent housing, crime, illness, and a host of other issues, they at least have the chance to cobble together odd jobs—such as shoe-shining, trash collecting, rickshaw driving, begging, and construction work—to make ends meet. Thus many continue to suffer through the difficulties of urban life hoping things will improve. Many who have moved to cities also feel a strong sense of obligation to send money home to family members who couldn't make the trip.

POVERTY IN CHENNAI AND THE INSPIRATION FOR EQUITAS MICROFINANCE

Chennai, previously known as Madras, is situated along the coastline in southeast India. It is the capital city of the state of Tamil Nadu, the fourth largest in India with a population of over 6 million.

Over the years, Chennai has emerged as the manufacturing hub of India. It accounts for a large percentage of the country's automobile production and auto parts, and is thus referred as the 'Detroit of India'.⁷ Tamil Nadu is also the second largest software exporter in India after Karnataka. Chennai accounts for over 90% of the software exports in the state. Other prominent industries include chemicals, petrochemicals, and leather.

Given the healthy state of its industries and vibrant economy, the state of Tamil Nadu is generally perceived to be more affluent than many other states in India. Poverty, however, is still a widespread problem. According to the 2001 census of India, the slum population in Chennai alone was over 10.79 lakh (over 1 million) households, or 26% of the city's total population.⁸

⁷ Chennai Metropolitan Development Authority. *Draft Master Plan - II for Chennai Metropolitan Area, 2026*.

⁸ Dorairaj, S. "On the margins"

Figure 1: Map of India (Chennai circled)



Driving through Chennai on a typical day, one can quickly observe countless numbers of men, women, and children begging on street corners and at traffic stops, trying to scrape together a living.

It was this daily sight that both aggravated and inspired Vasu, a native of Chennai, to leave a successful career in consumer finance and found an organisation dedicated to alleviating extreme poverty. In 2007, Vasu established a company called Upliftment of Pavement Dwellers & Beggars Ltd (UPDB). His vision was to assist the homeless pavement-dwelling population in a way that promoted self-sufficiency. Vasu felt strongly that the pavement dwellers could improve their own quality of life if given the right opportunities.

With a focus exclusively on pavement dwellers, the first few months of operation proved difficult in terms of achieving scale. In line with Vasu's professional background, UPDB aspired to provide financial services to the poor, with a focus on small loans. For the model to operate profitably, it needed to serve a large number of clients to balance the high costs incurred from identifying, vetting, and educating poor households who were taking on debt for the first time.

Vasu and his team quickly made the decision to expand UPDB's operation to include other poor households, not just the homeless, and found that enthusiasm and demand for micro-loans increased dramatically. These households lived in relatively more stable circumstances and therefore could assume debt and invest their energies into establishing and growing a business. More and more, the UPDB team felt the same was not true for homeless families whose numerous, critical unmet needs prevented them from holding down stable livelihoods. It emerged quickly through UPDB's conversations with the homeless that this population needed something other than financial services to help them stabilise their circumstances. While continuing to provide microfinance services to more stable households, the team decided to also work on identifying solutions that would specifically empower pavement dwellers. They vowed to devote a percentage of the profits generated from the microfinance activity to doing so.

A plan was put in place to rapidly expand access to financial services for poor households that demonstrated an entrepreneurial inclination and needed capital to expand their businesses. The UPDB was revamped into a new organisation called 'Equitas,' a Latin word that translates into being equitable, fair, and transparent.

Equitas extended its first enterprise loan in December 2007 with a focus on female micro-entrepreneurs that previously had no access to formal financial services. The sizes of the loans varied from Rs 3,000 to Rs 15,000 (roughly \$60-\$300 USD), and were intended to provide women with working capital to be applied toward an income-generating purpose.⁹

Though competition among microfinance institutions (MFIs) in India was fierce, Equitas quickly emerged as a role model in the industry, namely due to its ability to scale rapidly (it grew to serve over 700,000 clients in its first two years) and its demonstration of fair, transparent practices.¹⁰ Early on, Equitas built efficient

⁹ Equitas website. Product features summary.

¹⁰ Narayanan, V.G. and V. Kasturi Rangan. *Equitas Microfinance: The fastest growing MFI on the planet.*

technology solutions for the field that enabled its field officers to quickly collect and analyse information from its loan clients; the technology allowed Equitas to scale up faster than many of its competitors. It also deployed a wide range of customer-friendly measures, such as training and awareness regarding interest rates, as well as portfolio risk management processes.

True to its name, Equitas aimed to be the leader in the microfinance industry in terms of being fair and transparent to customers. Equitas was the first MFI to publish an 'all inclusive' interest rate in customer passbooks. While benchmarking itself against banks, Equitas has voluntarily capped its return on equity at 25%.

FOCUSING ON THE ULTRA POOR:

THE FOUNDING OF EQUITAS DEVELOPMENT INITIATIVES TRUST

As it scaled its microfinance operations and experimented with serving different client segments, Equitas saw more and more evidence confirming that micro-loans were simply not suitable as a primary intervention for the ultra poor. This phenomenon is commonly seen among MFIs in India and is not unique to Equitas. As even their most basic needs are not being met, ultra poor populations such as pavement dwellers pose too high of a credit risk and are screened out of micro-credit programmes. If offered a loan, the household would understandably use it for consumption—satisfying a basic need, such as food—and would find it challenging to repay without having a stable source of income.

Despite rapid growth on the microfinance side of the business, Vasu did not want to stray too far from the original mission of serving the pavement dwellers and the poorest of the poor. In 2008, Equitas launched the Equitas Development Initiatives Trust (EDIT), a sister non-profit organisation to the for-profit microfinance operation. Equitas Microfinance is committed to contributing 5% of its annual profits to EDIT.

Operating independently from Equitas Microfinance, EDIT is able to undertake pilot initiatives and experiment with different approaches that provide a wide range of services to the ultra poor, helping to alleviate critical needs in the areas of food security, education, livelihoods, and healthcare.

Over the years EDIT has launched a number of initiatives to target and serve underprivileged communities. Examples include Equitas Gyan Kendra, a vocational training centre promoting skill development to increase income; Equitas Shiksha and Gurukul, providing educational opportunities through tutoring programmes

and building schools; and hosting regular health and hygiene camps to treat common ailments and reduce medical expenses. Arguably EDIT's most innovative programme focusing on pavement dwellers is called Equitas Bird's Nest (EBN), which is the focus of this case study.

EDIT's programmes are not designed to work in isolation, rather, they collaborate to provide holistic support to their member households. EBN, for example, is one of EDIT's most recent pilot programmes and has been able to successfully partner with the other EDIT initiatives in order to provide a wide range of support to its homeless households.

Examples of EDIT initiatives:

Equitas Gyan Kendra (vocational training centre)

Through Equitas Gyan Kendra (EGK), members are taught vocational skills to supplement their income. The initiative has trained thousands of members in skills such as tailoring and embroidery, incense stick and candle making, soap and detergent manufacturing, and preparing processed food such as spiced pickles and jams. EDIT is currently exploring potential market linkages for these livelihoods, meaning members will soon be connected to suppliers of raw materials as well as retail markets that pay fair prices for their finished goods.

Equitas Shiksha and Gurukul (tutoring and primary schools)

The Shiksha (tuition centres) and Gurukul (school building) programmes were founded to improve the quality of education of Equitas members' children. Shiksha is currently helping around 3,000 students study through its 50 tuition centres. The objective of the Gurukul programme is to provide high quality education at an affordable price. The Equitas Board has been very supportive of the initiative and has approved investment of up to 15% of Equitas's net worth to purchase land and construct buildings for its schools. These initiatives are managed by EDIT, which has launched four pilot Gurukul schools in the cities of Trichy, Dindigul, Salem, and Coimbatore in Tamil Nadu. In the coming 2012 academic year, two more schools are planned.

Equitas Dhanya Kosha (grocery stores)

Equitas Dhanya Kosha (EDK) began as a pilot in 2009 to provide food security to Equitas's microfinance customers.¹¹ EDK is a chain of 20 retail stores selling groceries and consumer goods at affordable prices. These stores are designed like regular supermarkets with products neatly packed and arranged on the shelves. They are only accessible to Equitas members and in line with the Equitas philosophy of positively contributing to the lives of its customers by reducing expenditures. One of the unique benefits of this initiative is the credit card that Equitas issues each of its members. Each card is pre-loaded with Rs 1000 credit (\$20 USD), which the member can use at EDK stores and top-up when needed. The card automatically expires one month before the microfinance loans are due. Members then have the option of getting new cards once they receive the next loan cycle. Each of the 20 EDK stores is centrally located, making them accessible to a large number of Equitas customers.

Health and Hygiene Camps

EDIT partners with local doctors and nurses who volunteer once a week to provide eye care, dental, and general healthcare to members. In addition to checking for general ailments, providing eye-check-ups, and giving cancer screenings, these camps advise communities on how to correct their sanitation and waste management practices in order to improve hygiene and living conditions. So far, EDIT health and hygiene camps have reached over 700,000 members, 22,907 of whom have received spectacles and 5,859 of whom had cataract operations performed.¹² EDIT has also instituted a helpline where members can call to obtain information about symptoms and recommended treatments. This helpline also provides recommendations about local healthcare providers who administer care for free or at substantially reduced rates for EDIT members.

