

Developers' Strategies in Dealing with Planning Controls : Its Impact On The Urban Housing Development

Asiah Othman, PhD

*Department of Land Administration and Development,
Faculty of Geoinformation Science and Engineering,
Universiti Teknologi Malaysia,
81310 Skudai,
Johor, Malaysia
asiah@fkgsg.utm.my*

Abstract

The private housing developers, who are now the main provider of residential units in the country, have been able to influence and shape the urban housing. This has been made possible through the strategies adopted in overcoming the problems and constraints imposed on them, particularly in dealing with the application of planning permission. The imposition of planning controls towards housing developers in Malaysia has its implication not only in creating a good urban living environment, but at the same it has some impacts on the price due to the developers' strategies. Thus, it is the concern of this paper to look into the impacts of the developers' strategies on housing development that have some implication on the formulation of national housing policy.

Keywords : developer's strategy, planning controls, housing development, planning permission.

1. Introduction

Planning controls have been used as one of the tool in controlling the development undertaken by the private developers. Besides providing the regulations and the guidelines that need to be complied with, the planning authority has always used them as a tool for political intervention aimed at allocating resources effectively. However, in exercising its role and responsibility, the authority faces various problems.

Earlier studies note that planning in general has caused land price to increase. This is because planning restricts the amount of land available and thus pushes up land and house prices. Consequently, the effect of planning controls is passed to the house buyers through the developers (Bassett and Short, 1980). Local Planning Authorities also impose a variety of restrictions and compliances, which make the time longer and the cost higher. The increasing cost of getting planning permission, therefore forces the developers to quote a higher housing price.

The planning controls imposed by the Local Planning

Authority do not only affect the price of the end product but also have some significance on the overall outlook of housing development. This is partly due to the strategies and measures taken by the developers in response to the planning controls, which have influenced their interest. On the part of the developers they have to work within the constraints in order to get the planning permission.

Nevertheless, developers have set up their strategies that enable them to minimise the impact of the constraints on them. Developers react according to their business strategies, which aim at maximising the returns. This will in turn have some reverse effect on the house buyers.

2. Research Methodology

This paper is based on interviews with the developers who participated in an in-depth study with a view to provide detailed information on the strategies undertaken by them in dealing with planning controls. The objective of the study is to examine

the effects of planning controls on the developers' behaviour, which ultimately affects the supply of new residential units in the study area. The developers involved were a subset of the larger group who were willing to be interviewed prior to the completion of the questionnaire. Altogether there were twenty developers, ten from Kuala Lumpur (KL) and ten from Johor Bahru (JB).

All the interviewees were the staff of well-established companies who have been in the industry for more than ten years. These companies are private developers whose projects involved mainly large housing schemes comprising a few thousand acres of land within and outside the case study areas. This eliminates the element of bias, as the developers interviewed have been dealing with the planning authority for a long time. As they have a wide experience in dealing with planning applications, these developers can be considered qualified respondents for the study.

This study is behavioural because it focuses on the developers' attitudes and opinions pertaining to planning controls. The responses from the interviewees have provided detailed insights into the problems that were subjected to a qualitative analysis. Whenever necessary, a quotation from the developers was recorded to provide supportive evidence in relation to the issues.

The qualitative analysis starts by looking at the major issues or problems faced by the developers in KL and JB. Eventually, the study tackles the ways of how and why the developers react to the problems, i.e. the strategies they adopted to overcome the problems. In other words, the study looks into the ways in which the agents, namely the developers, react to part of the "structure", that is planning controls. Consequently, the study attempts to reveal the effects of the rules and regulations in the planning controls on the interests and strategies of housing developers in housing development.

3. Major Issues In The Process Of Planning Application

The questionnaire survey, revealed that developers have to deal with the problems of uncertainty in the rules and procedures as well as the increasing cost in obtaining planning permission. The changing rules, regulations and requirements could lead to the ongoing problems of planning delays. Besides that, developers revealed that they are facing problems in

fulfilling the planning requirements, which in turn lead to the problems of increasing total development costs.

