# IMPROVING SERVICE QUALITY OF PUBLIC HOUSING (CASE STUDY OF RUSUNAWA IMPLEMENTATION PROGRAM IN KUDUS, CENTRAL JAVA, INDONESIA)

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### ABSTRACT

Development of housing and settlements are still faced with three main problems is the limited supply of homes, increasing the number of homes households who occupy inadequate housing habitation and is not supported by infrastructure, environmental facilities and adequate public utilities, as well as the growing slums widespread. Government issued policy to solve the housing problems, by providing public housing for low-income societies. Construction of flats is one of the alternative solutions to problems of housing and settlement needs, especially in urban areas that the population continues to increase due to the construction of flats can reduce the use of land, open spaces make the city a more spacious and can be used as a way for urban renewal for the slum areas.

Rusunawa in Kudus regency is a new public housing policy of Kudus local government. Unfortunately, there are many problems occurs in Rusunawa Management. First, the service quality of public housing still low. Second, the condition of dwelling less feasible because the number of leaks that cause inconvenience to live in. There are many damages at building amenities and it takes a long time to start fixing them. Third, some rent arrears are not paid by the occupant thereby affecting the quality of service to residents.

The objectives of the research are to describe, to analyze, and to interpret things as follows: (1) The management of Rusunawa implementation program in order to improve service quality, (2) Improving service quality of Rusunawa program by the authorities, (3) Supporting and constraining factors in implementing Rusunawa program The approach taken to achieve that goal is a qualitative approach with descriptive research methods. The information required in the existing analyzes of the target is through in-depth interview process to the stakeholders, especially residents of the more competent in delivering the necessary information. In addition to interview information can be obtained by field observations in the form of image documentation.

From research findings, there are some records that should be highlighted as follows: (1) Rusunawa construction and its supervision influence the building quality. Low performance of those service providers will result in low building quality and vice versa. (2) Rent arrears are higher, an indication of dissatisfaction Rusunawa residents during they stay there. They consider that it is not necessary to pay the rent, because their leaky shelter is not immediately addressed by management. (3)The supporting factors of Rusunawa program, including a) the political will of government, b) Political will is contained in the budget should be adequate. c) Government should provide land and preparation of active management and provide for its maintenance budget. d) Networking horizontal and vertical needs to be strengthened. Those can be inhibiting factors if they are not implemented well.

Keywords: public housing, Rusunawa, service quality, building condition, residential satisfaction

#### **CHAPTER I**

#### **INTRODUCTION**

#### **1.1. Research Background**

Housing is one of the basic needs of human being, on a level with food and clothing. The needs of housing have to be fulfilled by the state. As a fundamental and basic rights as well as a prerequisite for any person to survive and enjoy a life of dignity, peace, security and comfort the provision of housing and settlements that meets the principles of decent and affordable for all people has become a global commitment as stated in Habitat Agenda (The Habitat Agenda, Istanbul Declaration on Human Settlements) and Millennium Development Goals (MDGs) as cited Widoyoko (2007). To that end, the Government is responsible for helping people to live and to protect and enhance quality of settlements and the environment. Government has important role to give excellent service in public sector, included public housing.

Sutopo and Suryanto (2006, 9) noted that based on the functions of government in the public service there are 3 (three) service functions, i.e. environmental service, service development, protective service. Protective services include screening and investigation of complaints. Services provided by government can be distinguished based on who can enjoy or obtain the impact of a service, whether a person individually or in groups or collectively for that needs to be made that the concept of service goods in consists essentially of the type of goods private services (private goods) and goods services are enjoyed collectively (public goods). Public service becomes one of indicator of government performance in implementation program. One indicator of customer satisfaction is the absence of complaints of customers. However, in practice, customer complaints will always be there.

According to Janet Denhardt and Robert Denhardt (2007, 42-43) there are seven Principles of The New Public Service, as follows: 1) serve citizens, not customers; 2) seek the public interest; 3) value citizenship over entrepreneurship; 4) think strategically, act democratically; 5) recognize that accountability isn't simple; 6) serve rather than steer; and 7) value people, not just productivity. However, in Rusunawa implementation program those principles cannot be applied well. Additionally, Common, Flynn and Mellon (1992, 92-93) noted that the application of delivering a good service to ask some basic questions: who, what, where, when, how and why are more than sophisticated enough for the purpose.

