

**CENTRE OF STUDIES FOR BUILDING SURVEYING
FACULTY OF ARCHITECTURE, PLANNING AND SURVEYING
UNIVERSITI TEKNOLOGI MARA**

**THE MANAGEMENT OF ABANDONED PROJECT BY LOCAL
AUTHORITY IN SELANGOR**

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**“I hereby declare that this academic project is the result of my own
research except for the quotation and summary which have been
acknowledged”**

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ABSTRACT

Abandoned of housing projects amid construction is a primary issue that the housing sector in Malaysia has been encountering since 1980s. Elements relating to projects be abandonment can be categorize into many factors such as financial management, economic, mismanagement, developer, social and etc for the causes in different LA. From the factors that contribute to abandoned project, the impact of the causes also will get such as in term of economic and social. This research aims to analyze management on abandoned projects by different local authority (LA) in Selangor, Malaysia with several objective which are first is to identify the causes and impact of abandoned projects in different LA, second is to identify the problems faced by different LA in managing the abandoned projects and lastly is to identify the methods use by different LA on managing the abandoned projects in Selangor, Malaysia. Ten of different LA in Selangor, Malaysia is involved in this research for data collection through structured interview at each of the LA. This research also will clearly explain about what are problems faced and the methods used by different LA on managing the abandoned project. In view of the fact that, people are many different opinions may arise from time to time. All the problems mentioned has the solutions on how to deal with it. As the researcher they are several methods to reduce the problem that occurrences to accomplish the aim of this research which to reduce the abandoned project in construction industry. In a nutshell, hopefully in the future, the contractor in our industry can be more effective toward the completing the project in date line.

CHAPTER 1

1.1 INTRODUCTION

An abandoned project is one of the most serious issues in the housing industry in Peninsular Malaysia. Despite the fact that since the Independence Day in 1957, the Malaysian Government has given laws and approaches to administer housing industry yet abandoned project problems an unsettled issue. Abandoned housing projects are horrifying occasions that happen in housing industry in Malaysia. Accordingly, numerous housing projects have been recognized as being surrendered and have arrived at a stop.

The failure of an undertaking or venture being abandoned is a significant issue in the construction industry. The most elevated component that causes abandoned projects are generally because of budgetary issues created by monetary recession in 1997. One of the main causes is about financial difficulties faced by developers, among which are the weaknesses of management, marketing, technical problems encountered during construction, as well as compensation to squatters. In addition to problems with land owners abandoned housing projects, there is a drop in the nature of work or determinations that are not followed, to the degree that the Local Authority (LA) declines to issue Certificate of Fitness (CFO). Accordingly, the effect of abandoned projects will proliferate social issues, moderate neighborhood financial and posture different risks, for example, fires. Indeed, even the presentation of development materials to nature, for example, downpour can bring weaknesses in the wall structure with the weakening of the cement mortar bonding the bricks (Sulaiman, Ali, & Rahman, 2012).