The problems are not new, as they have been previously voiced out by the private developers. However, the problems still persist and the developers have to deal with the problems accordingly. Some may adopted and developed a very systematic approach to deal with the problems but others may have been affected so badly forcing them to leave the industry. This automatically reduces the number of developers involved in housing industry which in turn gives some impact on the housing outcome.

Developers, who have set up their strategies that could guarantee favourable and fast approvals, differ from one firm to another and from one project to another. However, it should be noted that the developers' strategies normally aimed at getting the highest returns since they are profit-motivated. The strategies discussed below focus on the problems of planning delays, problems in fulfilling the planning requirements and the problems of increasing costs of development.

3.1 Developers' Strategies To Overcome Planning Delays

The delays perceived by the developers may differ from the perception of the approving authority, as the Local Planning Authority does not include the time taken for the amendments or corrections to be made. Such cases have to be put aside and be considered as "keep-in-view" (KIV), until the applicant has done the corrective measures. The developers, however, have a negative perception about delays, since it is reflected in the total time taken for getting approvals. The more the time is spent, the more losses in terms of costs and foregone profits will be incurred by the developers.

In avoiding the delays, developers will try their best to ensure the application goes smoothly from the very beginning of the submission. In general, there are seven common approaches that have been used by developers in confronting the problems of delays. These are the 'follow-up' method, 'rent-seeking' behaviour, compliance, appointing consultants, reliance on 'runner', establishing good relationships, negotiations and having a good record.

The 'follow-up' method seems to be the most

important one and according to a developer:

"To avoid the delay, we must make sure that the document doesn't sit on the desk for two weeks before you start looking at it. We look at it on the day of submission and keep looking at it until it's approved."

DKL5

The 'follow-up' approach normally requires a 'runner' whose job is closely watching where the file goes. He is responsible for giving first hand information about the file and in doing so, he must establish a very good relationship with the staff at the Planning Authority's office. Some firms may appoint a 'runner' who has ever an ex-staff, he should have a good relationship and must be familiar with all the procedures. The 'follow-up' goes from the bottom to the top level. It is for this reason that contacts with persons who handle the files are necessary. One of the developers said:

"The 'runner', as far as possible has to have contacts with the person who handles the file. A boss in the government service will not direct the staff to do the work as in the private sector. Thus, it is much better if you get to know the person in charge and deal with him straight away."

DJB4

Besides the 'runner', developers also recognise the importance of the top-level executives to establish a good relationship with the authority. However, the role of the top level executives could be minimised if all the procedures and requirements are appropriately followed. As confirmed by one of the developers:

"You need a very good relationship. Sometimes big bosses have to go out to the field, to assist the staff who have done the groundwork. PR plays an important role especially when everything is OK already, there's nothing that can stop you. May be just a courtesy visit by the top level can solve a lot of problems."

DKL4

Developers, in submitting their application, must also ensure that they comply with all the requirements of the planning authority as well as all the other technical departments. To the approving authority, this can be the most important element, and the developers should try their best to fulfil or comply with the requirements, as non-compliance means delay; but

there are certain limits to what the developers can comply with. This has been pointed out by one of the developers:

We have to compromise somewhere. From "the developers' point of view, profit is important especially when it involves a very high land cost. You want to use up every inch of the land if possible. But the authority has its own guidelines which we have to follow. But I think both parties have to compromise somewhere. I mean you cannot impose all these very idealistic rules on developers when they are paying millions of dollars for a piece of land. Only to a certain extent can the developers comply; beyond that there's ".no point for them to dump the money

DKL5

In relation to compliance, developers normally engage planning consultants who are experts in this field. It is hoped that the planning consultant can really assist them in preparing the layout that fulfils the requirements which ensures fast approvals. However, some developers do not rely totally on the role of the planning consultant as according to them:

A good planner will help a lot in the layout" especially for the township. His role is important but we have to tell him what we want. With respect to follow-up, quite often clients i.e. developers have to pursue it. It's the developer's money, so you are more definitely concerned about your own money than other people are. So the developer's ".side does the follow-up

DKL5

In other words, the developers do not believe that a planning consultant can ensure getting fast approval. This is because, as a consultant, his main concern is to prepare as many layout plans as possible and not to deal with the local planning authority. Another developer added:

"If you want to get the approval fast, you fulfil or satisfy what they want and the planning consultant should be able to help you with this. But as a developer you should know where you stand. They are the owners and the masters of all the consultants. You need to be above the consultant. You need to be the masters but now we can see that a lot of developers have to listen to the consultant

rather than the developer dictating to the consultant. As for our company, we try to have a good relationship with all the consultants, but in the meantime, we are the masters of them. Therefore, when we instruct, we insist on getting it done, completed and back to us within the time given."

DKLI

The developers admit the important role of planning consultant in preparing the layout plan but with close supervision from the developers. However, the developers realised that the planning consultant could not ensure approvals to be granted within the expected and reasonable time frame. For that reason, they rely on other methods such as 'follow-up', whether by appointing a 'runner' or by establishing contacts with the approving authority.

Besides, the developers admit the importance of complying with the requirements. Certain requirements are negotiable that allow developers to come up with other alternatives. The negotiation may be time consuming but the waiting can be very worthwhile, especially when the developers succeed in obtaining permissions to increase the number of houses to be built. However, there are cases where the proposals are turned down.

According to the developers, despite compliance with the requirements, the approvals are still beyond the time range. In tackling the issue of delays, some developers consider 'rent-seeking' behaviour (Bramley et al. 1995). This includes expenditure by the developers on the planning authorities such as lobbying, entertaining and so forth with the hope of getting a fast and favourable approval. The developers admit that 'rent-seeking' behaviour is applicable, especially at times when speedy approval is badly needed. According to a developer:

"That's normal, we have to go out of our way in order to gain fast approvals. There are other ways to get fast approvals, but at the end of the day they come to the same thing. Normally, people will do that at the beginning but some with good connections, after getting approvals, get their part. But it can come in many different forms, satisfaction and money matters."

DKLI

Another developer agrees with the need for 'rent-seeking' behaviour and said:

"Sometimes you really have to jump the queue i.e. to rush things out. Although at the end of the day all will be complied with, but sometimes we have to be one step ahead."

DKI 5

As mentioned earlier, developers will go all out just to get fast approvals and they will use various means to satisfy the authority. Besides doing the necessary follow-up, some developers try to satisfy each individual whether in the form of money or other personal satisfaction, which others may not agree with. From the interviews, it was noted that some developers feel that individuals can never be satisfied, so it is better to approach the authority as a whole, such as giving donations to the Workers Club. Nevertheless, according to the developers, the amount of money they spent on this is minimal in comparison with other development costs. They are always prepared for this and consider it as part of the cost of the development. They would rather pay for the cost in 'rent-seeking' as what is more important to them is the fast approvals. This is particularly true to developers who always have the perception that time is money. However, how far does 'rent-seeking' behaviour guarantee a fast approval? One of the developers answered:

"Not necessary. I think what is more important is to build up relationships, sometimes just to make friends, give them a treat, and all this will make them recognise you. Once your file goes in, you can just give a call. Keep it as a personal contact, as a friend, and the closer the friendship the faster your plan will be processed."

DJB4

There is doubt that 'rent-seeking' applies in the context of getting fast approvals, as not all developers are going for that. From the interviews, the developers in KL are more likely to apply 'rent-seeking' behaviour than the developers in JB. This is because the developers in KL do admit that the 'rent-seeking' behaviour has become a tradition. This could be one of the factors which could expedite the application process by Dewan Bandaraya Kuala Lumpur (DBKL). In JB, developers do not rely much on 'rent-seeking' and the planner himself admits this. Thus, every application is treated in the same way and undergoes all the stages prescribed in the procedure. The developers are aware of this and therefore they are more concerned with compliance rather than 'rent-seeking' behaviour. The developers have to

bear the delays and this will definitely increase the total costs of development.