¹¹ EDK has since been spun off into a separate entity

¹² Equitas website. Corporate Social Responsibility.

EQUITAS BIRD'S NEST: REHABILITATING PAVEMENT DWELLERS

THE CREATION OF EQUITAS BIRD'S NEST

In 2009, in a move that allowed Equitas to 'return to its roots' according to Vasu, the team engaged Unitus, a partner organisation, in a brainstorming session to design an effective, structured intervention for pavement dwellers.¹³ EDIT drew up a concept note for the Equitas Bird's Nest (EBN), a comprehensive 18-month programme that would specifically target the homeless, pavement-dwelling poor in Chennai. The programme aimed to provide stable housing, food security, healthcare, and livelihood opportunities to 100 households in the hopes of sustainably improving their quality of life.

The team deliberately opted to keep the number of households in the pilot to a small, manageable number. The lessons EDIT would learn from this experience would help it refine the operational model before scaling up.

The programme name, Equitas Bird's Nest, drew a parallel between the critical period of support and nurturing that young birds receive in the nest, to what the EDIT team felt was required to prepare beneficiaries to successfully achieve self-sufficiency. Vasu and team decided that the programme would be implemented by EDIT, which had more flexibility as a non-profit to experiment and pilot different methods compared to the for-profit Equitas Microfinance operation.

In July of 2009, the EBN proposal was accepted for inclusion in the Sorenson/ Unitus Ultra Poor Initiative (UPI), which selectively worked with ultra poor pilot programmes in India and Southeast Asia, offering financial support and on-site technical assistance to partners developing high-potential, innovative ultra poor interventions.

In October of 2009, Unitus brought EDIT on as their fifth partner in the UPI based on the following criteria:

- j) Demonstrated need in the market:*** EDIT's research validated that this target segment was indeed the most vulnerable group in urban areas and was not being effectively served by other organisations.

¹³ For more information about Unitus, please visit www.unituslabs.org

ii) Unique idea: The EBN pilot outlined a creative approach to alleviating homelessness. It sought to not only secure housing for the homeless, but to do so in a way that beneficiaries would be able to sustain themselves. The pilot also offered other critical services such as food security, healthcare, and skills training to its members. EDIT believed it was necessary to offer this holistic array of services in a way that promoted independence and self-reliance.

iii) Cost effective: Despite the broad array of services offered, the EDIT team hoped the EBN model could be delivered in a cost-effective manner. The programme intended to provide support in the form of housing, food security, and healthcare early on, then slowly recoup the cost of some of these provisions once the beneficiary established a sustainable livelihood. After a period of increased income, households could slowly pay for services rendered and significantly bring down the overall cost of the programme. In the future, EDIT could also leverage its other initiatives in education and health to benefit the pavement dwellers with little incremental cost.

By partnering with the EBN ultra poor pilot in Chennai, Unitus hoped to uncover creative and cost-effective methods and interventions to be shared with the industry. This case study is part of the collaboration and agreement to disseminate best practices and lessons learned from this pilot. The rest of the case study discusses the pilot in more depth as well as the key lessons learned from this first endeavour.

OVERVIEW OF THE EBN PILOT

In 2009, EDIT launched the Equitas Bird's Nest pilot to elevate pavement dwellers in Chennai to a higher standard of living. The primary goal of the 18-month pilot was to provide stable housing for 100 currently homeless households. Additional support such as food security, healthcare, supplementary education, and livelihood skills training would be provided as a way to stabilise their overall circumstances.

The intervention was to start by moving families from the pavement into nearby slum housing, with EDIT bearing the cost of rent for the first six months. In this initial six-month period, known as phase one, EDIT would provide skills training and introduce the member to a new livelihood activity that could double or triple household income. EDIT hypothesised that once members increased and stabilised their incomes, they would be able to assume responsibility for the monthly rent.

Also provided in the initial six-month period would be two meals per day, access to healthcare and supplemental education for children.

Together with Unitus, the EDIT team was optimistic it could develop a programme that encompassed these activities and deliver it cost-effectively. In fact, in this initial pilot, EDIT wanted to test if the intervention could completely recoup its costs over time, thereby freeing up funds to help another group of beneficiaries.

Before launching into any field activity, EDIT articulated the objectives of the pilot. Each of the five elements of the pilot was associated with a particular objective. Below, each programme component is listed with its corresponding objective.

<i>Primary Objective</i>	
Housing	To move households off of the pavement and into permanent housing
<i>Secondary Objectives</i>	
Livelihoods	To help households increase and stabilise their income through dignified, sustainable livelihoods
Food Security	To provide staples—such as rice, oil, lentils, etc.—to ensure two nutritious meals per day until the household could assume this responsibility
Healthcare	To increase access to healthcare providers and health education
Supplemental Education	To provide tutoring and encourage children to attend and stay in schools

EDIT identified 100 pavement dwellers for the pilot in the following neighbourhoods of Chennai: Ayanavaram, Chintadripet, Egmore, Marina Beach, and T. Nagar. To better understand the households' most critical needs and ensure that they were among the neediest in these areas, the EDIT team administered a detailed survey.¹⁴ The team also wanted to gauge households' interest in more permanent housing. While respondents were generally enthusiastic, most did not believe this would materialise quickly. The EDIT team sensed a bit of a 'we'll believe it when we see it' attitude among respondents, which was understandable as many had lived on the pavement for two-to-three generations.

¹⁴ See Appendix A for an example of the survey



Multiple settlements on a pavement in the T. Nagar area of Chennai

Photo by Sriram Gutta

While administering the survey, the EDIT team observed that homeless households were much more concerned with finding income or work than answering survey questions. It was often difficult to convince them to devote 20-30 minutes of their attention to the surveys, as many seemed anxious to get on with their routines.

In parallel with surveying homeless households, the EDIT field team conducted surveys of nearby slums with the goal of drawing up maps of available housing units. During this exercise, the team developed an appreciation for the scarcity of available housing and realised that lining up units for 100 members may be a long and arduous process. Field officers feared that member interest would wane quickly in the absence of immediate, tangible benefits offered by participation in the EBN programme. This prompted the EDIT team to slightly refine the sequence of its programme activities before kicking off the pilot. As a result, the decision was made to introduce health camps immediately in the selected areas as opposed to waiting until after families had moved into housing.

Health camps would now serve as the first element of the intervention and would begin in the few weeks that the field staff were simultaneously locating and reserving housing in nearby slums. The camps would allow members to receive free high-quality consultations with volunteer doctors and nurses and were intended to provide immediate relief from persistent health problems. The EDIT team hoped that the accessibility of the health camps and positive outcomes would excite members and enhance their overall confidence in the programme's ability to deliver results.

EBN PROGRAMME COMPONENTS IN MORE DETAIL

In the original design of the EBN programme, the primary objective was to provide housing for the pavement dwellers. Given the wide spectrum of vulnerabilities that result from living unprotected and out in the open, the team felt it was important to identify and allocate housing for each family as a first step, before the supplementary activities could be administered. As previously discussed, the only exception was the healthcare activity; local health camps could be introduced to members immediately and fairly easily in order to stimulate interest in the programme and provide early tangible benefits. The camps would also buy the EDIT field team some time to line up all the required housing units.

Following housing occupation, EDIT planned to provide food security, skills training and assistance setting up a new livelihood, along with supplementary education for the households' children. Each programme component is described in more detail in the following sections.

Healthcare

Equitas partnered with a wide range of healthcare providers to deliver free health camps to its ultra poor members. The camps offered vision and dental care, as well as diagnosis and treatment for common ailments such as cough, cold, fever, flu, joint pain, abrasions and infections. Medication to alleviate these ailments was also dispensed to members free-of-charge. After treatment, members were given access to EDIT's healthcare helpline as a channel for obtaining important information about common diseases, proper prevention techniques, and referrals to professional facilities for more serious concerns.

When asked about the healthcare intervention, John Alex, Programme Director of EBN, said, *'Access to quality and timely healthcare ensured that issues were identified early on. Otherwise treatment is often delayed until it is too late.'* One of the key success factors for this intervention was EDIT's strong relationship with local hospitals and its ability to partner with their corporate social responsibility divisions in order to provide free consultations and medicine to members. It is important to effectively build partnerships in order to provide specialised services to the ultra poor. Such partnerships should be established before a programme begins as they can take several months to formalise. Fortunately, EDIT was able to leverage relationships that Equitas had previously established to provide benefits to its microfinance clients.

In addition, the EBN field team conducted several sessions highlighting the

importance of hygiene and simple practices that members could follow. Members were trained to boil water before drinking and urged to bathe everyday with soap. EDIT also partnered with local colleges and had students travel around the slum to talk about hygiene practices.



A health camp conducted at the Ayanavaram area in Chennai. The health professional is collecting blood samples for a hemoglobin count.

Photo by Jayakumar, EBN Field Officer

Housing

To ensure members would not be overburdened by high monthly rent payments, EDIT set out to find affordable accommodations in nearby slums. The team hoped to secure units with monthly rents ranging between Rs 500 and Rs 800 (roughly \$10-\$16 USD) for each household. Field officers were each assigned two-to-three nearby slums and instructed to note the range of rents that households were currently paying each month, as well as which units were vacant.

