How can the development of neighbourhood renewal strategies in Malaysia be informed by best practice and transferable lessons from developed countries

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Abstract Economy-based urban redevelopment is the main priority in Malaysia, but has resulted in social problems such as gentrification, loss of heritage and identity, inequity, etc. Hence, it is crucial for the government to seek other alternatives rather than being solely reliant on urban redevelopment. Neighborhood renewal is a strategy involving the integration of redevelopment, rehabilitation, revitalization and preservation that aims to improve deprived areas using a more holistic approach. The aim of this paper is to review the neighborhood renewal policies in developed countries and to identify those elements that can be adopted in Malaysia. This study is conducted via a literature review. It was found that neighborhood renewal which integrates people-based, place-based and system-based policies highlights the importance of diversity, thereby aiming for resource optimization, community engagement and urban governance with the focal point of the fair, equity and systematic provision of resources. This paper concluded that neighborhood renewal in Malaysia should be initiated by locals with an emphasis on real local participation and a sustainable funding system. The government and local authorities should be observers rather than implementers.

Keywords: Area-based, community engagement, diversity, sustainable funding, urban regeneration

1. Introduction Neighbourhood renewal is part of urban regeneration aimed to improve the quality of life especially for
underprivileged groups in a more holistic approach. This concept accentuates the importance of self-reliance and resource sustainability. The integration of people-, place- and system-based strategies act as stimulator to encourage the locals involve actively in their neighbourhood and to improve quality of life of the locals by meeting their real needs. Neighbourhood renewal has been ongoing in European countries for decades. However it is still in its infancy stage in Asia, especially in developing countries. In Malaysia, it was never been legalized despite small scale of activities have been conducted by the locals. The policy and strategies in Malaysia focus mainly on the economy-oriented urban redevelopment [1], with less consideration on the socio-cultural aspects. Hence this paper aimed to close this gap through best practices and lessons learnt from developed countries. The final aim of this neighbourhood renewal shall be its ability to improve the basic living needs of the deprived populations as well as to maintain and upgrade the quality of life of the middle income households in Malaysia, whenever is necessary and with the emphasis on equity.

South Korea has been selected for this study as it is a developed country that demonstrated some good examples, inclusive The Sanbokdoro Renaissance Project which served as a pilot project that stimulate the development of neighbourhood renewal in the country. Even though the Special Act on Urban Renewal Implementation and Support was enforced only on 2013, it has gained its attention with impressive achievements that shall serve as a role model to Malaysia. In the meanwhile Singapore and Hong Kong shared the similar history background with Malaysia as they were colonised by British in the past. Both Singapore and Hong Kong have similar socio-cultural and living lifestyles especially with the Chinese ethnic in Malaysia. Their similarities in living lifestyle, socio-cultural aspects as well as history background form the basic references on the development of neighbourhood renewal strategies in Malaysia. Meanwhile England was selected as area-based neighbourhood renewals were conducted since 1990s and UK has developed comprehensive strategies which shall act as base references for the development of neighbourhood renewal policy in Malaysia.

This paper aimed to determine the future direction of neighbourhood renewal in Malaysia through the reviewing of practices in South Korea, England, Singapore and Hong Kong and to identify strategies that can be adapted into the local context in Malaysia. This paper is sub-divided into few sections. The introduction consists of research background and objectives. Subsequent to that literature review was conducted by summarizing the main ideas of neighbourhood renewal in the selected countries, the comparison and lessons learnt from these practices. This is followed by the identification of elements and the recommendations for neighbourhood renewal in Malaysia. It ended with conclusion and recommendation for future study.

2. Scope and definition of neighbourhood renewal

Neighbourhood renewal can be conducted either in big scale with the involvement of a few neighbourhoods or in a smaller scale in which many scholars suggest that small scale projects that are sensitive to the local context, social capital and neighbourhood networks are important elements in the renewal process [2]. The final goal of this renewal programme is to create a self-reliance and sustainable neighbourhood. A sustainable neighbourhood is a place where people willing to live and work for now and in future. It is a self-contained and well-planned area which contributes to a clean, safe and high quality of life with sufficient amenities and decent homes at affordable price [3].
How can the development of neighbourhood renewal strategies in Malaysia be informed by best practice and transferable lessons from developed countries

3. Comparison of neighbourhood renewal in South Korea, England, Singapore and Hong Kong

3.1 People

In South Korea, neighbourhood renewal with people-based strategies typically involved job creation through local businesses and educations via the collaborations with universities. The target group in these neighbourhood renewals include the underprivileged groups, ageing society, disabled groups and women. One of the examples will be the implementation of ‘residents’ education’ or ‘residents’ university’ [7]. The participants will learn the basic of neighbourhood renewal and subsequently, they will participate in the renewal programmes, e.g. idea generating, formation of local organisations and local businesses’ establishments. These education programmes act as interaction spaces among the stakeholders during neighbourhood renewal. Meanwhile jobs such as project coordinators, project management team, community businesses, art and culture developments etc. will be established along with these renewal programmes with the direct involvements of locals. Neighbourhood renewal in Seongmisan Village is one of the example in which the locals gathered to discuss the issues pertaining to their neighbourhood, and eventually these gathering resulted the establishment of a day care centre, alternative school for local teens, neighbourhood café and a community enterprise [7]-[8] that benefited the communities.