Furthermore, the 5C Protocol of Successful Policy Implementation and communication as the sixth C (Brynard, 2005 : 21) also has some obstacles in reality. For example, good communication between government and villagers was not well-established when authorities had decided the location of Rusunawa. As a result, some villagers refused the construction of Rusunawa because they concerned about the social economic impact.

Denhardt and Denhardt (2007, 92) stated that the public interest is the result of a dialogue about shared values rather than the aggregation of individual self-interests. Government as public servants should focus on building

2

relationships of trust and collaboration with and among citizens rather than respond to the demands of "customers". It is important to get trust from citizens because of their trust government can implement their programs successfully. Nevertheless, in the reality citizen especially low income people do not have trust and participation in implementation of public housing policy, because some problems occur in its implementation.

Development of housing and settlements are still faced with three main problems is the limited supply of homes, increasing the number of homes households who occupy inadequate housing habitation and is not supported by infrastructure, environmental facilities and adequate public utilities, as well as the growing slums widespread. The high rate of population growth causes the low housing quality. This condition is deteriorated with limited land existing for settlements in urban areas. Furthermore, low-income communities are not able to build a healthy and decent houses result in the existence of squatter settlements and slums in urban areas.

In general, the slums face problems such as: (1) building area is very narrow with a condition that does not meet the standards of health and social life, (2) condition of the building that houses huddle together so vulnerable to fire hazard, (3) lack of clean water, (4) inadequate and complicated of electrical network, (5) drainage and lane are very poor, and (5) availability of public toilet facilities are very limited.

Rusunawa in Kudus regency is a new public housing policy of Kudus local government. This program comes from Ministry of Public Work and is adopted to overcome the problems that arise in the provision of housing for low income community. Rusunawa began operationalized in August 2010 with the issuance of Peraturan Bupati/ Regulation of Regents number 10 year 2010 about Pengelolaan Rusunawa (Rusunawa management). Unfortunately, there are many problems occurs in Rusunawa Management such as; determining the form of management (by Technical Unit/ Unit Pelaksana Teknis/ UPT or managed by Tim Pengelola/ team management). Bupati/ Regent decided that Rusunawa was managed by team management (5 people) from personnels in Section of Housing and Settlements in Dinas Cipta Karya & Tata Ruang (Infrastructure and Spatial Planning Agency of Kudus). These personnel have additional duties to manage Rusunawa, beside they have other assignments related to their position in Housing section. It is very hard duty to manage Rusunawa that has very complexities related to the number of household (162 household), widen scope of activities (daily activities, social interaction), and providing facilities and services.

As a result, there is continuum problems appeared in Rusunawa management. First, the service quality of public housing still low, such as dwelling unit condition, security, utilities, facilities, cleaning service. A low service quality in Rusunawa cause many occupants give a complaint to the team management. Second, there are many damages at building amenities and it takes a long time to start fixing them. Third, some rent arrears are not paid by the occupant thereby affecting the quality of service to residents (electricity and water cut). Indeed they ignore the warning letter several times, and arrears of rent up to the millions of rupiahs. Furthermore, level of occupancy in Rusunawa still low at the beginning (approximately 20 from 198 dwelling units had been occupied). Almost all of dwelling units has been occupied now, except 36 dwelling units cannot be occupied because of heavy damages. However the damage caused by the leak has been repaired by the contractor.

Based on theoretical and empirical problems above, it would be a useful research to find solution of those problems. Finally, the researcher will take a research about "Improving Service Quality of Public Housing (Case Study of Rusunawa Implementation Program in Kudus, Central Java)"

### **1.2. Research Question:**

Problems and obstacles faced by regency in the effort to manage Rusunawa are, among other things:

- 1. How the management of Rusunawa Program be implemented?
- 2. How do the authorities improve the service quality in Rusunawa program?
- 3. What are supporting and constraining factors in implementing Rusunawa program?

