

# Exploring Issues and Problems Perceived by Occupants of Malaysian Affordable Housing

M.A.A. Rahman, M.K. Musa, M. Awang, F.H. Ahmad, N. Hamidon

**Abstract;** *The Malaysian government is giving greater emphasis on efforts to develop more affordable housing in order to solve the housing problem for low-income families. However, due to several factors, the supplies of affordable housing meet many problems. According to that, this paper aims to emphasize the significant problems related to affordable housing and set out various options that should be a priority in providing comprehensive solutions. Through the literature review, a total of 27 problems of five major categories have been identified. Data gathered from 189 respondents which comprise of owners and tenants of affordable housing using a questionnaire survey. The level of importance of the categories was measured and the relative importance of weights was ranked. The findings indicated that the most significant problems perceived by residents of affordable housing is related to financial while site and neighborhood problems category less significant. Hence, it is highly advisable to address these problems to ensure the sup-ply of affordable housing in the future will be more efficient and meet its goals.*

**Keywords;** *Housing quality, Issues and problems, Malaysia, Occupants, Perception*

## I. INTRODUCTION

Housing is a basic need for every human being. According to [1], a decent and affordable housing are able to contribute to residents' quality of life. Providing a decent and affordable housing is a major challenge for all developing countries since the demand is increasing every year [2]. In Malaysia, affordable housing is an important issue in parallel with the process of urbanization of society. The growth rate of urban population with a rate of 4.0 per year is among the highest in East Asia [3]. Increased demand for affordable housing is directly proportional to the process of urbanization. In the 11th Malaysian Plan, priority was given to the provision of adequate and quality affordable housing for the people [2]. Although 76.7% affordable housing units have already been built throughout the country until the end of 2016, but the housing issue is still a problem, especially on the issue of newly completed house [4].

**Revised Manuscript Received on May 22, 2019.**

**M.A.A. Rahman**, Faculty of Engineering Technology, Universiti Tun Hussein Onn Malaysia

**M.K. Musa**, Faculty of Engineering Technology, Universiti Tun Hussein Onn Malaysia.

**M. Awang**, Faculty of Engineering Technology, Universiti Tun Hussein Onn Malaysia.

**F.H. Ahmad**, Faculty of Engineering Technology, Universiti Tun Hussein Onn Malaysia.

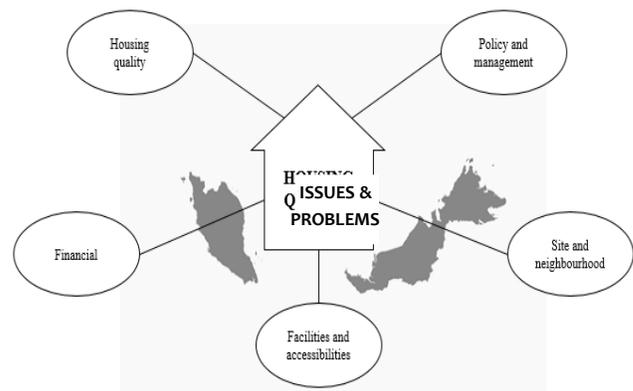
**N. Hamidon**, Faculty of Engineering Technology, Universiti Tun Hussein Onn Malaysia.

Thus, for a beginning, this purpose of this study is to review the issues and problems associated with the affordable housing in Malaysia. Specifically, this paper identifies the issues and problems of newly completed affordable housing by respective respondent. The relative importance index (RII) method as a quantitative approach will be applied to give more significant and reliable data in developing priority for issues and problem identified.

Affordable housing is a house that can be afforded by ordinary citizens who fall within the target group of middle middle-income households and accordance with the standards specified [5]. The main methods that is commonly used as standards is based on household income [6].

## II. HOUSING ISSUES & PROBLEMS

Issues on affordable housing and homeownership are not new in Malaysia. Based on the literature review, the current situation indicates the housing issue is still a major problem in national development, particularly in the issue of housing for low-income and moderate-income communities [7]. Efforts that have been taken earlier showed no effective change even within the same time problem has become increasingly complicated [8]. According to [9], impact of the global economy has become the main cause to the endless housing issue. Despite the proactive measures already undertaken, but these efforts were not good enough to solve this problem. This effect has caused some problems, including those followings:



**Fig. 1 Issues and problems perceived by Malaysian Affordable housing occupants**

**Issues related to housing quality**

Issues related to affordable housing are now not only focusing on quantity, but it also focused on the quality of housing itself [10]. [11] states housing quality problems is greatly influenced using low-quality construction materials, hired unskilled construction workers and poor-quality control. The use of low-quality construction materials that can also lead to low buildings performance, especially in terms of thermal comfort and noise problems [12].

During the pre-construction phase (design stage), weakness of the consultants provide standard design, poor lay-out design, size of room, poor selection of the materials and the preparation of contract documents are uncompleted will also affect the process of construction of housing projects to achieve the objectives [13]. According to [14], the quality problem of affordable housing is also caused by the developer or contractor ignores repairing defects under defects liability period.