With the help of Unitus, EBN developed a template to track the status of housing in each area. The entire process was very inclusive as the beneficiaries in each area were involved in identifying the houses and negotiating their prices. This helped to build excitement about the programme, with members feeling that they were actively involved in the betterment of their welfare.

In searching for and securing acceptable units, the EDIT team followed several rules of thumb:

- **Identify houses in nearby locations:** The units had to be within a one-to-three kilometre radius of the beneficiaries' current location. This ensured that beneficiaries' current livelihoods and social ties would not be severely disturbed by the move.
- **Make sure housing is affordable:** The plan was to look for houses with monthly rents between Rs 500 and Rs 800 (maximum), as EDIT felt the

households could handle paying these amounts after they adopted new, more lucrative livelihoods.

- **Ensure transactions are legal and transparent:** EDIT insisted on constructing strict legal agreements with each landlord and each member in these transactions. It was important that all transactions were made by cheque and not cash, as the latter could not be properly traced in the event of a dispute.

Food Security

By partnering with EDIT's own EDK food security initiative, EDIT was able to procure certain staples—such as rice and lentils—at very low prices on behalf of its members. These items would be provided on a monthly basis during phase one, the initial six-month period, after members had moved into their new homes. For households without stoves or cooking utensils, EBN provided ready-to-eat meals twice a day, again procured via EDK. According to EBN Programme Director, John Alex, the provision of free meals was a critical component of the programme. *'Food security ensured that our members didn't spend anything extra while they were learning additional livelihood skills. This way they could focus completely on skills training while we took care of their food and rent.'* After phase one, households would have started their new livelihood activities and begun to see an increase in their incomes, enabling them to provide at least two hot meals for their families on their own.



EDIT Trustee Mr. Mathur handing out rice and lentils to a member of the EBN programme.

Photo by Jayakumar, EBN Field Officer

Livelihoods

For the livelihoods component, EDIT was again able to leverage its relationship with another in-house programme. EDIT partnered with EGK—which ran vocational

centres to train Equitas Microfinance clients in livelihood skills—to help implement the livelihood skills training for EBN. The EGK team agreed to work with EBN members and introduce them to livelihoods that were minimally dependent on literacy and higher education, considerations that were critical especially since most EBN members had not attended school past the fifth standard.

Based on these considerations, the EGK and EBN teams decided members would benefit most from training in *agarbatti*-rolling (incense-stick rolling), candle making, soap making, and basket weaving. In order for beneficiaries to sustain these livelihoods well after the EBN programme ended, it was important that EDIT incorporated market linkages into the training programme. This meant that members would be trained on how and from where to procure their raw materials, and to whom they could reliably sell their finished products.

For this component of the programme, EDIT formalised a partnership with EDK grocery stores whereby EDK stores agreed to purchase finished products from EBN members. As a result, members could be assured—as long as certain quality standards were met—of income anywhere between Rs 500 to Rs 2000 (\$10-\$40 USD) per month for their efforts. This new income stream allowed all members to make timely rent payments.



An EBN member in the Pallav Nagar area preparing phenyl, a mild household cleaner, to be sold to EDK stores. Phenyl is stored in recycled plastic bottles.

Photo by Sriram Gutta

Supplementary Education

During the participant selection process, EBN staff identified many children who had dropped out of school. A large number of these children, by their parents' admission, were several grades behind for their age and thus didn't have any motivation to go to school. One member of the EBN field team who had a post-graduate degree, agreed to offer group tutoring for these children twice a week.

The sessions consisted of first encouraging children to go back to school, helping those who did with their homework, and providing lessons in specific subjects such as English, math, and science. Each session lasted for three hours and took place mostly in the evenings. The tutor specifically helped children with their daily homework and prepared them for exams. She also talked to children about the importance of regularly going to school. During the pilot, tutoring was offered to 25 member children, and all eventually re-enrolled in school. Commenting on the intervention, Alex said, *'It is unbelievable how far a little motivation and guidance can go in helping these children. One of our beneficiaries, Latha, has a daughter who will be appearing for the government board examinations for the tenth standard. She will be the first in her family and of all pavement dwellers that we are working with, to achieve this feat.'*



EBN staff Maheshwari conducting after school tutoring sessions for member children at Rajiv Gandhi Nagar.

Photo by Jayakumar, EBN Field Officer

PROGRAMME PHASES

The EBN pilot was originally intended to take place over an 18-month period broken out into three main phases:

Phase One: First six-month period

Phase one would commence when beneficiaries moved into the housing that EDIT had identified for them. In this period, EDIT would pay the monthly rent and provide either a month's supply of food or two ready-to-eat meals per day to each household for the duration of the phase. The members' primary responsibility was to participate fully in the skill training that was provided (five times a week for three hours each in most cases) and make every attempt to initiate the new livelihood activity.

Once a family had moved into the new housing, EBN would begin the supplemental

education component by offering tutoring sessions to help enrolled children with schoolwork and bring others up to their grade level. As the first component of the intervention, healthcare services were initiated prior to phase one, but continued to be available to members throughout all phases of the programme.

By the end of phase one, the member would be expected to have reached a high level of comfort with their new livelihood and be earning a steady income. According to Alex, *'We have designed the first six months as a period in which there is no cash outflow whatsoever from the member.'*

Phase Two: Second six-month period

From the seventh month onward, the household would be expected to pay rent directly to the landlord and be responsible for purchasing and preparing its own food.¹⁵ During this phase, the EDIT team would visit each household two-to-three times per week to ensure there were no problems with the new housing or livelihoods. This is a critical period to ensure high-touch and contact with the households to make sure livelihoods have been properly adopted and are being sustained.

Phase Three: Third six-month period

Starting in the thirteenth month, the household would be expected to begin paying back the first six months of subsidised rent. By the end of this phase, in the eighteenth month, the household would have paid EDIT back for the cost of providing the first six months of housing. See the following page for a visual representation of the original intervention.

Post-intervention

For almost all of the housing units that EBN identified, a security deposit would have been required at the outset to reserve the unit. The average security deposit was Rs 3000 (or \$60 USD) per unit. EDIT would have assumed this cost upfront, but expected that this too would be slowly paid back by the member. EDIT explained to its members that in the nineteenth month, the amount of the security deposit would be transferred to Equitas Microfinance and would be considered an outstanding, albeit interest free, loan for the household. This would mark the end of the 18-month intervention for EBN, as the member is then transferred to the care of Equitas Microfinance, where she/he can start to build a credit history and

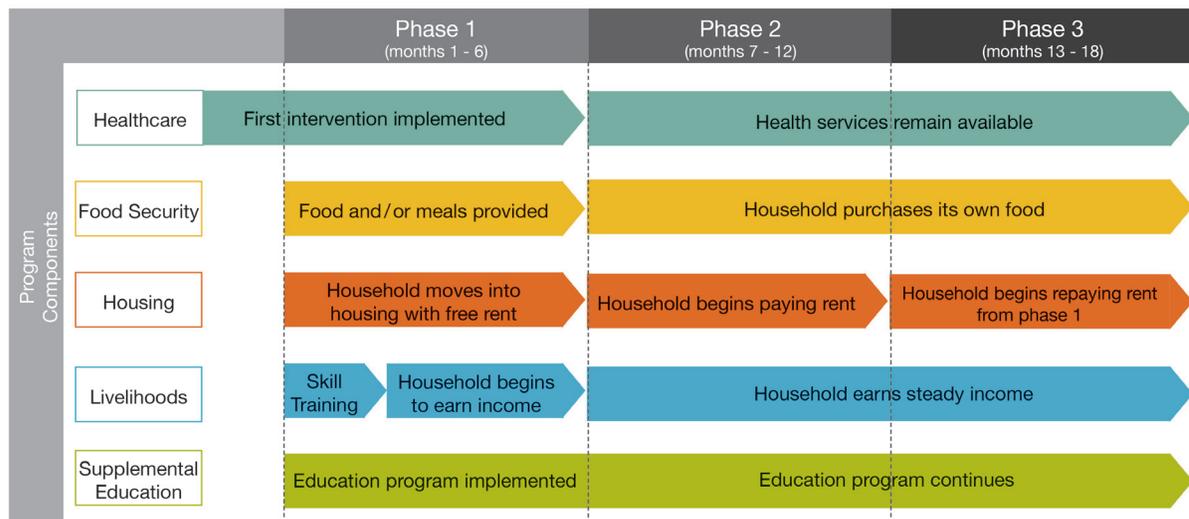
¹⁵ The rental contract was structured as a tri-party agreement between the landlord, EDIT, and the family, stating that EDIT would bear the rent for the first six months, and the household would assume the payments thereafter.

have access to a wider range of financial products and services. From that point on, the household would make payments to Equitas in monthly instalments over an additional six-month period.

Also in the nineteenth month, as it assumes the debt, Equitas would transfer the amount of the security deposit in cash back to EDIT. With this amount in hand, the EBN programme could then move forward to work with additional households.