There are also developers who are willing to make an offer to the planning authority, such as more low-cost units. Most developers are quite reluctant to fulfil the requirement on low-cost housing, but certain developers, whose projects are not within the town centre, are willing to make an offer. It is hoped that with such an offer, the authority would easily grant the permissions. Once the developer has made such an offer, he has established a good record with the authority and this will in a way brighten his future undertakings. In this case, the developers admit that an established firm, which has a good past record has some privileges in gaining fast approvals. Such an offer could be considered as a form of 'rent-seeking' behaviour as described above.

Thus there are various ways and means which the developers adopt to overcome the delay. As time is so important, the developers will do their best to get the approval as soon as possible. In this relation, normally developers will try their best to satisfy the approving body, so long as it does not affect the viability of a project.

In order to gain fast approvals, developers have to comply with all the requirements and follow the rules and regulations as well as fulfilling the policy imposed by the state government. However, these requirements are sometimes very costly and might cause the project to cease to be viable. Thus, planning requirements do have some effect on the developers' behaviour as they affect their profit earnings from the project. For that reason, the developers have set up their own strategies which will be discussed as follows.

3.2 Developers' Strategies To Overcome The Problems Of Fulfilling The Planning Requirements

Basically, developers agree on the needs for compliance but there are certain limits to it. As long as the costs involved in meeting requirements do not affect their returns or the cost can be absorbed, they will consider in fulfilling the requirements. They understand that non-compliance can cause delays or refusal by the approving authority. Hence, developers have to satisfy or fulfil all the requirements in order to get fast approvals. One developer interviewed admitted:

"We try not to cut corners because, if you have complied fully, then they have no reason for the delay, unless you try to avoid whatever regulation and rules, to get an easy way out and to save cost."

DJB8

However, there are certain requirements that developers are quite reluctant to meet as they involve a big sum of money. As an alternative, most of the time the developers will approach the authority to negotiate and rationalise their proposals. In doing so, they have to provide a very convincing report from a consultant, giving a justification why such a requirement could be replaced. Negotiation and discussion over the matter is time consuming, as the developers have to come up with a very strong and good justification. The authority on the other side has to make a detailed study revising the requirement again and to study the outcomes in the future if the requirement is not satisfied.

However, as time is so important to developers they normally get advice from consultants who are familiar with the requirements imposed by the authority. They will work on the requirements and will consider them in their viability studies. This is because the developers understand that the authority normally insists on developers complying with the requirements imposed. Even though negotiation is allowed, it normally takes quite some time before a decision can be reached and to the developers, time is very important. Therefore, they would rather fulfil the requirements or discontinue with the project, if it is no longer viable.

The developers normally rely on the feasibility of a project, including all the possible costs that they are going to incur in the development process. The project would be considered viable provided the market can accept the higher selling price of the completed units. In this relation, the developers revealed that the markets in the study areas were good because there is still a high demand for all types of housing (but, it is not always the case as the downturn of the economy in mid-1997 badly affected the property sector, including housing). Furthermore, the public, especially the high-income bracket, demands better quality housing in terms of facilities provided, materials used and a good surrounding environment.

Despite the demand, the house buyers will only agree to pay for the extra costs if the facilities and the infrastructures bring some value or benefit to them.

As one of the developers in the interview revealed:

"Our standard of living becomes higher and higher, due to which we have to upgrade the quality of houses by putting in better materials and some attractive features. Thus, the increase in price is not only due to the constraints imposed by the authority but also due to the expectations of the public. Therefore, house prices are becoming higher as the standard of living is getting higher."

DJB8

This provides alternatives to developers in dealing with the extra costs that they have to incur due to the requirements imposed by the local planning authority. If the infrastructure or the facilities provide something of value to the end-user, the developers can pass on to them part or all of the costs.