The issues and problems of affordable housing are usually associated with the satisfaction level of occupants. The satisfaction of the owners is the satisfaction towards the housing conditions of quality, affordable, social and security environment is assured [10].

**Issues related to policy and management**

Since 8th Malaysian Plan government has begun plans to pro-vide housing and affordable housing, particularly for low-income and middle-income earners [15]. According to [7] & [16], when economic instability and currency depreciation effect will in-crease the cost of housing construction. Thus, the quantity of affordable housing will be reduced if they are based on the same financial provisions.

In addition, problems in the housing construction project management also involve housing project delays and abandoned housing projects [17; 13]. When the quantity of affordable housing is limited, the application to the owner-ship of this house will be tight and there may be problems of bureaucracy in the application [18].

**Issues related to financial**

Financial issues in the affordable housing are the effect of the increase in house prices which led to difficulties in housing loan approval [5; 19]. It makes a financial burden of monthly commitments to buyers due to increase the housing price. [20] states that housing affordability is influenced by the levels of house prices, household in-comes and the structure of financing costs. According to [21] Malaysian citizen claimed that Malaysian housing is too expensive and beyond their affordability.

**Issues related to facilities and accessibility**

The issues in facilities and accessibility include access to location of work places, distance to town center, education area (i.e., schools), shopping facilities, community support services building (i.e., police station, post office, bank, hospital, etc.), and public facilities [4].

**Issues related to site and neighborhood**

The issues related to site and neighborhood include safety of an environment, lack of security, unbalance ethnic composition in community and social integration among occupancy problems. The decrease in affordability consequently will affect households' quality of life [22].

According to the literature study and results from the pilot survey, 27 problems were identified. All these problems then have been divided into five major categories, which are housing quality problems, policy and management problems, financial issues, facilities and accessibility problems, and site and neighborhood problems.

Detailed information on the categories and their associated problem are explained in Table 1 below:

**Table. 1 Problem categories and details**

Category [References]	Detailed Problems
1.1 Housing quality [10], [11], [12], [13], [14]	<ul style="list-style-type: none"> <li>a Poor design quality</li> <li>b Low quality material</li> <li>c Poor workmanship</li> <li>d Unskilled labour</li> <li>e Poor quality control</li> <li>f Poor layout design</li> <li>g Low building performance (noise and thermal comfort)</li> <li>h Ignore house defects under Defect Liability Period</li> </ul>
1.2 Policy and management [7], [13], [15], [16], [17], [18]	<ul style="list-style-type: none"> <li>a Shortage housing supply</li> <li>b Less support/ incentive by government</li> <li>c Lack of uniform codes and specifications</li> <li>d Bureaucracy on application</li> <li>e Lack of management on application</li> <li>f Delayed housing project</li> <li>g Abandoned housing project</li> <li>h Lack of surroundings maintenance under local authorities</li> </ul>
1.3 Financial [5], [19], [20], [21]	<ul style="list-style-type: none"> <li>a Increase of house price</li> <li>b Loan approval problem</li> <li>c High monthly commitment</li> </ul>
1.4 Facilities and accessibility [4], [13], [16], [20]	<ul style="list-style-type: none"> <li>a Distance to work place</li> <li>b Distance to town centre</li> <li>c Distance to education building</li> <li>d Inadequate public facilities</li> </ul>
1.5 Site and neighbourhood [5], [16], [17], [20], [22]	<ul style="list-style-type: none"> <li>a Lack of security and unsafe environment</li> <li>b Unbalance ethnic composition</li> <li>c Essential community services building</li> <li>d Social Integration problems</li> </ul>



The finding as presented in Table 2 and Table 3 for the category's problems showed the following conclusions;

a. This study has identified a total of 27 issues and problems associated with affordable housing in Malaysia. The issues and problems then have been divided into 5 main categories of housing quality problems, policy and management problems, financial issues, facilities and accessibility problems and site and neighborhood problems.

b. Based on 5 main categories, the financial, housing quality and policy and management issues was ranked as very significant problems perceived by the occupants, while facilities and accessibilities, and site and neighborhood ranked as important.

c. All the problems are the matter that must be considered in efforts to improve future housing projects and any efforts towards the improvement must be done urgently.

## V. STRATEGY TO THE IDENTIFIED PROBLEMS

Based on the findings from the survey that have been conducted, below are some strategy or solution to the identified problems:

a. The results of this study suggest that housing-related problems perceived by the Malaysian require immediate and comprehensive solutions. This includes improving the housing loan system as well as providing flexibility on loan terms to applicants.

b. Additionally, there is a need to establish a criterion for assessing housing quality in order to meet the customers' needs. Thus, housing will be provided according to the quality required by most buyers.

c. Furthermore, the government should also review the policies and management that burdens the buyer.

## VI. CONCLUSIONS

This study has identified the issues and problems related to affordable housing. Housing quality is the most significant problem that facing by the Malaysian Affordable Housing residence. These problems need to be addressed in improving the supply of affordable housing in future to meet its goals and be more efficient. Furthermore, the study is expected to contribute in the utilization of research data related on issues affordable housing in improving the quality and development of prosperity.