During the course of the EBN pilot, households were expected to pay back the first six months of rent and security deposit on their new homes, which made up the bulk of the costs incurred to support each beneficiary. They were not expected to pay back the costs of food and skills training during phase one. If the programme were able to recoup just the rent and security deposit, this would bring the cost per beneficiary down to approximately Rs 3000 (about \$60 USD). Knowing that most ultra poor programmes spend between \$600 and \$800 per beneficiary, EBN felt it would be a huge leap forward for the industry if it could demonstrate that, a) beneficiaries were able to pay programme costs back over time, and that, b) the net cost for providing support could be as low as \$60.

Figure 2: Equitas Bird's Nest 18-month Intervention Map



LESSONS LEARNED

Despite the aforementioned carefully laid plans, the first few months of the pilot were fraught with challenges. The EDIT team learned very quickly that its plan for securing housing had to be completely re-designed, that the sequencing of its activities was in the wrong order, and that it would be difficult to recoup programme costs without further refinements to the model. In the following sections, we explore each of these lessons learned in depth.

CHALLENGES SECURING HOUSING

Lesson 1: *Work with strategic partners to identify and secure housing while EDIT focuses on providing training and support around education, healthcare, food security, and livelihoods.*

Multiple Challenges

The first four months were extremely difficult for the EBN team as it struggled to identify and reserve housing plots for its members.

The first challenge the team faced was being limited to only a handful of slums to scour for housing options. It was critically important that the housing units were in close proximity to the beneficiaries' current location, this way, the EDIT team reasoned, the household could continue current income-generating activities while learning new skills. Given their current daily struggle to earn a sufficient income, beneficiaries needed the security and assurance of knowing they could still rely on current activities—such as begging, shoe-shining, selling water and other items—while participating in the EBN pilot.

In initial surveys, the beneficiaries made it clear that they were not comfortable moving more than two-to-three kilometres away from their current locations.

The second challenge was the strict affordability requirement. After six months, the member would have to assume rent payments, and most households would not be able to afford rent in excess of Rs 1000 (\$20 USD). In fact, the EDIT team preferred the rent to be as low as Rs 500 (\$10 USD), which was difficult to find in many slums in the middle of Chennai.

For each household, the EBN team undertook the painstaking process of walking through each slum, identifying vacant units, meeting with the local landlords, and negotiating an acceptable amount for the security deposit and monthly rent on behalf of the household. Once the EBN team increased its familiarity with each slum, other challenges surfaced.

For one, this activity was impossible to do at scale. All of the slums were already extremely crowded and housing units had to be identified one at a time. There were no instances of blocks of units being available that EDIT could reserve at once, so it would have to budget the necessary time to procure units individually. EDIT worked with Equitas and utilised its deep microfinance networks—namely, several female borrowers who resided in the slums and were familiar with the landlords—to locate vacant units and help facilitate introductions to those in charge.

Perhaps most challenging, however, was the negotiation with the landlords. As soon as they saw that a team affiliated with a large organisation wanted to reserve units in the slum, they hiked up the price of the units. For example, the landlords would demand Rs 5,000 for the security deposit versus the normal level of Rs 3,000, and over Rs 1,200 for the monthly rent, which was often more than double the rent charged to current residents.

It often took multiple visits by the EDIT team to gain the trust of the landlords. Many were sceptical about EDIT's motivation for wanting to lease units in the slums. For each unit requested, EDIT took the pavement-dwelling household to meet with the landlord and show him/her that the unit was being reserved for this particular family. In these meetings, the family also made clear its intention to make timely rent payments. In some cases, however, the landlord would not accept the family, saying that particular castes or social statuses were not allowed in their slum, or citing doubt about the family's ability to pay rent in the future. Many landlords were concerned that other tenants would complain about having to share common areas with households from a lower, poorer class. A handful of landlords did not want to take on the risk of upsetting current tenants and flatly refused to lease out vacant units.

Those who were open to leasing demanded higher payments from EDIT. *'It was as if we were being charged a premium just because we were a company, regardless of the fact this was on behalf of a pavement dweller,'* said Alex. EDIT had to make multiple visits and ask multiple times to bring the rates down to acceptable levels. The team also involved Equitas's microfinance clients who lived in these particular

slums, to vouch for the incoming household and the credibility of the organisation. These clients also helped negotiate the price.

Involving existing residents was an effective tactic. Within two-to-three weeks, the team was able to draw up a tri-party contract between EBN, the landlord, and the member household. The EBN team signed the contract with the written understanding that it would be transferred to the household after six months.

Even after EBN overcame the previously described challenges, at times the team would run into other logistical hurdles. The timing of the EBN pilot coincided with an effort undertaken by the Chennai government to enumerate the city's slums. The goal was to better document the property, owners, and tenants of these informal settlements; later, this could also determine who was eligible for government-sponsored housing. In a few slums, landlords feared that this exercise would wrongly assign ownership of a certain unit to its tenants and were reluctant to give up vacant units until the exercise was complete. They wanted the vacant units to be listed in their name, as this would help them qualify later for permanent housing elsewhere in the city. The EBN team worked with the Chennai Slum Board, a public authority, to identify which slum areas they would be enumerating. The team then informed the owners about the process and persuaded those in slums not covered by the exercise to rent out vacant units.

Another hurdle was that many owners did not have legal ownership documents, which prohibited EBN from utilising those units. Other owners were just not interested in signing any legal documents. In these cases, EBN tried to assuage fears by informing owners of the benefits and protections of formal documentation as well as the process involved. For those landlords who flatly refused to comply, EBN voted not to proceed. It was critically important that beneficiaries had legal proof to validate their tenancy and that there was little risk of sudden eviction.

A final complication that often arose was the difficulty of conducting formal financial transactions with many landlords who themselves did not have bank accounts and therefore could not accept payment by cheque from EDIT. The EDIT team was uncomfortable paying in cash, as there would be no audit trail or proof of payment. If landlords did not have bank accounts or they refused to set one up, EDIT was forced to relinquish those particular units.

Even once all the formalities were processed, many units would need to be refurbished before families could occupy them. Most were in a dishevelled state—

likely why they were vacant in the first place—and required repairs to the walls, ceilings, flooring, and doors. The landlord typically facilitated these repairs.

All challenges considered, each unit took an average of 9-12 weeks to secure.

Alternative Approaches

For over 12 months, the EDIT team struggled to line up housing for its pilot beneficiaries. Given the delays, the team decided to move a household in as soon as a unit was secured so occupation occurred on a staggered basis, not with the 100 households moving in all at once as was originally planned.

This experience has prompted EDIT to conclude that it is important to leave the housing component to other organisations or public authorities who specialise in land rights and the development of affordable housing. This would significantly free up the EDIT team to focus on activities that more closely reflect its core competency: promoting new livelihood options that result in increased household income. The EDIT team, fresh from the challenges it faced during the pilot, brainstormed the following alternate approaches for addressing homelessness:

1) Lease land outside the city to build low cost housing

As previously discussed, one of the major challenges was securing multiple units at one time; identifying them individually is a very time-consuming process. In the future, EDIT would consider leasing inexpensive land outside of the city to build a community of low-income homes. This would not only free up time for field staff to focus on livelihood interventions, but could also provide dedicated spaces for the storage of members' raw materials and finished products, as well as for children to do their homework or receive tutoring. This option would likely move participants a considerable distance from their current location and livelihoods, so the EBN team would have to provide alternative livelihoods before households would be willing to move. Another benefit of leasing and building on land is that EBN would easily be able to follow all legal procedures with a trail of formal documentation. This may entail a higher up-front cost, but a large portion of these expenses could be recovered in the long term through rent collected from beneficiaries.

2) Partner with other organisations for housing

The EDIT team is aware of several local organisations that are working on housing for the poor. Selecting a partner organisation that also prioritises working with the poorest of the poor, could be an effective way of leveraging resources and strengths. Both organisations could then work simultaneously with the same

set of beneficiaries, administering support in the form of housing and livelihood development.

3) Convert older government buildings into temporary housing

Recently, the EDIT team has started to explore a potential collaboration with local government. The local government in Chennai has begun discussions of converting vacant buildings into affordable housing and shelters to address the growing problem of homelessness. In a recent pilot, authorities converted an old, vacant school building into an overnight shelter for pavement dwellers. There are tentative plans to convert other vacant buildings in the city into community housing projects as well. While still in preliminary discussions, local authorities see the value in partnering with an organisation like EDIT to provide support services to households who are moving into housing units for the first time. For the developers, property owners, and landlords, such support—food security, healthcare, and livelihood development—is seen as extra assurance that poor households would be able to maintain their rent payments.