#### **1.3. Research Purposes**

Referring to the outlined above, the objectives of the research is to describe, to analyze, and to interpret things as follows:

1. The management of Rusunawa implementation program in order to improve service quality

- 2. Improving service quality of Rusunawa program by the authorities.
- 3. Supporting and constraining factors in implementing Rusunawa program

#### **1.4. Research Benefits**

- Theoretically, this research will contribute to the enrichment of the knowledge and study of public administration and public housing management at local level. This research will provide new ideas to find a new concept in improving services in public housing. For the next researcher who has interest in the public housing management, this research will be useful as comparison and provide useful contribution.
- 2. Practically the result is expected to give a better recommendation to central and local governments in issuing a public housing management in the future. This research is expected to be a consideration in public housing policy, especially in improving the quality of public housing sector to build a prosperous society in Kudus in the future. This study is also expected to provide input or solution for stakeholders to solve the problems in housing sector.

## **CHAPTER II**

## THEORETICAL REVIEW

## 2.1. Previous Study

Studying in terms of public housing has been done by some researchers, as described on the table 2.1, as follows:

No	Writer	Focuses	Result
1.	Arif Darmawan Kusumanto (2011) "Analyzing Urban Redevelopment based on Environmental Behavior: A Case of Rusunawa Resident Behavior in Surabaya City, Indonesia	Residents behavior Resident's awareness Qualities of the settlements	The positive correlation between the qualities of the settlements and resident's awareness. The level of density and crowding is positively correlated with the behavior among residents.
2.	Hartatik, Purwanita Setijanti, Sri Nastiti (2010) The Improvement of Occupant's Quality of Life in Rusunawa Urip Sumoharjo Post Redevelopment	Redevelopment concept of Rusunawa Rusunawa planning changes Satisfaction levels of occupancy Development quality of life	The occupants are satisfy with the redevelopment results. The occupants have satisfied with Rusunawa condition have improve of their quality of life.
3.	Nor Aini Salleh, Nor'Aini Yusof, Abdul Ghani Salleh, and Noraini Johari (2010): Tenant Satisfaction in Public Housing and its Relationship with Rent Arrears: Majlis Bandaraya Ipoh,	Residential satisfaction: Building features and condition, socio economic characteristic, neighborhood qualities, the management	Tenant satisfaction is related to the rent arrears problem. Although the payment of rent is commonly focused on the ability to pay rent apparent amongst tenants, the fact remains that tenant satisfaction must also be considered by the

## Table 2.1. Previous Study

Perak, Malaysia	public housing management in
	to increase the payment of rent
	by tenants.

From the previous studies on the table, we can see that there are some similarities and differences with the writer's study. All of the former studies discuss about public housing, especially rental flat housing. Some of them discuss about residential satisfaction (satisfaction of occupancy), but no one of them discuss about service quality of public housing from provider.

### 2.2. Public Administration and Public Service

In the context of Old Public Administration, government provide public service through public organizations that public organization operate the most efficient system as a closed system, so the society involved in government are limited. The main role of public administrator was limited clearly with planning, organizing, and civil service management, directing, coordinating, reporting and budgeting (Denhart & Denhart, 2007).

The New Public Management suggests that public managers "steer rather than row", that they move toward becoming monitors of policy implementation or purchasers of services rather than being directly involved in service delivery itself. The NPM works with contracting out the service provision. Using private sector and business approaches in the public sector, in other words, "runs government like a business" (Denhart & Denhart, 2007). New Public Service is a set of ideas about the role of public administration in the governance system that places citizens at the center. Citizens and public interest are at the center that those who interact with government are not simply customers but rather citizens. Government should not first or exclusively respond to the selfish, short-term interests of "customers". Government must be responsive to the needs and interests of citizens. The New Public Service recognizes that those who interact with government are not customers but rather citizens (Denhardt & Denhardt, 2007). The complexity of government's interactions with citizens and clients marks all efforts to improve service quality in government.

