

Policy pointers

Universalise urban safety nets to include vulnerable urban population groups such as informal workers, residents of informal settlements and migrant workers.

Expand urban social protection to cover a wider set of risks such as rent and transport costs that pressure urban households, and increase investment to create more decentralised and spatially distributed local urban social protection infrastructure.

Improve worker and employer recognition and enumeration systems and link them to entitlements; track migration and collect disaggregated data by different social and occupational identities, especially for informal workers, and by neighbourhood in large urban centres.

Recognise non-state actors as social infrastructure with capacity to deliver effective relief beyond the reach of the state; support collectivisation and community organising and initiate state–non-state partnerships, sharing resources, administrative support, finance and databases.

Social protection in Indian cities: lessons from the pandemic

Relief measures to mitigate the socioeconomic effects of COVID-19 and its attendant lockdowns in India saw innovation to remain effective in difficult circumstances. State and non-state actors used and expanded current delivery systems for social protection (food, healthcare, education, income support) and innovated with ‘temporary’ measures that created new categories of recipients, forms of entitlement and delivery mechanisms. A new set of actors took on critical roles. We learnt important lessons from the work of non-state actors (trade unions, worker organisations, civil society groups, individual networks) during the pandemic by drawing on assessments of relief work in 2020–21 in two large Indian cities: New Delhi and Jaipur. This learning can inform social protection design and delivery in megacities in the global South, where structural inequality and high rates of informal employment and worker mobility complicate social protection delivery.

Urban social protection is critical to sustaining people’s trajectory out of poverty and enabling full participation in civil and economic life. It refers both to universal safety nets for food, old age pensions, health, education and housing and to work-based protection and entitlements for wage and employment security.

However, COVID-19 showed that social protection coverage and quality remain inadequate in much of the world in numerous ways.

First, social protection systems in the global South are often designed for rural contexts. However, the nature of urban poverty and vulnerability — particularly in cities characterised by high degrees of informality — requires corresponding measures.¹ This includes, for example, coverage of rent and transport costs (especially in megacities) for urban workers, and measures against emerging risks of heat stress and flooding in urban areas.

Second, access to work-based social protection is inadequate or absent for informal workers. This is pertinent in cities where many workers are part of the informal economy — seven of every ten workers in India, for example. Many such workers are migrants who live in informal settlements and are thereby further at risk of exclusion from ‘universal’ benefits.

Third, delivery of social protection is confounded by economic and spatial informality. Entitlements struggle to reach informal workers precisely because the nature of their work makes them hard to reach. This is the case if, for example, workers are mobile across regions, work beyond regulatory frameworks, are outside accessible or appropriately scaled databases, work in less accessible locations (landfill sites, streets, construction sites, private homes), or are beyond the reach of usual delivery channels such as employers, fair price shops or direct bank transfers.

Poverty has steadily declined in India over the last two decades, but the pandemic showed that vulnerability, even for employed urban workers, remains high

Learning from COVID-19 to improve urban social protection

The COVID-19 pandemic offered an opportunity to diagnose the current state of urban social protection systems² through the lens of existing vulnerability³ in urban centres.⁴ As part of the Indian Institute for Human Settlements' research with IIED, we examined four kinds of relief relating to social protection: food, cash

transfers, rental housing and employment protection. We focused on three components of social protection systems:

- Identification: eligibility criteria, verification processes and the use of databases to direct relief
- Entitlement: what was given as relief and the factors that led to this determination, and
- Delivery: modes, processes and responsible actors.

What the pandemic revealed about social protection in cities

We need to understand poverty and multidimensional vulnerability

Poverty has steadily declined in India over the last two decades, but the pandemic showed that vulnerability, even for employed urban workers, remains high. Vulnerability results from persistently low wages in the informal economy, the lack of employment protection against non-payment of wages and arbitrary dismissal, and lack of regular work contracts. The sudden termination of earnings for many people working in India's informal economy led to broad-based livelihood crises during COVID-19 and subsequent lockdowns.

Among 500 domestic workers who had an average of Rs 8,000 as their regular monthly salary, 90% received no earnings for April and May 2020. These domestic workers then had a staggered employment 'recovery' until November 2020, with average earnings only 70% of previous levels. 'Real' earnings were even lower because of accumulating debt and dues. No regulatory frameworks could ensure a full recovery even to pre-COVID-19 levels for these workers or ensure they did not lose work in the first place, since much of the work lacked written contracts or legal recognition.