LEAD WITH LIVELIHOODS

Lesson 2: *When working with homeless populations, it is important to begin with skills training and establish an alternative livelihood before introducing housing*

An Unexpected Challenge

Though the process of finding individual housing units was slow and difficult, the EDIT team decided to commit to this process for the duration of the pilot. After all, none of the alternate options discussed in the previous section would be feasible in the short-term. The team continued to survey each slum, identify vacant units, and negotiate with the landlords in order to execute a tri-party rental agreement for each household.¹⁶

EDIT decided it would line up a handful of units, and then work on moving the first batch of households in. After three months, the team had managed to reserve nine units—all were refurbished and backed by signed rental agreements. EDIT met with each of the nine households, announced the availability of the units, and showed them the property. As expected, the families appeared happy to hear of the news and visited their new homes. What happened next, however, came as a

¹⁶ See Appendix D for an example of the tri-party rental agreement

complete surprise to EDIT: *none of the families moved into their new homes.*

The EDIT team at first thought their hesitation stemmed from disbelief or mistrust. The field staff showed each family the legal papers and explained that these units were now allocated in their names. They were the rightful tenants, and there was an understanding between the landlords and other residents that members could occupy their new homes immediately. The families appeared to understand, but still, they did not budge from the pavements.

After several rounds of questioning, the flustered EDIT team finally understood. The families could not relinquish their spot on the pavement, as they would immediately lose their primary source of income: begging.

As in most Indian cities, the poor in Chennai abide by certain unspoken but understood rules that arise from the reality of having to co-exist in limited spaces. One important fact about urban survival is the territorial nature of one's workplace. It is common for the ultra poor to claim certain spots on the pavement or specific street corners as their own when begging in front of passers-by, setting up a shoe-shining stand, or even when hawking trinkets. It can take months or years to establish one's territory and build up the social networks to ensure that others do not infringe on that physical space.

As one member of the EBN programme explained, *'if we leave this spot, someone else will quickly take our place.'* The family would not be able to return to that spot for begging without facing backlash from others and it would take a long time for the household to establish another territory.

At this point in the programme, EDIT had not yet introduced the livelihood skills training. The team had planned to administer this training only after the family had moved into its new house. However, without having an alternate livelihood or the faith that they could safely relinquish their current activities, the members simply refused to move.

Alternative Approach

The EDIT team tried various tactics to entice participants to occupy the housing. They explained to members that the housing was free for the first six months, and even gave them the option of moving in for just these first six months. After that, they could move out without incurring any rent liability if they were dissatisfied with

their new home. The members still refused to move. The extent of their income insecurity was so great that they simply could not jeopardise nullifying the only income-generating activity they had come to rely on. They also did not believe, even after repeated descriptions by the EDIT team, that their new livelihoods could replace their current activities. They appeared apprehensive and lacked the confidence that they could pursue more lucrative livelihoods.

The EDIT team eventually addressed this issue by introducing skills training and livelihood activities to members as they sat on the pavements. The team had drawn up a list of suitable livelihoods during the design phase, and this list had to be re-examined and revised now that members would not be conducting these activities in their homes, but rather, out in the open. One example of a livelihood that had to be cut was *pappad*-making. *Pappads* are round, thin, crispy, fried wafers made out of lentil flour and a variety of spices. Many members had expressed an interest in wanting to learn how to make the mix and assemble the dried discs that would then be sold in packages of 12 or 24 to customers who would fry them right before eating. *Pappads* are a popular item that accompanies most South Indian meals, and the members felt there was a good market for dry, 'ready-to-fry' *pappads* in the local food stalls.

In order to sell these *pappads* to retailers, however, EDIT had to demonstrate and guarantee that members were following certain standards of cleanliness and hygiene. There was absolutely no chance that retailers would accept food products made by women cooking on the pavements out in the open. Immediately, any livelihoods involving food and beverage products had to be stricken from the list.

Livelihoods that made the cut included: *agarbatti*-rolling (incense-stick rolling), soap making, and candle making. Some members specifically requested training in domestic work so that they could be employed by more affluent households as part-time cooks and cleaners. For this latter group, EDIT focused its training on raising members' awareness of good grooming habits, maintaining high standards of cleanliness, what products to use when cleaning the home and kitchen, and how to prepare a variety of meals. For the other livelihoods, EDIT provided members with a basic starter kit of raw materials and gave them 15-20 hours of closely supervised training on how to manufacture these products and where to sell the finished goods.



Lakshmi, an EBN member, selling chrysanthemum and jasmine flowers from the Chintadripet pavement for her livelihood.

Photo by Jayakumar, EBN Field Officer

After participating in the training activities and with at least one month of practice in the new livelihood, members' confidence levels noticeably increased. Gradually, they started to believe that these new livelihoods could sustain their families and over two-to-three weeks they began moving into their new homes. During this period, some mentioned feeling especially vulnerable, so the EDIT team ensured close supervision—at least two visits per week—to check in on the success of the livelihood and address any concerns the family had.

'We were so happy when the families moved into their homes,' said Alex. 'Imagine our surprise when we found out improving their livelihood was the most important piece of the puzzle!' According to the EDIT team, as they are now designing the second EBN pilot, they will lead with livelihood development and then work to move people into housing.

The first nine households moved into their houses over a period of six-to-eight weeks after they received their skills training. In parallel, other EDIT field staff continued to locate housing and decided to commence livelihood training with all remaining households so that they would be ready to move in as soon as units were ready. At the time of writing this case study, 85 families have received training and have moved into their new homes. Not a single family has had to return to the pavement.

In the process of moving these families into housing, the EDIT team learned a lot about what characteristics comprise the optimal conditions for households that were formerly homeless. As EDIT witnessed, simply identifying housing or building new shelters in the absence of more detailed considerations—such as location and

amenities—will not guarantee that the homeless will occupy them. Adequacy and accessibility of the house are as important as affordability. A house is a complete package that includes traits such as location and size, plus the availability of water, drainage, and transportation facilities.



The husband and son of a member of the EBN programme pose inside their new home in the Pallav Nagar area in Chennai.

Photo by Sriram Gutta

Most government housing initiatives including the Rajiv Awas Yojana¹⁷ build affordable houses for the urban homeless and slum dwellers outside the city without helping them establish an alternative livelihood. Since most of these people are either beggars or work as manual labourers, they need to be located close to their place of work. The cost and time of travelling from outside the city make the housing unsustainable for them. It is thus imperative for the government to consider locations that are in the city or to ensure that new employment opportunities are provided along with the shelter.

PROGRAMME EFFECTIVENESS VS. COST-EFFICIENCY

Lesson 3: *It is possible for an ultra poor programme to be cost-efficient and still highly effective by asking participants to pay back a portion of programme costs*

When working with such marginalised and vulnerable populations, many are

¹⁷ A flagship programme by the Ministry of Housing launched with a vision to “create a slum-free India.” The programme will provide Rs 50,000 (or \$1,000 USD) per unit, or about 25% of the cost of civic infrastructure (external and internal), whichever is lower. The programme is expected to be implemented in nearly 250 cities and towns by the end of the 12th Plan (2017).

inclined to provide support in the form of aid or handouts. There is a general perception that the ultra poor are simply unable to pay for services that can improve their welfare, and by pushing them to pay, their well-being may be compromised. While EDIT certainly appreciated the need for subsidised support—such as food, shelter, healthcare, and skills training—in the initial six months when the family is making the transition and is especially vulnerable, the EBN pilot demonstrates the ultra poor’s ability to pay back much of the programme costs without jeopardising the programme’s social goals. In the original EBN model, the EDIT team had hoped to recoup 75% of the cost outlay per household, namely the security deposit and first six months of rent. In aggregate, the members have so far demonstrated an ability to pay back 10% of the costs incurred in this first pilot.

Amazingly, 100% of the households that have moved into their new homes have now successfully assumed their own rent payments. EDIT is no longer paying rent on behalf of these households; after the sixth month, all members were able to make regular payments given their new sources of income.

What EDIT found was that members were not only able, but also willing to make these rent payments. For some, doing so increased their confidence and allowed them to fully own the progress they had made in the programme.

All are planning to pay down their security deposits (which, at the time of writing, were being transferred to Equitas Microfinance as interest-free loans in the members’ names), but EDIT has yet to receive repayments of rent.

Members have found it difficult to begin repaying the first six months of rent to EDIT after the 13th month and have requested an additional six-month grace period before their rent repayments kick in. Thanks to their new livelihoods, many had an increase in income ranging from Rs 800-1400 (\$16-\$28 USD) per month. Most felt that once they reached the Rs 2000 (\$40 USD) level—in addition to the household income of the husband—that they would be in a position to begin making the additional payments of Rs 500-600 per month to pay back the rent.

As a result, the EDIT team now feels that initiating repayments in month 18 is more realistic, than month 13. In future pilots, rent repayment will begin in month 18 and the repayment of the security deposit will begin through Equitas Microfinance only after this rent has been fully repaid. Subsequent schedules will also depend on the basket of livelihoods that are chosen. EBN may include other more lucrative and more formalised livelihoods, for example, promoting group-based activities

and livelihoods involving machinery or more technical skill, all of which could net higher incomes for each member.

In this first pilot however, the original repayment schedule has been reversed. Members have been given an extension on repaying the first six-months of rent, but in the meantime have begun to make smaller payments to Equitas for the security deposit. EBN has every intention of recouping the first six months of rent, but at the time of writing this case study, households had not yet reached the 18th month of income increase. All have agreed to start making rent repayments at that time.