There are seven Principles of The New Public Service according to Janet Denhardt and Robert Denhardt<sup>1</sup>:

- Serve Citizens, Not Customers: The public interest is the result of a dialogue about shared values rather than the aggregation of individual self-interests. Therefore, public servants do not merely respond to the demands of "customers," but rather focus on building relationships of trust and collaboration with and among citizens.
- 2. *Seek the Public Interest:* Public administrators must contribute to building a collective, shared notion of the public interest. The goal is not to find quick solutions driven by individual choices. Rather, it is the creation of shared interests and shared responsibility.

<sup>&</sup>lt;sup>1</sup>Denhardt and Denhardt, 2007, The New Public Service, Serving Not Steering, page 42-43

- 3. Value Citizenship over Entrepreneurship: The public interest is better advanced by public servants and citizens committed to making meaningful contributions to society than by entrepreneurial managers acting as if public money were their own.
- 4. *Think Strategically, Act Democratically:* Policies and programs meeting public needs can be most effectively and responsibly achieved through collective efforts and collaborative processes.
- 5. *Recognize that Accountability Isn't Simple:* Public servants should be attentive to more than the market; they should also attend to statutory and constitutional law, community values, political norms, professional standards, and citizen interests.
- 6. Serve Rather than Steer: It is increasingly important for public servants to use shared, value-based leadership in helping citizens articulate and meet their shared interests rather than attempting to control or steer society in new directions.
- 7. *Value People, Not Just Productivity:* Public organizations and the networks in which they participate are more likely to be successful in the long run if they are operated through processes of collaboration and shared leadership based on respect for all people.

Sharp (1990, 72) stated that there are four areas of citizen participation other than electoral involvement:

- Open government policies like public hearings requirements and open meeting laws that pave the way for direct monitoring, oversight, and input into public decision making by citizens.
- 2. Information-gleaning devices such as citizens' survey and government units for handling citizen complaints about individual concerns.
- 3. Neighborhood organization activity.
- 4. Coproduction strategies that bring the citizen into collaborative operations for service delivery alongside public service professionals.

The growing interest in cooperation between public and private parties has been at least partially influenced by economic, social, political and cultural changes. As a consequence, the question is increasingly voiced whether certain issues could not be dealt with more effectively and efficiently by joint action of public and private parties, rather than their acting in isolation<sup>2</sup>.

Because Public Private Partnership for most physical infrastructure projects are monopolistic and because they provide services that were provided by public sector, there is likely to be a role for local government. Local governments need not to be involved in the construction of the asset nor should they be involved in day to day management and delivery of services provided by this asset. Instead, the government should through a carefully drawn up contractual agreement, set the terms and conditions for service delivery, funding and quality and establish performance standards or measures to be met. In addition, government involvement might consist of setting up a price regulatory

<sup>&</sup>lt;sup>2</sup>John Pierre, Debating Governance. Authority, Steering and Democracy, page 150

system or introducing monitoring practices that could include the establishment of performance measures.

## 2.3. Service Quality

Quality in public services is recognized as the right of all citizens. There has been a variety of efforts to define public sector service quality according to Carlson and Schwarz (1995, 29) as cited Denhardt and Denhardt. One especially comprehensive list developed for local government includes the following<sup>3</sup>:

- *1. Convenience* measures the degree to which government services are easily accessible and available to citizens.
- 2. *Security* measures the degree to which services are provided in a way that makes citizens feel safe and confident when using them.
- 3. *Reliability* assesses the degree to which government services are provided correctly and on time.
- 4. *Personal attention* measures the degree to which employees provide information to citizens and work with them to help meet their needs.
- 5. *Problem-solving approach* measures the degree to which employees provide information to citizens and work with them to help meet their needs.
- 6. *Fairness* measures the degree to which citizens believe that government services are provided in a way that is equitable to all.
- 7. *Fiscal responsibility* measures the degree to which citizens believe local government is providing services in a way that uses money responsibly.