Further, static databases that measure poverty cannot respond to the dynamic movement of people in and out of poverty and vulnerability through both everyday shocks and crises like the pandemic. Post-pandemic there is an urgent need to link social protection systems so they address vulnerability by expanding the scale and nature of entitlements, adding vulnerability-focused entitlements, and making delivery more effective and equitable.

Current social protection entitlements are inadequate and incomplete

Food relief. In New Delhi, six million people applied for state emergency food support⁵ beyond the 7.2 million already covered by the National Food Security Act. These additional six million represent those who are vulnerable to becoming food insecure in any given crisis and should thus be covered under a social protection system. Enrolment in urban areas for India's food security programme is capped at 40% of all residents, a figure based on addressing poverty rather than vulnerability. Such arbitrary caps should be removed, and access be universalised in all urban centres.

Further, even at a time of rationing, households' notion of 'food security' includes being able to buy a minimum of vegetables, pulses, and (especially for children) milk and eggs, or their variants depending on cultural practices. This calls for reframing food security entitlements under safety nets and an expansion of minimum social protection entitlements under the National Food Security Act.

Cash transfers. There is considerable discussion in India and globally about using conditional or unconditional cash transfers for emergency relief during disasters or shocks, or generally as part of social protection systems. We offer here reflections on the size of such transfers. Research among domestic workers in Jaipur⁶ showed that, in May 2020, six weeks after the first lockdown, workers needed Rs 7,500 a month just for basic rent, food and utility expenses. Yet, in the same period, some received only three payments of Rs 500 if they had a Jan Dhan bank account,⁷ and a one-time Rs 2,500 state government payment if they were correctly listed on the rapidly created database of informal workers in Jaipur. Put simply, cash relief during the pandemic was deeply inadequate.

Consider specifically rent — without enough money for rent, households face the risk of eviction, exacerbating their vulnerability during a pandemic. According to National Service Scheme 2018–19 data, the average rent in Indian cities

was Rs 2,193 monthly. In large cities, this rose to Rs 3,633, with the poorest 50% of households paying Rs 2,840. Looking at rent alone shows the inadequacy of the size of the pandemic cash transfers. A transfer intended not just to prevent destitution but to protect savings for pandemic-affected working households would have had to be higher, nearing Rs 7,500 for metropolitan areas. This is important to consider for future risk and resilience planning (see Box 1).

Current modes of identification are incomplete and disjointed

While the government identified several categories of informal workers as 'needy' during the COVID-19 relief measures, official capacity to deliver was limited to existing databases such as those of construction workers. Most informal workers are not listed on a state database. Migrant workers and others who are highly mobile across cities are systematically missing from spatially static state enumeration. The pandemic has brought public acknowledgement of the gap as the state struggled to identify beneficiaries for its COVID-19 relief schemes.

During the pandemic, state and non-state actors augmented and restructured current databases, and entitlements associated with them, to extend relief measures. They undertook new surveys and registration drives, and made efforts to combine databases — for example, those listing people entitled to state food distribution were merged with the registration data of construction workers — to provide multiple and integrated benefits to households. All such critical measures to expand databases should continue and be enhanced post-crisis.

Non-state actors, especially membership-based organisations like unions, collectives, cooperatives and federations, stepped up to fill data gaps. Many had large-scale memberships of vulnerable workers and urban residents and, additionally, had their trust and channels of communication. The domestic workers' union in Jaipur, for example, identified 7,000 of the most vulnerable domestic workers for a state cash transfer and provided the government with relevant information, including bank account details, to ensure delivery. Non-state actors working in partnership with the state have potential to fill gaps in India's enumeration and data systems, particularly for vulnerable groups.

Two principles to assist improvements in expanding databases are self-declaration and links to meaningful entitlements. Given the complexities of recognising informal work, worker organisations argue that efforts to

Box 1. The need for new urban social protection entitlements: the example of rent

A particular learning point from the pandemic is the need to include rent as part of minimum entitlements for low-income households. Current social protection in India focuses on health, education, food and pensions but excludes housing. Yet rent is one of the most significant stressors for urban households and a key driver of vulnerability. Workers in Jaipur emerged from the pandemic with significant debt, of which up to 70% was unpaid rent.⁶ Rent problems were also one of the main reasons migrant workers gave for risking infection and state violence in leaving cities during lockdowns.