Meanwhile, the security deposits have been transferred to Equitas, which had to put together 'know your customer' (KYC) norms in order to take on these clients. These norms, set by the Reserve Bank of India, require microfinance clients to have a government-recognised identification card such as a voter card, driving license, passport, etc. Currently, 35 members have received their voter cards with assistance from the EDIT team, and others are in the process of receiving theirs. Households have started to pay back the security deposit, though none have completely repaid these amounts. Equitas is in the process of reimbursing EDIT for the security deposits, as EDIT plans to move forward with its second EBN pilot.

CONCLUSION

At the time of writing this case study, the EDIT team had successfully moved 85 pavement-dwelling families into stable housing. For nearly half of these households, this move was the first time they ever had a roof over their heads. Each of the 85 households was able to assume the rent and make timely, monthly payments in the seventh month in the programme. The families credit their new livelihoods with providing an increased household income, ability to purchase food more regularly than before, and enabling them to afford rent for the first time. None of the members seem worried about being able to sustain this new quality of life.

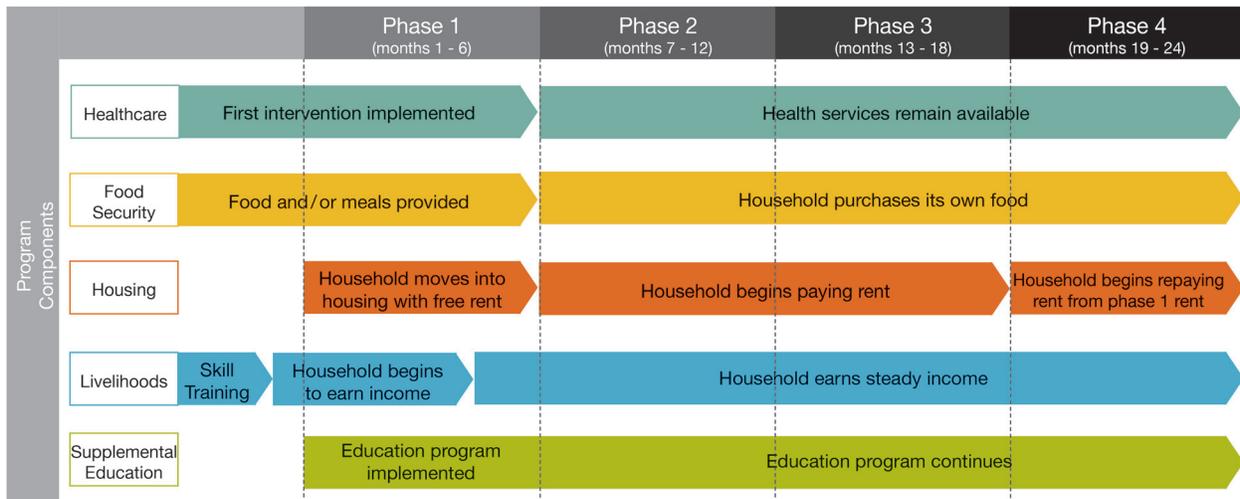
All of the households report increased food security (at least two good quality meals per day), the ability to sustain their new livelihoods, and increased confidence around the family's health, thanks to the check-ups and treatments offered at the health clinics. The education component was also well received. The tutoring sessions became very popular among the children of EBN members, and

there was a marked improvement in their academics. The staff helped students complete their homework, and kept them motivated to pursue school. Through this initiative, the EBN team managed to re-enrol 25 children in school.

An additional 15 families have received skills training and are waiting to be assigned to their new homes. The EDIT team is following the same tedious process of hand-picking vacant units within nearby slums, but is optimistic that it can secure the remaining housing.

Looking ahead, Vasu and Alex have every intention of expanding the EBN programme. By addressing some of the mistakes made in this initial pilot, they hope that the second EBN pilot can serve 1,000 households. The EDIT team has revised its intervention map to reflect the new programme structure.

Figure 3: Equitas Bird's Nest Revised 24-month Intervention Map



Skills training and new livelihood activities will be introduced first, alongside health camps. Housing will be provided only after the member has demonstrated proficiency with the new income-generating activity. EDIT will partner with other organisations that have sufficient housing expertise in order to move families into their new homes.

The EDIT team also plans to extend the programme by an additional six months, making it a 24-month programme. The extra six months allows for the extended grace period, giving members more time before they have to begin repaying rent to

EDIT. The team expects that households will now start rent repayments in month 19 and complete them in month 24. This will hopefully allow EDIT to recoup 75% of the costs incurred to serve each household.

One of the biggest challenges that EDIT faced in the current pilot was its ability to source affordable and accessible housing for the pavement dwellers. Over the last 24 months, housing has undoubtedly emerged as the biggest bottleneck in the initiative and the one component that hampers scalability. The EDIT team also recognises and appreciates the importance of introducing skills training and new livelihood development very early on, to complement and sustain the provision of housing.

To effectively address these issues, the EDIT team has been exploring partnerships with other organisations that are focused on developing housing solutions for the poor. One example is the Tamil Nadu Slum Clearance Board, which has initiated several projects in areas like Perumbakkam, Semencherry, and Kannagi Nagar to improve housing conditions for slum dwellers and also provide housing to pavement dwellers.¹⁸ EDIT is in discussions with the Slum Board to provide skills training, livelihood opportunities, supplementary education, and healthcare to the residents of these new developments. A well-designed partnership can ensure that people move in and stay in their new homes, an outcome in line with Equitas's objective of clearing the pavements in Chennai.

If successful, such an intervention could serve as model for a well-functioning public/private partnership with the ability to scale to other cities in the state. Most importantly, it would serve to demonstrate that even the most marginalised households—such as pavement dwellers—can be elevated to a higher standard of living in an efficient, productive, and cost-effective manner.

18 For more information, please visit: <http://omrchennaiestate.wordpress.com/tag/cooum-river-semmencheri/>

APPENDICES

This section contains examples of forms and documents used during the Equitas Bird's Nest pilot. The examples shown have been taken from the actual documents used by the field team.

APPENDIX A: BENEFICIARY SELECTION QUESTIONNAIRE

BIRD'S NEST PROJECT OF EQUITAS

Name : _____ Date : _____

Area : _____ Landmark¹⁹ : _____

(The numbers associated with the answers of each of the remaining questions are for coding purposes.)

Personal Background

1. Name of the person who is head of the family: _____
2. Can you tell me the total number of family members who live with you? _____
3. Please give us details of your family members from youngest to eldest.
 - a) The family member's names. Please include yourself.
 - b) The age of the family member?
 - c) The gender?
 - 1 - Male
 - 2 - Female
 - d) Relationship between the head of the family and the family member?
 - 1 - Self
 - 2 - Spouse
 - 3 - Son/Son-in-law
 - 4 - Daughter/Daughter-in-law
 - 5 - Father/Father-in-law
 - 6 - Mother/Mother-in-law
 - 7 - Brother/Brother-in-law
 - 8 - Sister/Sister-in-law
 - 9 - Grandchildren

¹⁹ To more easily identify the area of pavement where the family was located, EDIT identified the nearest landmarks such as temples, government buildings, and bus stops.

Personal Background (continued)

e) The education level of the family member?

- | | |
|----------------------|----------------------------------|
| 1 - Illiterate | 4 - 5th std to 9th std |
| 2 - No formal school | 5 - SSLC ²⁰ and above |
| 3 - Up to 4th std | |

f) The occupation of the family member?

- | | |
|-------------------------------|---|
| 1 - Coolie (mason) | 6 - Selling dolls on roads / at signals |
| 2 - Painter | 7 - Not working |
| 3 - Auto driver | 8 - Studying |
| 4 - Plastic & umbrella repair | 9 - Others |
| 5 - Domestic labour | |

g) On average, how frequently do the family members go for work?

- 1 - Daily
- 2 - 4 to 5 days a week
- 3 - 2 to 3 days a week
- 4 - Once a week

h) Monthly income of the family member? _____

(If there is any child age 4-14 in the family, ask the following)

i) Is your child attending school?

- 1 - Yes
- 2 - No

(If answered Yes to 3i. Ask 3j.)

j) You said your child was studying, can you tell me which type of school the child is regularly attending?

- 1 - Private school
- 2 - Government School

(If answered No to 3i. Ask 3k.)

k) You said that your child is not studying. What is the reason for not sending the child to school? _____

l). Approximate income of your family per month Rs. _____

²⁰ The secondary school leaving certificate (SSLC) is a certification obtained by passing the examination at the end of secondary education. A student passing the tenth standard is referred to as SSLC and is deemed to have attained his basic education.

Nativity / Locality

4. What is your native place²¹? _____

5. Do you own a house in your native place?

1 - Yes

2 - No

6. a) How long have you been staying in this sidewalk location?

1 - Less than 6 months

2 - 6 months to 1 year

3 - 1 to 2 years

4 - 2 to 5 years

5 - More than 5 years

b) Where do you stay during the monsoon period?

1 - Nearby shop

2 - Nearby government office campus

3 - Nearby Housing Board quarters²²

4 - Bus stop/depot

5 - Others

7. How do you feel being on the pavement?

1 - Very bad

2 - Bad but used to it

3 - Just ok

4 - Don't know / can't specify

8. You say that you have been staying here for the past (*mention the period stated in 6a*) Can you tell me where you were staying earlier?