In relation to the amount of contribution fees paid to the utility bodies, the developers under their association the REHDA are trying hard to discuss the matter with the Ministry of Housing and Local Government. They really feel they should not be burdened to allocate and provide facilities to the utility bodies as these bodies are all privatised and are making money in return for the services given to the public.

From the interview, it is clear that fulfilling the requirements imposed by the planning authority and the other technical departments is one of the items that added to a higher cost of development, besides the increasing cost of labour and cost of material. Thus, the increasing cost comes from all factors of production and for that reason, developers have to set up their strategies in dealing with the higher costs of development. The following section will discuss on various strategies adopted by the developers in dealing with the increasing costs of development

3.3 Developers' Strategies In Dealing With The Increasing Costs Of Development

As profit-oriented bodies, developers in running their business will, as far as possible, try to get the best returns from every project that is launched. However, their returns are affected by the increasing costs mentioned in the previous sections. In ensuring good returns, the developers in KL and JB have adopted various strategies in their project implementation.

These strategies either aim at minimising the cost of development or optimising their land use in order to get higher returns. With these strategies developers try to absorb part of the increasing cost and not just simply add the extra cost to the end user. As clarified by a developer:

"Of course this will lower our profit margin. But then we will work out, taking away all the land required as well as the cost to be incurred, and see whether we still have a profit. So we work out before we acquire land and a viability study will decide. But then we have to adjust ourselves. We go for higher density. For example, we can, instead of building terraced low-cost units, go for high rise, a higher density type of development."

DJB2

Another developer supported this view and said:

"As a businessman, a developer is profit-oriented and knows better how to optimise the land. This means that even though he has to follow the requirements, surrender part of the land, the layout is done in such a way that can maximise his returns."

DKL2

The above quotations show how developers try to optimise their land usage in order to get the highest returns. By adopting a vertical development for the low and middle-income housing, the developers have more areas to accommodate housing for the high-income group, thus giving a bigger detached plot. With a bigger area, the detached house will then fetch a higher selling price. Furthermore, a higher density type of development allows them to construct more housing units for the low and middle-income groups. Thus, even though cost is increasing, they can still maintain the profit, as higher returns can be expected from higher selling prices of the detached plots and higher number of units of low and middle-price residential.

The other alternative, considered by the developers in minimising the cost of development, is to get land at a lower price. This means that they have to go outside the central area of KL and JB, concentrating on sites with a high development potential but offering a lower land price. Most of the developers in this study were concentrating on land which they bought 3-4 years ago. Currently they are at the implementation stage. This strategy could lower their initial cost of

acquiring land.

As the projects involve thousands of acres of land, developers normally phase the development in order to minimise the cost and maximise the returns. According to the developers, phasing can help in ensuring good returns as well as a good cash flow. As one of the developers suggested:

"We have to study the demand phase by phase. Normally at the first phase, we don't launch the expensive units, but consider the ones which can attract people. Create the community and after the community exists, then it will form a neighbourhood. Then the price of housing will automatically increase, each phase year by year."

DJB9

Another developer added:

"In phasing, first we consider the economy i.e. the project viability and the buying power of the end user. We don't develop or sell a product that we cannot sell. Second is the cash flow. When you want to do phasing, you have a combination of residential development, low, medium and upper and you have commercial ones, shops and offices. Any areas when you start with commercial people won't buy, because when they buy, the next thing they will ask is, who would want to rent my shop, or if I want to run a business, what kind of business would that be since there are no people in the area. Therefore, when we first develop, we bring in the people. To bring in people is to provide them with homes."

DKL2

Another developer agreed and clarified:

"Phasing is applied in order to gain capital. Because of that, the first phase needs to be profitable and successful. That will allow us to inject some of the profit into the second phase. This means normally at the first phase we launch housing of medium-cost that is double-storey terraced, then followed by low-cost and several commercial developments in the second phase"

DKL1

Phasing the development, can also strengthen the company cash flow, as cost at the initial stage

can be minimised, and as suggested by one of the developers:

"Developers can minimise cost through phasing by concentrating on sites which incur less cost first. We develop sites nearer to the existing infrastructure as the cost in connecting can be lowered. For example, we normally develop areas nearby the oxidation pond and water tank and then proceed to sites further away later."