Despite this necessity of adding rent as a new social protection category, doing so presents a difficult challenge. During the pandemic, India's central and state governments announced moratoria on evictions and directions for rent relief. However, these proved impossible to enforce in a context where nearly all rental arrangements are agreed orally, with no written contract and no record of tenant or landlord. The domestic workers' union in Jaipur repeatedly intervened to ensure protection against evictions and to negotiate rental waivers and moratoria. A new entitlement will therefore require new means of delivery and enforcement, starting with recognition, regulation and protection of low-income informal rental housing.

recognise workers should enable workers to declare their occupation and identity without the need for documentation proof or employer verification. The Indian government's newly launched eShram national database⁸ of unorganised workers is a good post-pandemic example of a such self-declaration.

It is equally important for registration to be linked to meaningful entitlements so that database enrolment offers automatic integration into social protection systems. Too many current identification and enrolment systems do not make this link sufficiently. Workers thus lack incentives to seek registration.

Challenges in delivery require remedy

Social protection entitlements based on residence should be more effectively universalised in delivery. During the pandemic, migrant workers and others who were highly mobile across cities were systematically excluded from social protection and relief measures. Creating institutional systems with portability and data interoperability should be a key focus post-COVID-19.

For work-based social protection such as minimum wages, pensions or insurance, improvements in delivery should also be more rooted in the specific conditions of different work sectors. Sector-based specificities deeply influence delivery. For example, paid domestic workers may work in multiple private households, and employers may have multiple workers with different work profiles. This complicates workplace intervention and eligibility for safety

net payments. In such scenarios, policymakers need to think of alternative modes of social protection delivery and in some cases even a new rationale.

For example, as occurred during the pandemic in Jaipur, domestic workers with support of a labour union could leverage public messages from the central government and the state labour department urging employers to provide continued payments or compensation for dismissal, even if this is not obligatory under the regulatory framework.

Sector-specific delivery mechanisms are best designed in close collaboration with workers themselves, unions and worker federations. During the pandemic, non-state actors were deeply attentive to the context of workers' lives and finding effective ways to reach them. Waste worker unions, for example, delivered social protection at landfills and waste collection centres rather than homes, knowing this would be more effective.

Due to the ease of bank transfers and their remote nature, these were one of the most leveraged delivery modes during COVID-19. However, in our review, current databases or the mode of delivery by itself could not ensure that bank transfers reached all within target population groups. Inadequate databases and technical difficulties with even banked workers meant cash transfers were not always efficient or equitable. And many households needed in-kind delivery alongside cash transfers to have complete protection. There is a need to consider whether cash transfers can replace rather than supplement in-kind transfers or do in fact represent greater operational efficiency.

We found that non-state actors were sensitive to the most vulnerable people's ability to receive relief support and well placed to judge the right combination of cash and in-kind transfers.

Due to the nature of the pandemic, even India's central and state governments responded constantly to current risks and were open to innovation and improvement in delivery mechanisms based on empirical evidence. Such efforts to reach all vulnerable people, and

interactive learning with non-state actors and workers themselves, must become priorities in government social protection policy.

Non-state actors are public infrastructure

Non-state actors (NSAs) merit recognition as public infrastructure and part of an ecosystem of social protection delivery. Relief work in New Delhi and Jaipur showed that NSAs acted far beyond just ensuring local 'last-mile connectivity'. While NSAs cannot and should not act universally as can the state, the geographies of relief they provided were significant, reaching across neighbourhoods, communities and worker groups. Where this NSA infrastructure was well established, networked, recognised and equitably distributed before the crisis, its ability to respond during the pandemic and lockdowns was heightened, more efficient, faster and more sustained.

NSAs could aid the state in all parts of the social protection chain — identifying beneficiaries and ensuring databases are up to date and inclusive; designing systems that understand various urban work and residence contexts; and as delivery partners that ensure entitlements reach vulnerable groups. NSAs, at least in megacities where they exist in significant density, can therefore act as social infrastructure with wide reach, especially in partnership with the state, and not just in crisis but also for regular social protection delivery.

This requires consideration of ways to invest in NSAs' development and in a supportive regulatory, financial and cultural infrastructure. This will need the state to recognise NSAs as partners and support them with access to resources. Future regulatory frameworks should protect NSAs and balance their accountability with their need for autonomy. Efforts to create these new regulatory forms, especially in cities, could yield major benefits.

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This briefing is collectively written by researchers at the School of Human Development, Indian Institute for Human Settlements.

Notes

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