From 1997 till mid-2000s in England, various types of agencies had been established by the government to initiate neighbourhood renewal in the country. These include Regional Development Agencies (RDAs) that were established in order to narrow the growth gap between neighbourhoods which were then replaced by Local Enterprise Partnerships (LEPs); Social Exclusion Unit and New Deal for Communities (NDC) that were established aimed to reduce the worklessness through the improving of the economic performance and growth of England's regions [9]. Among the strategies that had been implemented through these agencies were such as Employment Zones to help people find and stay in work in areas of considerable labour market disadvantage and childcare that guaranteed free early education places for 3-4 years old children etc. [9]. Some scholars criticised that people-based policies in England were insufficient as there was no evidence for...
No clear objectives that emphasis on people-based renewal strategies

Education programmes in order to encourage the locals’ participation.

Job vacancies have been developed through local businesses, project operation and managements, arts and cultural etc. during neighbourhood renewal.

Clear objectives on people-based renewal strategies despite some critics pertaining to the effectiveness of these strategies.

Establishment of agencies through public funding in order to improve the education, health and worklessness condition in deprived neighbourhoods.

Table 1. Comparison of people-based neighbourhood renewal strategies in selected countries

<table>
<thead>
<tr>
<th>South Korea</th>
<th>England</th>
<th>Singapore</th>
<th>Hong Kong</th>
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<tbody>
<tr>
<td>No clear objectives that emphasis on people-based renewal strategies</td>
<td>Clear objectives on people-based renewal strategies despite some critics pertaining to the effectiveness of these strategies.</td>
<td>No people-based strategies in neighbourhood renewal that targeted on the education, health and worklessness</td>
<td></td>
</tr>
<tr>
<td>Education programmes in order to encourage the locals’ participation.</td>
<td>Establishment of agencies through public funding in order to improve the education, health and worklessness condition in deprived neighbourhoods.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Job vacancies have been developed through local businesses, project operation and managements, arts and cultural etc. during neighbourhood renewal.</td>
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statistically significant net positive change in relation to worklessness [4] and the budget spent by NDC for worklessness was only 12% of the overall budget, which was very little when compared to the expenses spent on housing and physical environment, amounting to a portion of 31%, or £427 million [4].

People-based strategies at neighbourhood level targeted on the education, health and worklessness have never been emphasis in neighbourhood renewal in Singapore and Hong Kong. These can be evidenced from their policies that accentuate physical rehabilitation on ageing structures and facilities and these will be discussed in the next section.

In sum, education programmes that encourage the locals to participate in their neighbourhood renewals, job creation through renewal programmes as well as art and culture developments are among those strategies in South Korea despite there are no clear directions that emphasis on people-based strategies. In the meanwhile neighbourhood renewal in England which had clear objectives relies heavily on the public funding and local business partnerships in term of job creation and education. Insufficient funding had led to the ‘dying’ of neighbourhood renewal and resulted the swift back to the market-led urban regeneration in England in early 2010s (Table 1).

3.2 Place

Both South Korea and Hong Kong are formed by homogenous ethnic group with the increasing of immigrants in these recent years whereas England and Singapore are multi-ethnic societies. Due to their strong sense of nationalism, it can be observed that neighbourhood renewal in South Korea focus mainly on the tourism-based neighbourhood renewal through storytelling of the Korean history, e.g. Gamcheon Culture Village and the preservation and promotion of Korean Traditional House, e.g. Jeonju Hanok Village. Meanwhile neighbourhood renewal in England focus mainly on the physical improvements of the neighbourhoods and it targeted on several issues, e.g. clean and safe environment, job opportunities, decent housing etc. Due to its increasing in ethnic diversity, various types of learning programmes were conducted in order to assist those newcomers to adapt into local life in England. In Singapore, neighbourhood renewal is implemented in order to provide a better living environment to the nation whereas neighbourhood renewal in Hong Kong aimed to provide sufficient housing stocks to the nation. Hence renewal programmes in both Singapore and Hong Kong are determined based on building age and population coverage in order to have more effective results within short periods.

The population density in the main city in these countries appeared high with the population density in Seoul was 17,013 people/sq.km [10], followed by Islington (Greater London), Singapore and Hong Kong. This is mainly due to the good accessibility to infrastructures and more job opportunities in Seoul and Islington whereas both Singapore and Hong Kong are city-state with limited land space especially the mountainous terrain in Hong Kong. Due to limited land space, apartment is the major housing stock in South
How can the development of neighbourhood renewal strategies in Malaysia be informed by best practice and transferable lessons from developed countries

Korea, Singapore and Hong Kong and this is in contrast with those in England where 42% of them are semi-detached or detached houses [11]. Hence urban redevelopment is more likely an easier and better solution from economic viewpoint for a big plot of apartments in these countries whereas neighbourhood renewal is a more practical solution for a neighbourhood that contains a lot of small plots in England. This explained economy regeneration through urban redevelopment is still the priority in these countries whereas neighbourhood renewal in England in 1990s aimed to narrow the gap between neighbourhoods mainly from the social viewpoint.

The percentage of one person household in South Korea and England was similar, i.e. 24% [10] and 29% [11], respectively. In the meanwhile the percentage of one-person households in Singapore and Hong Kong are 12% [12] and 17% [13], respectively. Among the elderly who aged 65 and above, almost one-fifth of them were recorded as living alone in South Korea and England [10][14] whereas the percentage in Singapore appeared low, i.e. 8% [15]. The housing policy in Singapore which enables the purchasers to choose their neighbourhood during relocation and to encourage nucleus families to live near to their family members explained this. Nevertheless these countries experienced the increasing of ageing population; hence improvement of physical living condition for ageing society is anticipated to be one of the priorities. Community centre for interaction among the elderly, life-long education and welfare centre are to be included in renewal programmes in these countries.