DJB2

Through phasing, the developers ensure a high selling price. As a marketing strategy, developers will phase their project and sell their units when the demand is high. As mentioned by one developer before, the prices of the finished products are getting higher and higher by the time the whole project is fully completed. The market can accept the high price as the housing environment is better, complete with all the facilities and services. Besides that, there are also developers who make sure that their project is not launched at the same time as another developer, especially with a developer who has established a good name in the public eye.

Thus, developers use phasing in ensuring a healthy cash flow, by selling early units that give a rapid turnover. Furthermore, the planning authority does not intervene in the phasing of the development, provided that the developers have fulfilled all the conditions attached to the approvals. This means that conditions such as the construction of low-cost housing and the construction of flyovers, interchange and new roads (as the case may be) should be met, but can be provided at a later stage of the development. Other than that the developers are entirely left on their own. However, developers consider marketability as the most important factor, followed cash flow and profit projection. In other words, the demand factor plays an important role in determining what sort of development should go first. This is to ensure that there will be an inflow of income for the developers. This is particularly important when high capital is needed in fulfilling the requirements such as the construction of flyovers, interchanges and new highways.

Besides marketability factor, the cost factor is also considered. Developers will normally concentrate on areas which are less costly to develop such as areas nearer to the main road or sites located near the amenities that have been provided. This means that

the physical factor is also taken into account and sites which have more problems are left to later stages as they involve a higher cost. In relation to phasing a developer (DKL1) suggested that it is only applicable to sites with an area of more than 100 acres and the developers need the capital from the cash flow to construct houses in the later phases.

The higher costs of development due to imposition of planning requirements and other costs of planning do affect developers' behaviour in housing development. This could be seen from developers' strategies in dealing with various development problems. The qualitative analysis of the study revealed that the developers in KL and JB have employed various strategies that could either absorb the higher cost by transferring it on the end-users or the landowners, or by spreading it out evenly through a proper phasing of the development.

4. The Impact Of The Developers' Strategies On Housing Development

As discussed in the earlier sections, developers in this study have adopted strategies to overcome the planning constraints that contribute to the issues of higher development costs. These costs have to be absorbed, so that their business undertakings are still profitable. In doing so, the study reveals that housing developers transferred the costs to the end-users and this is reflected in the housing price. This strategy is somehow acceptable as the market can still absorb the increased house price. Furthermore, most of the housing developments are becoming more 'facilities conscious' where a lot of new concepts of residential amenities, such as a clubhouse and playground facilities have been introduced. A developer pointed out that house buyers are currently buying houses not only for shelter but also for a good urban living environment. This means that housing schemes are fully equipped with related facilities such as a community hall, playgrounds, hawker centre besides properly landscaped.

In relation to those facilities, developers in KL and JB are willing to provide them, not only to comply with the planning requirements, but also to enhance the market value of the property products. In other words, developers are capable of minimising the impact of planning constraints for their interest. The market could absorb the increased planning costs since there is demand for a better quality of living environment. For that reason, housing developers

will ensure that their projects are fully equipped as it could bring some added value and boost the price of the completed housing units.

The second impact that can be concluded from the qualitative analysis is that most of the housing schemes are large scale development projects involving a number of phases. As revealed from the study, most of the developers agreed that phasing could ensure a good cash flow for their company. For that reason, most of the housing schemes involved thousands units of houses.

In short, the strategies adopted by developers in dealing with planning controls could have ultimately affected the housing development both quantitatively and qualitatively. This is particularly true as most of the housing developments are of a large scale and equipped with better facilities and living environment.

From the above discussion, it is clear that developers' strategies in dealing with planning systems and development controls affect the outcome of housing production in the case study areas. Developers' decisions in the development process have a great influence on housing situation especially in the case of Malaysia where developers are the sole producers of housing units for the nation. Thus, it is wise to consider the impacts that have some implications towards the formulation of our future housing policy.