<sup>&</sup>lt;sup>3</sup>Denhardt and Denhardt, 2007, The New Public Service, Serving Not Steering, page 61

8. *Citizen influence* measures the degree to which citizens feel they can influence the quality of service they receive from the local government

To run a successful service operation requires different managerial talents and attitudes from the needs of an administrative or allocative bureaucracy. It is important to ask some basic questions: who, what, where, how and why in order to deliver a good service. Who is the service for, what do they receive, when do they need to receive it, where do they need to go to get it, how is it delivered to them and why – why is it delivered in this particular what-where-when-how combination?<sup>4</sup>

Public service managers face a whole range of dilemmas and contradictions when trying to improve the quality of their services. They need to be clearer about the quality characteristics that need to be improved or conserved, and about the public sector values and objectives that inform the negotiations about what is important. According to Lucy Gaster (1995, 52) the dimensions of quality can be defined in three ways: the technical (what?) dimension, the non-technical (how?) dimension and the environmental (where?) dimension. Doherty and Horne (2002, 151) also mentioned 3D model of quality in public services:

- The physical dimension The services attention to the congeniality of its setting
- 2. The technical dimension The service's application of up to date technology
- 3. The social dimension The service's ability to form close relationships.

<sup>&</sup>lt;sup>4</sup>Common, Flynn and Mellon. 1992. Managing Public Services, Competition and Decentralization. Page 92-93

McKevitt (1998, 52) noted that the gaps on the service provider scale are as follows:

- Difference between citizen-client expectations and management/ provider expectations;
- Difference between management/ provider perceptions of citizen-client expectations and service quality expectations;
- Difference between service quality expectations and the service actually delivered;
- 4. Difference between service delivery and what is communicated about the service to the citizen-client;
- 5. Difference between perceived service and expected service.

There are five determinants of service quality which are ranked in order of importance to customers:<sup>5</sup>

- 1) Reliability service dependability;
- 2) Responsiveness willingness to help customers;
- 3) Assurance courtesy, trust and confidence;
- 4) Empathy caring, individualized attention;
- 5) Tangibles appearance of the physical environment of the service provider.

Kanter and Summers (1987) as cited McKevitt (1998) noted that the problem in the public services is not how to measure but what to measure. They see performance measurement as serving three distinct functions: the institutional (the attraction of resources from the environment and the renewal of

<sup>&</sup>lt;sup>5</sup>David McKevitt, 1998, Managing Core Public Services, page 53

organizational legitimacy), the managerial (internal allocation decisions and corrections to the structure and processes of the organization), and the technical (the efficacy and quality of service delivery).

Excellent service is a service that satisfying the customer. One indicator of customer satisfaction is the absence of complaints of customers. However, in practice, customer complaints will always be there. Service provider organization must respond and deal with customer complaints to interests and customer satisfactions. To that end, service providers need to know the sources of customer complaints and find ways to address customer complaints. According Endar Sugiarto (1999) as cited Sutopo and Suryanto (2006), complaint customers can be categorized / grouped into four, namely:

1. Mechanical Complaint (Complaint Mechanical).

Mechanical complaint is a complaints submitted by the customer with respect to the non-functioning equipment purchased / delivered to such customers;

- Attitudinal Complaint (Complaint due attitude of service personnel)
   Attitudinal complaint is a complaint customers arising from the attitude
   negative at the time of service personnel serve customers. It can be
   perceived by customers through attitude regardless of the care workers
   to customers;
   Output
   Description:
   De
- Service Related Complaint (complaint associated with the service).
   Service related complaint is a customer complaint because things are related to the services it own.

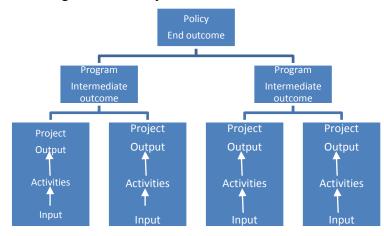
15

4. Unusual Complaint (Complaint odd)

Unusual complaint is a customer's complaint that the officer is peculiarities (not fair / not public). Customers who complain like this psychologically real are the people whose lives are not happy or lonely.