According to the survey, only 1% of owner occupiers lived in an overcrowded home and in contrast, 50% of the owner occupiers lived in under-occupied home in England [11] whereas in Seoul nearly 9% of the households did not meet the minimum housing standards which refer to the housing size and facilities [10]. The average living space per person in Hong Kong was 13.1m² and 0.5% of the households with living space per person below 5.5m² [16] in which this living space is much smaller than the one in Singapore, i.e. 26.5m² [17]. The shrinkage in household size in these countries, inefficient layout of old housing stock in England [18], overcrowded in Hong Kong and reducing of floor area in public housing in Singapore nowadays revealed that space planning, i.e. home swap programme in England or space sharing maybe one of the solutions to optimise the housing space that may solve both overcrowding and under-occupied condition.

Due to its rapid urban redevelopment, the entire urban fabric in Seoul changed since 1970s with most of the housing stock in Seoul aged less than 30 years, i.e. only 7% of the houses was built before 1979 [10]. This explained the housing stock in South Korea, especially in Seoul is more efficient in term of layout and energy consumption but lack of heritage value compared to those in England. In the meanwhile public housings in both Singapore and Hong Kong were typically aged 40-50 years. Hence there are different approaches for neighbourhood renewal in these countries, i.e. South Korean government tends to reinstate the heritage and history through urban regeneration by giving subsidy in the preservation of Korean traditional houses and integration of history and culture in neighbourhood renewal whereas physical rehabilitation with the focus on the façade and common facilities is the major activity in Singapore and Hong Kong in order to extend the building lifespan. In contrast due to its majority of old housing stock which is less efficient in term of layout and energy consumption, priority may be given to the improvement from the environmental physics viewpoint in England.

Table 2 summarize the comparison of place-based neighbourhood renewal strategies in these countries. These countries have different approaches in neighbourhood renewal due to their differences in demography, society formation, history and cultural background etc. Nevertheless they shared some
similarities such as the increasing of ageing society, shrinking in household size, stagnant growth in economy etc. which resulted the emphasis on resource optimisation e.g. space sharing; economic-led urban redevelopment to provide decent and sufficient housing stock as well as restoration of the loss identity.

### 3.3 System

Neighbourhood renewals in South Korea and England that targeted on the deprived areas which are based on deterioration assessments and deprivation indices aim to improve these neighbourhoods in a holistic approach, i.e. to include the improvement in physical environments, socio-cultural such as education and employment as well as local economy through the collaborations with private sectors. In South Korea, these programmes promote self-governance based on the creativity of both local authorities and local communities, self-sustaining instead of welfare distribution and the collaboration within various stakeholders [19]. In the meanwhile, the neighbourhood renewals in England in 1990s aimed to narrow the growth rates within the regions through area-based approach that cover wider scopes, i.e. worklessness, education, health, housing, liveability and crime [4]. Both countries emphasis on the integration of rehabilitation, preservation, revitalisation and redevelopment with the planning to be based on the characteristics of each neighbourhood whereas Singapore and Hong Kong are both city--state and self-regulated state in which central government has the full control of the policies and strategies. Due to the

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**Table 2. Comparison of place-based neighbourhood renewal strategies in selected countries**

<table>
<thead>
<tr>
<th></th>
<th>South Korea</th>
<th>England</th>
<th>Singapore</th>
<th>Hong Kong</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land area (sq.km) [20]</td>
<td>100,260</td>
<td>130,395</td>
<td>717</td>
<td>1,100</td>
</tr>
<tr>
<td>Population density in capital (people/sq.km)</td>
<td>17,013 (Seoul) [10]</td>
<td>14,517 (Islington) 5,497 (London) [14]</td>
<td>130,260</td>
<td>201,100</td>
</tr>
<tr>
<td>Housing stock</td>
<td>Apartment (59%) Bigger plot size led to urban redevelopment aimed for economy regeneration</td>
<td>Semi-detached/ detached (42%) Smaller plot size with single ownership led to neighbourhood renewal from social viewpoint</td>
<td>HDB Flats (80%) Bigger plot size led to urban redevelopment aimed for economy regeneration</td>
<td>Apartment Bigger plot size led to urban redevelopment aimed for economy regeneration</td>
</tr>
<tr>
<td>Housing stock condition</td>
<td>9% of the housing stocks did not meet the standard requirement, e.g. lack of basic amenities or overcrowded [10]</td>
<td>1% of the housing stocks were overcrowded nonetheless 50% of the housing stocks were under-occupied [11]</td>
<td>HDB 4-room flats (90m2) was the most common type of dwelling and an average household size of 3.4 persons (average living space per person was 26.5m2) [17]</td>
<td>The average living space per person was 13.1m2 with 0.5% of households with living space per person below 5.5m2 [16]</td>
</tr>
<tr>
<td>Houses built before 1980s</td>
<td>7% Majority new housing stock in Seoul led to heritage preservation [10]</td>
<td>44% Majority old housing stock with lack of efficiency in term of layout and energy usage [18]</td>
<td>No records; however most of the public housing were built in 1970s, after Singapore independent on 1963</td>
<td>38% Majority old housing stock that led to urban redevelopment [16]</td>
</tr>
<tr>
<td>Main strategy</td>
<td>Tourism-based economic regeneration</td>
<td>Community-based socio-cultural improvement</td>
<td>Physical rehabilitation to extend building lifespan</td>
<td></td>
</tr>
</tbody>
</table>

**Similarities:**
- Emphasis on infrastructure and facilities’ improvements for clean and safe environments
- Increasing of ageing population resulted the emphasis on physical improvements for ageing society
- Shrinkage in household size, overcrowded or under-occupied resulted space sharing and function mix development
limited development space, physical rehabilitation at neighbourhood level and urban redevelopment at large scale are the main strategies in this country and city in order to provide sufficient housing to the nations. Hence, unlike South Korea and England, the project selection in Singapore and Hong Kong is rely on the building age and population coverage, in other words, focus will be given to those projects that enable a quicker demonstration in achievements, i.e. the provision of sufficient housing stock and positive economy growth.