1 - Native place

2 - Other location. Please specify: _____

²¹ A native place refers to a place that a person's ancestors are originally from. This could be different from a person's place of birth or where they were raised.

²² The Tamil Nadu Housing Board (TNHB) constructs affordable houses for the economically weaker section (EWS), lower income group (LIG), middle income group (MIG) and higher income group (HIG). In a lot of cases, EWS and LIG houses are situated close to pavements. In case of monsoon, pavement dwellers find shelter in these nearby Housing Board houses.

Nativity / Locality (continued)

(If answered native place in Q8, ask Q9 then move to Q12. Otherwise go to Q10)

9. You said that you moved from your native place. Can you tell us your reasons for moving?

- 1 - Occupation, to earn a living
- 2 - No one to care for them in native place
- 3 - Extended family members migrated earlier
- 4 - Pleasure
- 5 - Economic hardships
- 6 - Need a change in life

(If answered Other location in Q8, ask Q10 and Q11)

10. You said that you moved from another location. Can you tell us your reasons for moving?

- 1 - Occupation/work contract ended, got new contract in new location
- 2 - Evicted by the authorities
- 3 - Pleasure
- 4 - Lack of income generation opportunities
- 5 - Need a change in life

11. Before coming here you had stayed in another locality. How long ago did you move here?

- 1 - Within 1 year
- 2 - 1 to 2 yrs
- 3 - 2 to 5 yrs
- 4 - 5 to 10 yrs
- 5 - More than 10 yrs.

12. Earlier you had said that you DO/DO NOT own a house at your native place.

Do you hope to go back to your native place in the future?

- 1 - Yes
- 2 - No

(If answered Yes in Q12, ask Q13. If not, go to Q14)

13. Can you tell me when you are planning to go back to your native place?

- 1 - Within 1 year
- 2 - 1 to 2 yrs
- 3 - 2 to 5 yrs
- 4 - 5 to 10 yrs
- 5 - More than 10 yrs

Situational Assessment

14. In the past year did you benefit from any of these government schemes?

- 1 - Housing
- 2 - Finance / SHG
- 3 - Employment / training
- 4 - Childcare / Aanganwadi²³
- 5 - Child education

(If answered benefitted in Q14, ask Q15. Else go to Q16)

15. Why are you not staying at the house given by the government?

- 1 - It's far from this locality
- 2 - We are used to being here and have been here for a long time
- 3 - Not willing to move from this locality
- 4 - We get regular income / work is in this location
- 5 - Children are going to a nearby school

16. Does anybody in your family receive a regular pension / benefits from the government for any of the following reasons?

- 1 - Widow
- 2 - Old age
- 3 - Unemployment
- 4 - Disabled
- 5 - Other
- 6 - None

17. Do you have any the following cards with you?

- 1 - Voter ID
- 2 - Ration card
- 3 - Free government medication card
- 4 - None of the above

18. If you don't have a ration card, what do you do for your food?

- 1 - Purchase food materials and cook
- 2 - Buy food from nearby hotel / fast food
- 3 - Buy rations from nearby houses who have a ration card
- 4 - Receive help from NGO social worker
- 5 - Some good Samaritans provide food on a regular basis
- 6 - By begging from nearby houses / leftover foods from hotels / fast foods

²³ Aanganwadi are community based institutions under the Integrated Child Development Services (ICDS) in India. They are an integral part of the public health delivery system in India. The main activities carried on in these centres include contraceptive counseling and supply and nutrition education and supplementation.

Situational Assessment (continued)

19. What household items do you have?

- 1 - Mobile phone
- 2 - Pressure cooker / vessels
- 3 - Gas stove / kerosene stove
- 4 - Bicycle
- 5 - Radio
- 6 - None of these

20. What kind of fuel do you regularly use for cooking?

- 1 - Gas
- 2 - Kerosene
- 3 - Wood
- 4 - Other
- 5 - Not applicable / don't cook

21. What are the items you frequently spend the most money on? Can you specify the monthly amount?

Events	Spend Often		Monthly Expenses
	YES	NO	
Food	1	2	
Cinema	1	2	
School / tuition fees	1	2	
Clothing	1	2	
Alcohol	1	2	
Other (mention)	1	2	

22. Where do you go when someone in your family needs medical attention?

- 1 - Self medicate
- 2 - Medical shop
- 3 - Registered Medical Practitioner²⁴
- 4 - Private clinic / hospital
- 5 - Government hospital
- 6 - Drop-in centre
- 7 - Don't go anywhere / don't receive treatment

²⁴ Registered Medical Practitioners (RMPs) are medical professionals who are allowed to treat patients for limited ailments and particular forms of medicine such as allopathy, homeopathy, etc. A large number of RMPs don't have the qualifications or the technical know-how to treat patients for more serious ailments. They often get their certificates and registration numbers through unscrupulous methods. Even RMPs who are qualified and have genuine certificates have restrictions on their practices that they rarely adhere to.

Situational Assessment (continued)

(If answered between 1 and 6 in Q22, ask Q23 and Q24. Otherwise skip to Q25)

23. You say that you go to _____ for medical assistance. How far it is situated from your place?

- 1 - Nearby
- 2 - Some distance
- 3 - Very far

24. How do you travel to the hospital?

Mode of transport:

- 1 - By walking
- 2 - Bus
- 3 - Auto
- 4 - Own bicycle

25. How much do you spend on medical expenses in a month on an average?

- 1 - Receive free medical service
- 2 - 100 - 250/-Rs
- 3 - 251 - 500/-Rs
- 4 - Not applicable

Required Information

26. What do you consider to be the most important thing to ensuring a bright future for your child?

- 1 - Education
- 2 - Housing
- 3 - Earning enough income to raise my child
- 4 - Good health
- 5 - Good job
- 6 - Good food

Education

27. What kind of help do you require in order for your children to receive a good education?

- 1 - Conduct small school for people like us
- 2 - Conduct post-school tuitions for the children
- 3 - Give scholarships for children
- 4 - Pay school fees for children
- 5 - Provide free books, notes and other supplies
- 6 - Provide school uniforms

Required Information (continued)

Education

28. If we conduct tutoring centers free of cost in your locality would you be able to send your children?
- 1 - Yes
 - 2 - No

Housing

29. You said that you have been staying in this locality on the pavement for _____ years? Do you dream of having a house of your own?
- 1 - Yes
 - 2 - No
30. Are you willing to live in a home if provided, regardless of whether or not it is the same location as your pavement?
- 1 - Yes
 - 2 - No

Income Generation

(Questions 31-36 are directed at the women only to gauge whether or not they are willing/able to work to earn additional income for the household)

31. Can you please state whether you have worked in the past?
- 1 - Yes
 - 2 - No

(If answered Yes to Q31, ask Q32. If No, continue to Q33)

32. You said that you had worked in the past. Can you tell us the reason you stopped working?
- 1 - Health reasons
 - 2 - Religion doesn't allow to work
 - 3 - Husband refuses to allow to work
 - 4 - Children need mother at home
 - 5 - Couldn't find a suitable job/place to work
33. Would you like or wish to earn money by working from home?
- 1 - Yes
 - 2 - No

34. Would you like to participate in an income generating training program?

1 - Yes

2 - No

35. If yes, what kind of program would you like to participate in?

1 - Embroidery

2 - Vending

3 - Bangle making

4 - Agarbathi making

5 - Doll making

36. Are willing to work outside your home in the nearby shops or offices?

1 - Yes

2 - No

APPENDIX B: EBN CLIENT PROFILE

Indicators	Values
Housing status	At least 10 years living on pavements
Psychological/social challenges	Very bleak outlook: they have accepted this way of life. Do aspire to move into slums, but pessimistic about that possibility
Psychological/social challenges	Highly de-motivated
Psychological/social challenges	Men are mostly drunkards
Psychological/social challenges	16% of current households identified have ration cards / voter ID cards
Food security	Children are visibly malnourished; often lack basic clothing
Food security	30% cook their own food (scraps) using firewood
Child education	Children are school dropouts and awareness around education is very low
Health	General health and hygiene are very poor; disease (especially intestinal worms) is common
Assets	Little to no assets – total valued at less than \$2 (Whatever they own is aggregated in plastic bags and moves around with the family)
Family size and type	High incidence of single woman with multiple children (husband deceased)
Livelihood / child welfare	Child labor common – children do more work (begging, hard labour) than the adults in many cases
Livelihood	Mostly unskilled, or very low-skilled
Livelihood	General education level of husband and wife is very low and poor
Livelihood	Typical livelihoods for men: rickshaw pullers, masons, umbrella repairers, menial workers
Livelihood	Typical livelihoods for women: umbrella repairers, housemaids in nearby houses

APPENDIX C: SOCIAL PERFORMANCE INDICATORS

The EDIT team tracked social metrics to objectively measure the impact of the pilot on the lives of the pavement dwellers. The team hoped that with stable housing and increased income, members would show positive signs in other areas such as food quality, education, hygiene, etc. The team has not yet finished collecting these indicators, and hence, there is no social performance data to share in this case study. The team also tracked Grameen Foundation's Progress Out of Poverty Index™ (PPI), and other accepted social metrics to track improvement in members' lives.