#### 2.4. Policy Structure and Stakeholders

Miyoshi (2012, 68) noted that in the context of evaluation, the relationship between ends and methods is conceptualized as a "program theory" or "logic model". Most evaluation addresses causal relationships between constituent elements of the subject policies, programs and projects: end outcomes (effects manifested as change in the society in question), intermediate outcomes (effects manifested as change in target groups, including both individuals and organizations), outputs (goods and services generated by the activities), activities (actions taken in order to apply inputs to the generation of outputs), inputs (human and material resources, operating funds, facilities, capital, expertise, time, etc.). Thus the subject of evaluation is the theory that forms policy structure (Figure 2.1. as example). The actual content of the evaluation will depend on what one wants to know and the three activities are sometimes implemented separately, with measuring performance known as "performance measurement", examining implementation processes as "process evaluation", and clarifying causal relations as "impact evaluation".



## Figure 2.1. Policy Structure Model

A policy structure can practically function only if it can be recognized at each level of policy, program and project and each of such recognition is harmonized with each other. Therefore, in order to define a policy structure, it is necessary to clarify how and by what mechanism each policy, program and project are recognized by the respective organizations or administrative agencies in their actual activities. Table 2.2. is example of a program theory matrix.

Policy	Program	Project		
(End Outcome)	(Intermediate Outcome)	(Output)	(Activity)	(Input)
EOC	IOC1	OP1/1	A1/1	IP1/1
		OP1/2	A1/2	IP1/2
	IOC2	OP2/1	A2/1	IP2/1
		OP2/2	A2/2	IP2/2

In the case of a project, the recognition of end outcomes tends to be weak and, where the focus of recognition is placed on activities or inputs, the recognition of intermediate outcomes or results becomes also weak.

In the case of a program, its focus is placed on intermediate outcomes and, in order to achieve these intermediate outcomes, a project, namely a set of multiple outputs, is recognized. Then, the program's effects on the policy, which appear in the form of end outcomes, are recognized and, as a result a program is recognized. When recognizing a policy, intermediate outcomes are recognized in terms of what policies should be adopted or what target groups should be selected to achieve end outcomes, namely the expected change in society. Then, outcomes are recognized in the viewpoint of what projects comprise the program<sup>6</sup>.

Stakeholder is a person, group, organization, member or system who affects or can be affected by an organization's actions. Project stakeholder is a person, group or organization with an interest in a project. Beneficiaries refer to the persons and the communities that utilize the project outputs, *i.e.*, the entities that development-aid project. Stakeholders can be divided into primary stakeholders (Those who are ultimately affected, i.e. who expect to benefit from or be adversely affected by the intervention is those with high power and interests) and secondary stakeholders (Those with intermediary role is those with high interest but low power, or high power but low interest)<sup>7</sup>.

<sup>&</sup>lt;sup>6</sup> Miyoshi, Okabe and Banyai. 2012. Community Capacity and Rural Development: Reading material for JICa Training Programs. Page 97

<sup>&</sup>lt;sup>7</sup> Islamy, Irfan. 2011. Public Policy Analysis. Lecture material of Double Degree Class, Brawijaya University

#### **CHAPTER III**

#### **RESEARCH METHOD**

#### **3.1.** Type of Research

This research will use qualitative method. There are two dominant paradigms in qualitative research: the interpretive paradigm (ethnography, phenomenology, grounded theory) and the critical paradigm (feminist or action research)<sup>8</sup>. Ethnography focus on understanding cultural rules, observer role includes some participation in the situation, and observation is a key data collection method, with informal and formal interviewing.

Phenomenology paradigm focuses on exploring a phenomenon in depth and may include "lived experience". Grounded theory focus on developing theory inductively from the data, relies on iterative process of data collection and data analysis, and generating hypotheses which are then tested through data collection. Whereas action research focus on attempts to bring about change in practice during the research, and attempts to influence the real world through a spiral process of change and evaluation.