Nonetheless there is slightly different for neighbourhood renewal in Singapore. Unlike others that targeted on the deprived neighbourhoods, neighbourhood renewal in Singapore aimed to upgrade the quality of life of the nation regardless their socio-economic background. For example, the “Remaking Our Heartland” (ROH) in Singapore targeted on the young, middle-aged and mature public housing estates in order to transform these neighbourhoods into more vibrant neighbourhoods as to meet the changing needs of community [21].

Public fund, private-public partnerships and public investments are among the strategies in order to ensure the sufficient funding in neighbourhood renewal. In South Korea and England, neighbourhood renewals rely heavily on public funding. In Hong Kong, market-led urban redevelopment is still the priority despite the government emphasis on urban rehabilitation, preservation and revitalisation. These market-led urban redevelopments rely heavily on public-private partnerships in which private sectors play an important role in properties’ developments. In Singapore, government fully subsidise in neighbourhood renewal especially at common space through Neighbourhood Renewal Programmes (NRP) and Singapore citizens will have to pay small amount for the upgrading works in their public housing through Home Improvement Programme (HIP) and Lift Upgrading programme (LUP). There is one common shortcoming in the funding system in these countries, i.e. the ‘right of participation’ of the locals has been restricted since the beginning of the project as the project selection and project scale has been determined through agencies, e.g. LEPs and CICs that emphasis on local business and the management of community assets are among the strategies in England. In Singapore and Hong Kong, local participation is limited to questionnaire survey and granting permission for the rehabilitation of their private houses. Local participations in these countries share similar characteristic, i.e. the locals have been positioned at the lowest hierarchy in neighbourhood renewal (Fig.2). The project area and scale are determined by central government or local authorities at the early stage and the involvement of locals are limited to ‘idea generating’ only after their neighbourhood are selected as part of the renewal programmes. This resulted inequitable in neighbourhood renewal in which the selections rely heavily on the external factors, e.g. personal preference, political influences and economic potentiality with areas that have been excluded from these selections will continue to deteriorate.

Local participation has been the focus in neighbourhood renewals in these countries. In South Korea, resources and education have been provided systematically in order to encourage the locals’ participation whereas public-private partnerships
by the fund provider, i.e. government or local authorities and private investors (Fig.3). For example, LEPs in England aimed to involve the locals in local business for the benefit of community, nevertheless local community face the challenge in obtaining the kick-off funding to start the business as this funding is rely heavily on the selection by the investors.

![Fig. 3. Current funding system with local communities positioned at the lowest hierarchy [6]](image)

In sum, neighbourhood renewals have been ongoing in these countries resulted a more mature and comprehensive system in which they targeted on the deprived neighbourhoods in order to narrow the economy gaps between regions. Nevertheless they face the similar challenge, i.e. the real participation and the provision of sustainable funding during neighbourhood renewal. In many cases, government and local authorities are the main players whereas local communities have been positioned at the lowest hierarchy as the government or local authorities are the only funding providers (Table 3).

### 3.4 Neighbourhood renewal case examples

Sanbokdoro Renaissance Project in Busan, South Korea was a remarkable neighbourhood renewal that was launched under the Special Act on Urban Renewal Implementation and Support in 2013. It focused on real public participation by providing education and technical support aim to improve the living quality of the locals through the establishment of local businesses and the upgrading of physical living environment [22]. The initial funding for this project was obtained by winning public art competitions in 2009 and 2010. The main funding source was obtained from the Busan Metropolitan Government only after this village’s art-themed makeover began to attract tourists in 2011 [22]. The achievements were encouraged when it attracted nearly 300,000 tourists annually to this neighbourhood. Evidence showed that the physical environments and the urban landscape of the area were improved, sense of communities was restored, local economy was improved and the vacant units decreased with the change of citizens’ perception on this area, i.e. from ‘poor and slum zone’ to ‘the most artistic village in South Korea’ [23]. The development process of local assets in Gamcheon Culture Village through the hardware, software and ‘humanware’ [24] reflected the integration of place, people and system-based strategies that emphasis on the optimisation of available resources and the systematic provision of resources.