## ACKNOWLEDGMENT

Highest acknowledgement to fellow researcher of Universiti Tun Hussein Onn Malaysia (UTHM), and those who were involved in the complement of this study. This paper was supported by the UTHM Internal Grant (TIER 1) no. H252.

## REFERENCES

- Bratt, R. G. (2002). Housing and family well-being. *Housing studies*, 17(1), 13-26.
- Mohit, M. A., Ibrahim, M., & Rashid, Y. R. (2010). Assessment of residential satisfaction in newly designed public low-cost housing in Kuala Lumpur, Malaysia. *Habitat international*, 34(1), 18-27.
- Zhu, H., 2006. The structure of housing finance markets and house prices in Asia. *BIS Quarterly Review*, 12, 55-69.
- Ismail, I., Che-Ani, A., Tawil, N., Yahaya, H., Abd-Razak, M. (2012). 'Housing Defect of Newly Completed House: An Analysis Using Condition Survey Protocol (CSP) 1 Matrix'. *World Academy of Science, Engineering and Technology, International Science Index* 66, *International Journal of Civil, Environmental, Structural, Construction and Architectural Engineering*, 6(6), 398 - 401.
- Baqutaya, S., Ariffin, A. S., & Raji, F. (2016). Affordable housing policy: Issues and challenges among middle-income groups. *International Journal of Social Science and Humanity*, 6(6), 433.
- Esruq-Labin, A. M. J., Che-Ani, A. I., Tawil, N. M., Nawi, M. N. M., & Mydin, M. O. (2014, January). Criteria for affordable housing performance measurement: A review. In *E3S Web of Conferences* (Vol. 3). EDP Sciences.
- Idrus, N., & Ho, C. S. (2008, June). Affordable and quality housing through the low cost housing provision in Malaysia. In *Seminar of Sustainable development and Governance*.
- Yates, J. (2007). Housing affordability and financial stress
- San Ong, T. (2013). Factors affecting the price of housing in Malaysia. Available on the Internet <: [http://www.globalbizresearch.com/images/files/73848\\_JEIEJB\\_%20Tze%20San,20](http://www.globalbizresearch.com/images/files/73848_JEIEJB_%20Tze%20San,20).
- Bakhtyar, B., Zaharim, A., Sopian, K., Saadatan, O., & Moghimi, S. (2013). Quality housing in affordable price for Malaysian low income. *WSEAS Transactions on Environment and Development*, 9(2), 78-91.
- Mulliner, E., Maliene, V. (2012). 'What Attributes Determine Housing Affordability?'. *World Academy of Science, Engineering and Technology, International Science Index* 67, *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering*, 6(7), 1833 - 1838.
- Sakka, A., Santamouris, M., Livada, I., Nicol, F. and Wilson, Mike (2012) on the thermal performance of low income housing during heat waves. *Energy and Buildings*, 49. pp. 69-77. ISSN 0378-7788
- Sambasivan, M., & Soon, Y. W. (2007). Causes and effects of delays in Malaysian construction industry. *International Journal of project management*, 25(5), 517-526.
- Kariya, N., Yaakobb, Z., Sairia, M. M., Mohammad, H., Ya-mana, S. K., & Abasa, N. H. Investigation of Generic House Components and Their Practical Ways to Be Assessed by House Buyers During Defect Liability Period in Malaysia.
- Kamal, E., Hassan, H., Osmadi, A. (2016). 'Factors Influencing the Housing Price: Developers' Perspective'. *World Academy of Science, Engineering and Technology, International Science Index* 113, *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering*, 10(5), 1647 - 1653.
- Mohammad, N., Ani, A. I. C., & Rakmat, R. A. O. (2017). Causes and effects of variation orders in the construction of terrace housing projects: A case study in the State of Selangor, Malaysia. *International Journal of Supply Chain Management*, 6(1), 226-232.
- Rahman, H. A., Alashwal, A. M., Ayub, M., & Abdullah, A. A. (2013). Abandoned Housing Projects in Malaysia: Pressing Issues during the Rehabilitation Process. *ArchNet-IJAR*, 7(1).
- Gabriel, M., Jacobs, K., Arthurson, K., Burke, T., Yates, J. (2005) Conceptualising and measuring the housing affordability problem, *AHURI Research Paper No. NRV3-1*, Australian Housing and Urban Research Institute Limited, Melbourne.
- Visković, J., Smiljanić, A., Ivić, I. (2015). 'Housing Loans Determinants before and during Financial Crisis'. *World Academy of Science, Engineering and Technology, International Science Index* 100, *International Journal of Social, Behavioral, Educational, Economic, Business and Industrial Engineering*, 9(4), 1084 - 1092.
- Hashim, Z. A. (2010). House price and affordability in housing in Malaysia. *Akademika*, 78, 37-46.
- Salfarina, A. G., Nor Malina, M., & Azrina, H. (2010). Trends, problems and needs of urban housing in Malaysia. *Malay*, 248, 62.
- Badarulzaman, Abdul Ghani Salleh and Nurwati. "Quality of Life of Residents in Urban Neighbourhoods of Pulau Pinang, Malaysia." (2012).