Name of the member: _____

Area: _____

Field Officer: _____

Date : _____

1. Is beneficiary sending children to school?

- Yes
- No

2. Does beneficiary have a ration card?

- Yes
- No

3. Has the beneficiary learned new livelihood skills? How many?

- 0
- 1
- 2
- >2

4. What is the beneficiaries source of drinking water?

(answers are weighted by numbers)

- Streams (2)
- Ponds (4)
- Open well (6)
- Bore well (8)
- Filtered water (10)

5. Is the beneficiary using public toilets?

- Yes
- No

6. Is the beneficiary taking a bath everyday?

- Yes
- No

7. Hemoglobin count (based on report by paramedic)

(answers are weighted by numbers)

- < 7 (2)
- 7-8 (4)
- 8.1-10 (6)
- 10.1-11 (8)
- 11 (10)

8. Child nutrition (based on report by paramedic)

- Height -
- Weight -

9. How many meals per day is the beneficiary eating?

- 0
- 1
- 2
- 3

10. Gross income per month during quarter (household) _____

11. Is the beneficiary paying for food and housing themselves based on field reports?

- Yes
- No

12. Grameen Progress out of Poverty Index™ (PPI) Score _____

APPENDIX D: RENTAL AGREEMENT

THIS RENTAL AGREEMENT entered into in CHENNAI, on this _____ of JANUARY 2010 BETWEEN Mr. _____ son of Mr. _____ residing at No. _____, Chennai – _____, hereafter referred to as the LANDLORD which term shall wherever the context so permits heirs, legal representatives, executors, administrators and assigns of First Part.

Mr. _____ Son of Mr. _____ No. _____, Chennai – _____, hereinafter referred to as the TENANT which terms shall wherever the context so permits mean and include his heirs, legal-representatives, executors, administrators and assigns of the Second Part.

AND

EQUITAS DEVELOPMENT INITIATIVE TRUST, the Trust having its registered office at No.672, Anna Salai, Temple Towers, 4th Floor, Nandanam, Chennai – 600 035, and represented by _____, Authorized Signatory, hereinafter referred to as the EDIT which terms shall wherever the context so permits mean and include legal-representatives, executors, administrators and assigns of the Third Part.

WHEREAS the LANDLORD who is the absolute owner of the premises bearing _____ has agreed to let the tenant occupy the _____ floor portion of the said premises for his use on a monthly tenancy basis on mutually agreed terms and conditions set out hereunder.

NOW THIS INDENTURE WITNESSETH AS FOLLOWS:-

1. The tenant shall occupy the portion in the _____ floor in premises _____ more particularly described in the Schedule hereunder.
2. The tenancy is deemed to have commenced from and shall be for a period of eleven months according to English Calendar months.
3. The EDIT shall pay a rent of Rs _____ (Rupees _____ only) per month for the period of first 6 months and the Tenant shall pay a rent for the balance period of five months exclusive of electricity charges. The rent is to be paid to Mr./Mrs. _____ at his/her residence on or before the 5th day of every succeeding month.
4. The Landlord hereby acknowledge the receipt of a sum of Rs. _____ from EDIT as Rental Advance which sum shall be refunded to the Tenant without interest at the time termination of this agreement.

5. The Tenant shall repay the rental advance and first 6 months rent to the EDIT with twelve equated monthly instalments of Rs. _____ without interest.
6. The Landlord agrees that if the tenant shall not repay the rental advance and first 6 months rent to the EDIT, which sum shall be refunded to the EDIT without interest at time termination of this agreement.
7. The electricity consumption charges shall be paid by the Tenant as per the reading of the meter provided for the demised portion as per the charges.
8. The Tenant shall maintain the demised premises in good and tenantable condition.
9. The Tenant shall not cause any structural alternations or additions with the electrical wirings without the consent of the Landlords in writing.
10. The Tenant shall not sublet the demised portion or any part thereof without the previous written consent of the landlord.
11. The Landlord shall pay all the property tax and other statutory charges as required to be paid as owners of the property.
12. The Landlord shall keep the demised partition in good condition carrying out all the repairs as and when required.
13. In case the Tenant commits default in payment of Rent for two months consecutively or commits break of any other terms of the agreement the landlord is entitled to take necessary proceedings for recovery of the demised premises.
14. The initial period of tenancy shall be for 11 months and the same shall be renewed for the period of _____ years on the same terms and conditions at the option of the Tenant.
15. In the event of the Tenant desiring to vacate the demised premises during the subsistence of this agreement, he shall put the landlord on notice three month in advance.
16. The landlord shall provide running water to the schedule mentioned premises.
17. The landlord shall permit the tenant to make necessary alterations inside the premises to suit the tenant's purpose including flooring, entrance to the premises and partitions.
18. The landlord categorically agrees that the rent shall be Rs. _____ (Rupees _____ only) per month for a period of 11 months from today.

SCHEDULE

The _____ floor of the premises bearing _____, consisting of the _____ room, one restroom, one _____ room, one _____ room is a there about situated within the registration Sub-District of _____ and Registration District of _____.

IN WITNESS WHEREOF THE PARTIES HAD SIGNED TODAY THIS _____ DAY OF JANUARY 2010.

WITNESSES

1. _____
2. _____
3. Authorised Representative of EDIT: _____

APPENDIX E: CLIENT PROFILES



Name: **M. Vasanthammal**
Age: 45, Widow
Husband: Late M. Mani
Children: 2 sons and 3 daughters
Why living on pavement:
 Ill-treatment by in-laws
Occupation on pavement:
 Construction work helper
Occupation after EBN pilot:
 Domestic worker

Life as a pavement dweller

My husband died in 1994, just 3 months after the birth of my last child. I suffered while trying to bring up my children as I was subjected to sexual harassment on many occasions by the drunkards and also by the men in uniform. We were even chased away from our spot on the pavements many times and were forced to bribe officials to be able to stay in the same place for any length of time. We still had many sleepless nights, as we lay awake during bad weather. We could only afford to bathe once a week, didn't have access to clean water, and had no place to cook so we were only able to eat low quality roadside food. This led to health problems and additional expenses to address them. My only source of income was as a helper in construction sites, so I didn't have the means to send my children to school.

My daughters ended up suffering when they reached puberty. I found it very difficult to marry them off since we were pavement dwellers and thus not trusted. As a result, we had to choose among the other boys from the pavements, all with bad habits and no stable source of income.

After participation in EBN pilot

Initially, we were not interested in moving to a new location as we were apprehensive about the locals giving us a hard time. After assurances from the Equitas team, we moved into the new place, although we were still a little worried during nights. We started to cook for the first time on our own with the help of the groceries provided to us, and were given a few tips about hygiene and the benefits of daily bathing. We were encouraged by the training provided by the Equitas team and were placed in jobs as we were now regularly bathing and were

well dressed. We began to earn income by making and selling phenyl, soap oil, buttermilk, and flowers, apart from our regular domestic work. We are happy to say that our standard of living has gone up and we have been able to buy a television, DVD player, ceiling fan, and other items for our use. Frequent visits by the Equitas team gave us the strength to face difficult times. My two daughters were able to get married to respectable men and are starting to lead a decent life, and my children are now attending school regularly with less absenteeism. We have also benefitted from the health camps organised by Equitas.

APPENDIX E: CLIENT PROFILES (CONTINUED)



Name: **Latha**

Age: 38, Married

Husband: Srinivasan

Children: 3 sons and 1 daughter

Parental Status:

Father died before birth

Mother died after birth

Life as a pavement dweller

I was brought up by my grandmother, who was employed as a domestic maid, and wasn't able to go to school so I never received an education. After my grandmother died, I continued working as a domestic servant in the same house. I was given a meagre salary and also old clothes and leftovers. I started living with Srinivasan when I was 18 and we now have four children. All of my children were born in the Government hospital in Egmore. My husband would take me there when I was having labour pains. We had many sleepless nights on the pavements, especially during rainy days.

Even though my children were ill-treated by society, we struggled to make sure they received a basic education. Despite wanting them to go to school, my children were not able to attend regularly. They were often harassed by the men in uniform to do their personal work like washing their vehicles, cleaning their shoes, and buying cigarettes and liquor for them. My children were also not considered tidy enough,

as I found it difficult to give them regular baths in the pay-and-use bathrooms. As a result, they were not even respected by the school teachers and the locals treated them as beggars. However, we still continued to struggle to provide them with an education. One day a volunteer from Equitas approached us offering shelter. We responded immediately and agreed to pay part of the rent if the house was near the school where my children were studying.

After participation in EBN pilot

We are now accepted as part of the community and are given respect. My children are also not ill-treated anymore. I am employed in three shops as a sweeper and my husband is earning income by riding a cycle rickshaw. We enjoy our life as a family and always dine together.

My first daughter is now studying in the tenth standard and is also benefitting from the tutoring sessions with a teacher in evening, sponsored by Equitas. My other three children are also now studying in schools. I am proud to say that I don't have to worry as much about my daughter, who is now growing up in the house provided by Equitas. Our greatest joy is that she is going to matriculate soon. She will be the first one in our family to do so. We are now also able to bathe regularly and eat quality food every day. We are leading a confident life under one roof.

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