Kensington, an inner city residential area of Liverpool, predominantly working class terraced housing has been one of the most deprived neighbourhoods in England. It was selected as part of Renewal Area for a 10 year period with a number of overlapping housing intervention, regeneration and neighbourhood management areas with the involvement of various stakeholders, i.e. central government, local authorities, local communities and local activists [25]. The funding of these renewal programmes were sufficient, with public funding was the only source. Survey indicated that the housing condition were improved with the reducing of unfit housing and the increasing of residents’ satisfaction level on their neighbourhood [25]. Nevertheless critics included the failed to create sustainable jobs in Kensington as the unemployment rate in this neighbourhood was higher than average level and the lack of community participation as most of the programmes were conducted during their working hours [25]-[26].
Yishun is one of the densely populated areas in Singapore with majority young population. More than 90% of the population live in public housing, i.e. HDB Flats with more than 70% of them are in 4-rooms or more dwelling units [17]. Based on the interpretation in accordance to average household income, it can be concluded that more than 70% of the population in this area is anticipated to have an average annual household income of minimum SGD30302, which is slightly higher than the national record, i.e. SGD27036 [27]. Yishun was one the pilot project involved in “Remaking Our Heartland” (ROH). The programmes included the construction of new Yishun Community Hospital, cycling track, more comprehensive road network and the rehabilitation of the existing Yishun Pond [28]. The local communities will be able to enjoy the recreational facilities meanwhile to improve the greenery within the neighbourhoods upon the project completion. Yishun is a typical example of neighbourhood renewal in Singapore in which it consists of physical rehabilitation on the existing old HDB Flats, restore and upgrade the outdated common facilities and improve the connectivity of the green area and cycling path in the precinct through public funding. Due to its rigid and standardization in planning which are fully controlled by government,
Table 4. Comparison of neighbourhood renewal case examples through literature resources

<table>
<thead>
<tr>
<th>Case example</th>
<th>South Korea</th>
<th>England</th>
<th>Singapore</th>
<th>Hong Kong</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>The Sanbokdoro Renaissance, Busan</td>
<td>Kensinton, Liverpool</td>
<td>Yishun</td>
<td>Lee Tung Street redevelopment</td>
</tr>
<tr>
<td>Objectives and target group</td>
<td>To improve living condition of urban poor without people dislocation</td>
<td>To improve living condition of deprived neighbourhood in an area-based approach</td>
<td>To transform the neighbourhood into more vibrant living lifestyle</td>
<td>To improve living environment by providing better linkage and open space</td>
</tr>
<tr>
<td>Initiated by</td>
<td>Local artist</td>
<td>Local authorities</td>
<td>Central government/ local authorities</td>
<td></td>
</tr>
<tr>
<td>Policies and strategies</td>
<td>Creative city policy by Busan Metropolitan Government (BMG)  · Rehabilitation of physical environment  · Reuse vacant units for local business  · Local participations through the involvement in survey mapping and local business</td>
<td>Renewal Area (10 years period) with the involvement of various stakeholders, e.g. Department of Communities; Local Government and Newheartlands; Liverpool City Council and New Deal Communities,  · Physical rehabilitation  · Compulsory Purchase Orders for redevelopment of new housing</td>
<td>Remaking Our Heartland (ROH)  · Construction of new community hospital  · Improve living lifestyle through  · More comprehensive road network for better connectivity</td>
<td>· Demolition and reconstruction to the similar height and floor area of the original properties  · Better business environment in order to attract the original business tenants after renewal</td>
</tr>
<tr>
<td>Funding</td>
<td>Public funding as main source</td>
<td>Public funding as main source</td>
<td>Public funding</td>
<td>Public-private partnerships</td>
</tr>
<tr>
<td>Achievements</td>
<td>· tourist spot  · improvement of physical environments  · change of bad perception  · improve local economy  · restore sense of communities</td>
<td>· reducing of unfit housing  · increasing of residents’ satisfaction level</td>
<td>· improvement on the greenery  · physical rehabilitation of external building wall and existing facilities</td>
<td>· redevelopment which generated higher economy return  · better business environment</td>
</tr>
<tr>
<td>Shortcomings</td>
<td>· Fully rely on public funding, i.e. project selection determined by local authorities</td>
<td>· Unable to narrow the gap within neighbourhood  · Fully rely on public funding  · Limited local engagement</td>
<td>· Renewal activities are determined by government which may not meet the real needs of locals  · Limited local engagement</td>
<td>· Urban redevelopment resulted people dislocation  · Unable to narrow the income disparities due to gentrification</td>
</tr>
</tbody>
</table>

there are lack of identity and characteristics in these old neighbourhoods. Nevertheless the nation shares the similar opportunities to enjoy the benefit from these renewal programmes regardless their socio-economy background.

Redevelopment of Lee Tung Street in Hong Kong involved the demolition of old buildings and reconstruction of new buildings to the similar height and floor area of existing properties [29]. It aimed to improve the living environment by providing better pedestrian linkage, open space and communities centres meanwhile attempted to attract the original business tenants after renewal. Nevertheless this redevelopment may defeat the purpose to retain the original communities as property values are anticipated to be increased after renewal and this triggered the issue of affordability of renting or purchasing the units by original tenants. This redevelopment is a typical example in urban regeneration in Hong Kong in which market-led urban redevelopment with public-private partnerships is the main priority resulted urban gentrification.

The above case references indicated that most of the neighbourhood renewals were initiated by government
or local authorities as part of their master planning for regional growth. Public funding is the main source with public-private partnerships dominant the market-led urban redevelopments. These neighbourhood renewals evidenced the improvement in physical environment and local economy despite critics pertaining to the lack of people-based strategies, i.e. the improvement of worklessness, education and health as well as the efforts in narrowing the income disparities between regions (Table 4).

