

CHAPTER I

INTRODUCTION

1.1 Background of The Study

A house is one of three basic human needs that are very important in addition to clothing and food. A house is a place to rest, to stay, to keep safe from severe weather such as rain, storm and other natural disasters. In recent times, the house has become a problematic notion. Purchasing a decent house is one of the most significant financial decisions in life because of the price of it. This caused people to prefer to live in the slum area or even worse to live homelessly. According to The World Bank, approximately 22 percent of Indonesia's urban population or around 29 million people live in slums and about 11,4 million families do not have homes at all due to the cost of construction materials, land management systems, and housing policies.

“A housing delivery system can be considered as a social configuration, relating to the production and distribution of housing, with more or less formalized relations between the actors performing the necessary functions in the housing process” (Prins, 1994:39).

The law of The Republic of Indonesia number 1 of 2011 explained that the government provide and facilitate the people on housing and house settlement. Yet, according to Statistics Indonesia, by 2016 the home ownership rate in Indonesia is 78,7 percent and the rest is either renting or have other arrangements. Therefore, the government

committed to providing affordable housing and constructing houses for low-income communities (LIC) through programs like One Million Houses Program and National Affordable Housing Program (NAHP).

United Kingdom (UK) has an excellent housing delivery system (HDS). UK's government aim is improving the quality and quantity of properties for rent also providing housing support for vulnerable people. According to The National Audit Office (NAO), The quality of housing in England has improved in recent years. In 2001, the Department set out a definition of a decent home. By April 2013 there were approximately 1.1 million fewer non-decent social rented homes than when this standard was introduced. At the centre of the government's plans is its ambition of adding one million new homes by 2020, achievement of which does not require there to be a substantial increase in current levels of house building.

Every country has its own way to do HDS which adopted the concept varies according to each country's suitability. There is no specific definition found to clarify the true meaning of HDS. For the housing market, the delivery system is a process that allows people to meet their basic needs of shelter will involve many processes from the selection of site, the financial support, the cash flow design, house construction, and the negotiation process of buying and selling (Ahlbrandt, 1974).

The government role in this HDS also different due to the law of their own country. The main components of the delivery system are the housing authorities, developers, and also the buyer association. The efficiency and effectiveness of the HDS will provide the housing market

with affordable housing units to the society. Although different country will implement different housing concepts, however the primary goal is to ensure that the people will get the shelter they demanded, where the government has played a role in identifying the importance, benefits and risks involved in the housing delivery system (Tan, 2010).

Indonesia and UK are having the same aims to plan and build better places to live for everyone with affordable price. Indonesia has a similar program to UK which is One million houses program. Although they have a similar program, both of the countries are having a different HDS. HDS in UK known better than the HDS in Indonesia. Therefore, Indonesia has to look up for HDS in UK.

This research will be focusing on HDS differences between Indonesia and UK affordable and social housing programs. The objective of this research is to identify the differences between HDS in Indonesia and UK for affordable and social housing. This research aims at investigating comparative analysis of data about HDS in Indonesia and UK. This research will provide valuable information about HDS in Indonesia and UK for affordable and social housing.

1.2 Objective and Significance of the Study

The objective of this study is to identify the differences between HDS in Indonesia and UK for affordable housing and social housing by the regulatory framework, institutional framework, and implementation framework.

The Significance of this research is expected to provide a benchmark for improving the HDS in Indonesia by comparing and finding the gap about HDS in Indonesia and UK for affordable and social housing.

1.3 Scopes and Limitations of The Research

The scopes of this research as follow:

1. Literature research aims to determine the parameters of the research and to analyze the differences between Indonesia and UK HDS for sustainable affordable housing and social housing based on the literature research
2. Complete validation questionnaire for HDS in Indonesia
3. Data analyze
4. Interview with the parties concerned for HDS in Indonesia
5. Results
6. Data validation for HDS in UK
7. Investigate the differences and the gap between Indonesia and UK HDS for sustainable affordable housing and social housing based on the literature research and data validation
8. Conclusions

The limitation of this research is to investigate the regulatory framework, institutional framework, and implementation framework of HDS in Indonesia and UK for sustainable affordable housing and social housing.

1.4 Report Layout of The Research

The entire research is composed of five chapters, each covering a section of the work as summarised below:

CHAPTER I INTRODUCTION

In Chapter I describes what the background of the research, the reason for choosing the topic, statement of the problem, purpose of the research, the significance of the research and outline of the research.

CHAPTER II REVIEW OF LITERATURE

Chapter II covers an extensive literature review such as housing law, HDS in Indonesia and UK.

CHAPTER III METHODOLOGY OF RESEARCH

In Chapter III highlights the research procedures and the methodology of the research. These procedures and methodology help to get an ideal final result that following the objectives of the final project. Starting from audit investigation with audit checklist form, and ends with the conclusion of HDS implementation of the project that is reviewed.

CHAPTER IV RESULT AND DISCUSSION

In Chapter IV describes and analyzes the data obtained from the observation and examination.

CHAPTER V CONCLUSION AND SUGGESTION

In Chapter V describes the conclusions of the research based on experience in the field for further improvement of the testing process.

REFERENCES

ATTACHMENT