5. Conclusion

The planning controls imposed on the property developers have influenced their interests and their strategies. This is because they have to work within the constraints in order to get the planning permissions. For this the developers have set up strategies that enable them to minimise the impact of the constraints on their interests.

As far as the developers are concerned, they have made various attempts to ensure that the application is processed. This includes the 'follow-up' strategy, either by appointing a 'runner' or establishing good relationships with the planning authority. In certain circumstances, developers may adopt the 'rent-seeking' behaviour which has been found more successful for the developers in KL than in JB. All the measures adopted by the developers will have to be borne either by the developers themselves in terms

of a reduced profit or the end-user in the form of a higher house price, some of which in fact passed and others are absorbed by the developers themselves.

The developers often avoid situations whereby they may incur additional costs. For this they have drawn several strategies. These strategies help them to ensure high returns and good cash flows. However, sometimes developers may get trapped due to sudden changes in government policy and the imposition of new requirements. Developers will have to absorb the cost and this will certainly affect their profit margin. Therefore, the developers suggest that any changes should have a long-term view and not only to solve certain problems. The changes, therefore, should be properly researched and justified.

As mass producers, property developers have not only shouldered the responsibility on behalf of the government, but are also taking the opportunity in the housing industry. A profit-oriented body such as the developer's firm could not perform without any expectation of high returns. Therefore, the developers in Malaysia have to score both goals; providing the housing stock for the people as well as securing the company's profit. But does the environment allow them to meet both ends?

Since they are the main suppliers of housing units in Malaysia, property developers must be capable of shaping the trend of housing development in urban areas. Their existence in the housing industry should be recognised as their actions and strategies can have some impact on the housing scenario. The government on the other hand should realise the important role played by the developers and their contribution in providing housing for the nation. Therefore, the government or the authority concerned should be working hand in hand with the developers in order to realise the housing programmes. The developers should be treated as their counter parts in realising the government's policy in providing housing for the nation.

Realising the important role of property developers, there is a need for the government to reflect on the practices of housing developers and the effect of their practice on housing market, and such recognition should be a catalyst for shaping new policies. Only then, policies would have achieved a desired objective of regulating housing market according to the needs of all parties; the developers as well as the house buyers.

References

- Asiah Othman** (1999) *The Effect of the Planning System on Housing Development: A Study of Developers' Behaviour in Kuala Lumpur and Johor Bahru, Malaysia*. Unpublished PhD Dissertation. University of Aberdeen, UK.
- Bassett, K and J. Short** (1980) *Housing and Residential Structure: Alternative Approaches*. Routledge, London.
- Bramley, G., W. Bartlett & C. Lambert** (1995) *Planning, the Market and Private Housebuilding*. London: UCL Press.
- Carter, N., T. Brown, T. Abbott** (1990) *Policy Planning: One step forward and two steps backward? The Planner* 76(48): 9-12.
- Chan, Lawrence** (1997) *Government Housing Policies and Incentives- The Industry Viewpoint. Paper presented at National Housing Convention. 26-27 May 1997, Kuala Lumpur*.
- Ennis, F.** (1996) *Planning Obligations and Developers. Town Planning Review* 67(2), 145-159
- Marbeck, A. B.** (1997) *The Legal and Administrative Framework for Promoting Healthy House Development and Housing Finance: The Private Sector Viewpoint. Paper presented at National Housing Convention. 26-27 May, 1997. Kuala Lumpur*.
- Mohd. Anuar, A. Wahab** (1991) *A Comparative Study of Development Control System in Peninsular Malaysia and England; Case Studies: Johor Bahru and Doncaster*. Unpublished MA Dissertation, University of Sheffield.
- Tan A. L.** (1996) *Project Management in Malaysia. A Conception Approach for Successful Management of Property Development Projects from Inception Until Completion*. Synergy Books International.