4. Lessons learnt and neighbourhood renewal development in Malaysia

4.1 Neighbourhood renewal and its necessity in Malaysia

Market-led urban redevelopment at regional level which aimed to boost the country’s economy is the main strategy in Malaysia. As neighbourhood renewal policies and strategies at local level yet to be established, most of neighbourhood renewal are initiated either by government or private sectors with emphasis on market-led urban redevelopment. Government aimed to boost the country’s economy through the developments of infrastructures whereas private sectors focus on housing provision as residential sector has always dominated the Malaysian property market [30]. In city centre, buildings were torn and more compact development with higher plot ratio were built whereas in suburbs, brownfield and green field developments are the main priorities. Urban rehabilitation and urban preservation at local level seems to be positioned at the lowest hierarchy. These developments rely heavily on market responses and the site selection is mainly dependent on the economic and political preferences resulted imbalance development within the region.

Redevelopment of Kuala Lumpur Sentral Station on a marshalling yard; development of Tamansari Riverside Garden City on a site that was occupied by low income group of tenants; and demolition of pre-war buildings along Sultan Road in order to give way for MRT constructions are among the ongoing projects in Kuala Lumpur. These evidenced market-led urban redevelopment through people displacement and the use of eminent domain, i.e. compulsory Land Acquisition as a legal instrument to reclaim private property for development projects into public ownership [31] are two main strategies in this country. In the meanwhile urban preservation that targeted on historical buildings is a fully top down governance system as public hearing is mainly limited to questionnaire survey without any influences to the final decision making, e.g. demolition of 117-years old Pudu Prison. Furthermore urban rehabilitation was limited to the routine maintenance such as road and drainage repairing works and landscaping works. Nevertheless these maintenance works have been conducted as ad-hoc programmes, i.e. during the general election or during the special events, e.g. Torana (gateway) was installed in Brickfields, Kuala Lumpur due to the visit of Indian Prime Minister in 2015 [32] and roof was installed at Petaling Street followed the visit by the former Prime Minister in 2003 [33]. All these beautification works have been conducted without long term planning, i.e. without taking into consideration sustainable aspects which aimed to improve the quality of life of the neighbourhood in a holistic approach. Most of these works are at “one-time off” which did little to the improvement of overall living condition of the neighbourhood.

In addition, the ongoing transit-oriented developments caused the skyrocketing real estate values within the transit zones whereas neighbourhoods that are located away from these zones are anticipated to be deteriorated due to the missing gap in urban regeneration in Malaysia. For example the Valley of Hope, a leprosy settlement located in Kuala Lumpur suburbs which was once housed the leprosy patients that aimed for self-sustain, has been ignored by the government since its establishment in 1930s. As most
of the local communities were leprosy patients, they have been living in this settlement since they were born without interaction with outsiders. Bad housing condition with little or no subsidy from government, this place is deteriorated with the youngest residents are now in their 60s [34]. In the meanwhile, the newly proposed MRT station which was located at approximately 8km away from this settlement has been exaggerated the property value surrounding it. Hence Valley of Hope is foreseen to be demolished to give way for another high-end development despite vague promises by the government to protect this historical place [34].

Nonetheless the government has intended to encourage the community participation in neighbourhood renewal in which a community-based urban regeneration body, i.e. Think City was established in 2009 with its original intention to spearhead urban regeneration in the George Town UNESCO World Heritage Site [35]. It is the first community-based urban regeneration body in Malaysia nevertheless it is a wholly-owned subsidiary of a company that is under the corporate umbrella of government. Grant will be provided by this body for the neighbourhood renewal in the selected areas. As it is indirectly under the government’s jurisdiction, the transparency and creditability of this body in term of project selection and grant provision yet to be justified as it may be affected by the political influences and nature in business which aimed for higher profit return.

In view of this, it is crucial to establish neighbourhood renewal policies and strategies at local level in order to enable the entire nation to improve, maintain or upgrade their quality of life based on their real needs regardless their socio-economy background. It shall be part of the sustainable and self-reliance strategies, i.e. to empower the local communities to initiate renewal programmes in their living neighbourhood whenever is necessary without fully dependant on the government or local authorities; regulated systematic provision of resources that enables long term planning aimed to improve the living environment of the locals in more holistic approach; urban rehabilitation and preservation shall be the priority instead of solely rely upon urban redevelopment which resulted people dislocation especially for those underprivileged group; and resource optimisation in term of function-mix and social-mix.

4.2 Indicator–based project selection or the real community participation?

Indicator-based system is the common practice in developed countries to determine project site area, e.g. deterioration assessment is conducted in South Korea, Singapore and Hong Kong and is mainly rely upon building age and building condition whereas Indices of Multiple Deprivation (IMD) which cover wider scopes is used in England. This indicator-based system has been credited as it promoted equity and enable the “right resources to the right zones” in which government will be able to target on those deprived neighbourhoods whereas the voluntary and community sector will be able to identify areas where people may benefit from the services they provide and the private sectors as well as the locals will be able to develop appropriate strategies for developments [11]. It emphasis on equity, fairness and transparency resulted a more sustainable resource distribution.

Nevertheless local communities have been positioned in a passive role in decision making as these indicator-based selection system have been affected by external factors such as economic and political influences. For example, the Sanbokdoro Renaissance Project in Busan was officially launched by the local authorities with public funding aid only after the local activists had successfully demonstrated the economy potentiality of this slum area whereas community-led organisation in Kensington Liverpool ceased operation due to the changes in policies and strategies by new government. It can be interpreted that project selection is rely heavily on human factor, e.g. rivalry among
government departments or political influences. In general, area with higher economic potentiality will be selected as it is easier to showcase the profit return and achievements in these potential areas. Furthermore area with powerful local politicians may benefit from the selection process. In addition the project selection in these countries focus mainly on ageing buildings and deteriorated environment from physical viewpoints with less consideration on socio-cultural aspects except the area-based neighbourhood renewal in England. Despite neighbourhood renewal in these countries emphasis on community engagement aimed to identify the root cause of deterioration and to ensure renewal programmes meet the real needs of the locals, the current selection system has positioned local communities at the lowest hierarchy (Fig.2) in which this may defeat the original intention of neighbourhood renewal.

A sustainable neighbourhood renewal shall be a programme that initiated by local communities without too much interferences from government or local authorities (Fig.4). Neighbourhood renewal policy shall act as a basic guide with government or local authorities shall be the resource providers rather than implementers. Local communities are the key players through the collaboration with private sectors and consultations from specialists. In other words, project selection no longer exists as local communities will be the one who initiate the planning and implementation of neighbourhood renewal whenever is necessary as long as they are able to fulfil the basic requirements in the policy. Indicator-based assessment is to be used for the determination of project scope rather than to act as a tool for the selection of project area at the initial stage. For example, community-led organisation for each neighbourhood is to be established in which they will spearhead neighbourhood renewal in their living zone whenever is necessary. Local communities will gather their opinions to determine the project scope based on deterioration index provided by government. In other words, unlike the current system in which local communities will be able to involve in neighbourhood renewal only after their neighbourhood is selected as part of renewal programmes by the local authorities, this proposed system enables local communities to be fully participate in neighbourhood renewal in which they will initiate, plan, implement and evaluate these programmes with the guidance from local authorities and specialists whenever is necessary. This will eliminate the project selection or bidding process that affected by human factors such as the current indicator-based selection system. With this, the entire nation will be able to improve their quality of life in accordance to the real needs whenever it is necessary without rely upon the selection by government or local authorities. Nevertheless, this concept is anticipated to lead to another major issue, i.e. funding issue.

![Fig. 4. Sustainable neighbourhood renewal with local communities as the main players [6]](image)

4.3 Regulated funding system as sustainable funding system

There is no systematic funding for neighbourhood renewal in Malaysia. Public fund is the main source in which most of these funding are based on ad-hoc programmes. These inconsistency and unregulated funding system resulted uncertainties that restrain long term project planning and implementation. In addition, the common practices such as subsidy, grant or loan rely heavily on the bidding process. The transparency and equitability in bidding and selection process yet to be justified nevertheless have been criticised as they
are influenced by economic and political aspects.

In most of the countries, public fund is the main source for neighbourhood renewal. Subsidy, grant, low interest loan etc. are among the strategies in most of the countries in order to provide sufficient financial aid for the implementation of renewal programmes nevertheless are controlled by central government or local authorities. In other words, government or local authorities are the final decision makers as they are the only funding providers. For example, Singapore government determined the entire renewal programmes in the country as neighbourhood renewal is fully funded by the government. Standard renewal plan in most of the HDB Flats in Singapore that led to less vibrant urban landscape in Singapore explained the shortcoming of this system. Private investment is another alternative in order to promote self-reliance strategy in neighbourhood renewal. These public-private partnerships are important in order to secure sufficient financial aid in neighbourhood renewal nevertheless it has been affected by profit-oriented business nature. For example, market-led urban redevelopment is the main strategy in Hong Kong for both private investments and public-private partnerships as Urban Renewal Authority in Hong Kong is a self-sustaining organisation that requires profit-balance for its operations. Meanwhile Local Enterprise Partnerships (LEPs) in England focus mainly on the local business that may deviated from the objective of neighbourhood renewal due to its nature in business, i.e. aimed for better profit whereas local communities face the challenge in finding the initial funding for the involvement in Community Investment Company (CIC) as this is mainly depends on the grant provision.

A statutory mandate or regulated funding may be a better alternative in providing the initial funding to kick-start a neighbourhood renewal (Fig.5). “Adopted neighbourhood by corporate” is a concept in which big corporates through statutory mandate, give financial support, i.e. kick-start fund to his adopted neighbourhood, and the profit gained from the renewal programmes will be shared among the stakeholders despite the return period is longer than usual practice. The funding scale shall be determined by specialist who will act as third party with the evaluation purely on the technical aspect without influences from external factors. Local authorities act as an observer and guidelines’ provider whereas the corporate (investor) and the local communities share the similar opportunities to plan and implement renewal programmes. This concept aimed to eradicate the project selection based on the external factors such as personal preferences or political influences and to minimise investments which may deviate from the original intention. In other words, this is a regulated private-private partnership with local authorities as observers rather than public-private partnership in which the “right of participation” of local communities in neighbourhood renewal has been restricted at the initial stage due to the project selection by the local authorities and investors. Nonetheless tax reduction, subsidises, relaxation in rules and regulations etc. shall be given to the corporates by government as a return.

4.4 Resource optimisation through diversity in function- and social-mix

There are difference approaches in neighbourhood renewal strategies due to different characteristics in each country. Among those characteristics that
influence the renewal strategies are such as society formation, housing stock, demography and family structure. Nevertheless stagnant growth in both economy and population, increasing of ageing society, shrinking in household size and increasing of one-person households are the similarities in most of the developed countries. These resulted similarities in renewal strategies such as sharing policies in order to optimise the resources due to the shrinkage in household size; the provision of community and welfare facilities for ageing society as one of the priorities due to the increasing of ageing population; and the encouragement of migration-in to the country in order to maintain the population growth resulted multi-ethnic society that led to education and training for newcomers. In general resource optimisation in neighbourhood renewal is refers to the utilisation of local resources, e.g. physical rehabilitation of ageing buildings and common facilities, urban redevelopment for better land use efficiency and profit return, utilisation of local cultures as part of tourism-based business developments etc.

Diversity aimed for resource sustainability is the common practice. Function-mix in term of space sharing and mixed-development as well as social-mix in term of socio-economy backgrounds are the main practices in these countries aimed for better utilisation of local resources in accordance to the changes in demography and the needs of local communities. For example, vacant units were developed as café or workshop in Sanbokdoro Renaissance Project whereas physical rehabilitation of ageing buildings is the main strategy in Singapore and Hong Kong aimed to extend the building lifespan. Unlike most of the public housing in the world that focus mainly on low income group, there is no segregation in term of income level for the purchasing of public housing in Singapore. This is one of the approaches that prevent social climbers from out-migration. These social climbers are essential as they are the key persons who are able to maintain quality of life meanwhile to spearhead renewal programmes in their neighbourhood. Furthermore, sharing economy is one of the fastest growing sectors and has been implemented in these countries at global level. The Seoul Metropolitan Government has pursued this concept by declared Seoul as “Sharing City” whereas England and Singapore aimed to become the global hub for this rapid growing sector. It is a concept that promoted information sharing for better resource consumption. The current sharing economy activities in these countries emphasis on profit-oriented business through cost savings and utilisation of existing resources.

In Malaysia, demolition and reconstruction of new buildings with higher plot ratio is the main strategy aimed for resource optimisation. This triggered urban issues, e.g. gentrification, imbalance developments, income disparities etc. Neighbourhood renewal at local level which emphasis on diversity is to be implemented with the main target is to minimise the urban issues. Re-using of vacant units, space sharing for community programmes, social mix in term of income level such as the one in Singapore shall be implemented during neighbourhood renewal. One of the examples aimed for diversity will be the establishment of ‘Share Town’ at neighbourhood level. Sharing economy at neighbourhood level shall be implemented with the focus to be given to socio-cultural aspect that aimed for better social interaction, seconded by utilisation of existing resources from economic and environmental-physics viewpoints. For example, space sharing in order to save the travel time and for a better social interaction within a neighbourhood. In Malaysia, school hours for different grades is different in which most of the parent will require to travel a few times in a day in order to pick up his/her children who study in different grades (Mr. X). In the meanwhile for those working parents, foreign maid is their only choice in order to take care of their children and elderly during weekdays (Mr. Y). ‘Share Town’ enables both families (Mr. X and Mr. Y) to exchange information and ideas in which Mr. Y who live adjacent to school may offer
Mr. X place to rest for a few hours and as a return, Mr. X may help to prepare lunch for Mr. Y’s family. This is a win-win situation in which Mr. X will save the travel time and cost whereas Mr. Y will need not to hire a foreign maid by utilising the existing resources. As ‘Share Town’ is to be implemented within a neighbourhood, it helps to establish better social interaction among the neighbours and reduce the fraud risk as it is contain within a neighbourhood. In addition, it promotes the utilisation of existing resources as well as time and cost savings. Unlike the sharing economy at global level that aimed for profit-oriented businesses, ‘Share Town’ encourages the information sharing that benefited the local communities in a more holistic approach in which it accentuates not only the economic and environmental aspects, but to include socio-cultural aspect.

Fig. 6. ‘Share Town’ at neighbourhood level [6]

5. Conclusion and recommendation

In sum, neighbourhood renewal have been implemented in South Korea, England, Singapore and Hong Kong decades ago resulted a more mature system in terms of resource provision with the integration of people-, place- and system-based policies. These include project selection, funding, local engagement, education and training, consultations etc. Nevertheless they faced similar challenges, i.e. a fair and equitable project selection system, provision of sustainable funding and real local engagement. In Malaysia, economy-based urban redevelopment is the main activity in term of urban regeneration. Neighbourhood renewal, mostly initiated by the local residents, has been ongoing in small scale despite rules and regulations pertaining to neighbourhood renewal yet to be established. Study indicated that government and local authorities shall not be the main players in the determination of project selection and project scale as these may be affected by external factors, e.g. economic and political aspects. A sustainable neighbourhood renewal emphasis on real participation, i.e. local communities shall be the one who initiate renewal programmes whenever is necessary through the collaboration with private sectors and consultation from specialists. Government and local authorities shall act as resource providers rather than implementers. With this, a self-reliance policy can be established with the aim to ensure the entire nation share the similar opportunities to improve, maintain or upgrade their quality of life. As every country has their identities and characteristics, the planning and implementation of the neighbourhood renewal in each country is different. Elements that need to be taken into consideration during the planning and implementation of neighbourhood renewal inclusive of project goals, demography, housing stock, income level, history and cultural, deterioration assessment and potentiality analysis. Resource optimisation through diversity in function and social is the key strategy in most of the developed countries in view of the stagnant growth in both population and economy. Sharing economy shall be implemented at neighbourhood level in order to enhance the neighbourhood renewal programmes in a more holistic approach.

The practicality of neighbourhood renewal in Malaysia with the base reference of the identified elements in this paper shall be studied in future to form better neighbourhood renewal policy and strategies in the country. These include the practicality of local engagement that initiate neighbourhood renewal.
How can the development of neighbourhood renewal strategies in Malaysia be informed by best practice and transferable lessons from developed countries

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