In addition, feminist research focuses on non-threatening and nonhierarchical relationship between researcher and participants. It has two-fold goal:

(1) To raise consciousness of women's issues

(2) To empower women as a result of the research

<sup>&</sup>lt;sup>8</sup>Endacott, R., Clinical research 4: Qualitative data collection and analysis ..., Accident Emergency Nursing (2007), doi:10.1016/j.aaen.2006.12.002

The researcher tends to use phenomenology paradigm because she has been working in housing section at Kudus local government and involved in Rusunawa management. The researcher explores phenomenon in depth and include her 'lived experience'.

#### **3.2. Research Focus**

According to the theme and goals which have been determined by researcher, hence this research is focused on:

- 1. Managing Rusunawa implementation program, among others:
  - a. Rusunawa program consists of pre-construction, construction and postconstruction (management, occupancy, services and maintenance).
    Rusunawa pre-construction includes providing site/ land, building permits, electrical connection to PLN and drinking water. Rusunawa construction consists of planning, construction and supervision.
    Rusunawa post-construction explains residents' role to improve Rusunawa program and some incidents in occupancy (related to occupant's behavior and tendency of rent arrears).
  - b. Rusunawa management form (ad hoc/ team management, UPT (Technical Unit). To decide what is the ideal form in managing Rusunawa, the writer try to analyze strengths and weaknesses of both forms.
- 2. Improving service quality in Rusunawa program, among others: residential satisfaction, condition of dwelling unit, facilities such as clean water, electricity, garbage and cleaning service. This research also examines about

relationship among building and service quality, residential satisfactions, rent arrears and expulsion.

3. Supporting and constraining factors in implementing Rusunawa program, among others: 5C Protocol (content, context, commitment, capacity, clients and coalition) and communication. Those factors also added by M.Yusuf Asy'ari (as informant in this research), based on his experience as Minister of Public Housing in 2004-2009.

#### 3.3. Location

The location is concentrated in Rusunawa (Desa Bakalan Krapyak, Kecamatan Kaliwungu) Regency of Kudus, Central Java Province. As the places where multi storey residential building (MSRB) was built for the first time as a means of housing provision program, Rusunawa Bakalan Krapyak in Kaliwungu district have been chosen as the research location. Study in this location has been widely conducted for the first time.

This location is chosen for some reasons, among others:

- Kudus local government has a lack of experience in manage Rusunawa because it is a new policy in providing public housing.
- Most of the residents in Rusunawa Kudus feel that management still have some weaknesses which result in the low service quality.
- Uncertainty management in Rusunawa in which there is contradiction between Regent Regulation Number 10 Year 2010 about Rusunawa Management (UPT will be created to manage Rusunawa) and rejection from

Bupati to establish UPT Rusunawa by giving order to form team management Rusunawa.

• The researcher has been working in housing section at Kudus local government and involved in Rusunawa management. It will be useful to give contribution to Kudus local government by finding problem solutions related Rusunawa management.

### 3.4. Sources of Data

In this research, the data used can be divided as primary data and secondary data that can be collected from informant, phenomenon on the location, and related documents. Conducting the research, researcher use some sources of data as follow:

- a. Informant. The informant is chosen from local government (Dinas Cipta Karya dan Tata Ruang, Bappeda, related agencies), and people who involved in implementing Rusunawa program such as occupants, personnel (contractual labor), team management.
- b. Phenomenon. The phenomenon is gotten from the process of planning, implementing, and managing Rusunawa program and its environment
- **c.** Documents (Government regulations, photos, proceeding, books, journals, shop drawing, browsing internet, etc)

## **3.5. Data Collecting Process**

For this research, the writer conducts data collection into two types of data;

- 1. The primary data is collected by interviewing with capable sources and observation to the Infrastructure and Spatial Agency of Kudus, which are responsible for implementing Rusunawa program.
- 2. The secondary data is collected from the beginning of this research; includes many documents such as text books, photos, proceeding, journals, shop drawing, browsing internet, etc).

This qualitative research uses two methods:

- *a. Purposive sampling.* It is conducted on this research to search information about management Rusunawa, including interviews the authorities, investigating government reports and documents, and related websites.
- b. *Snowball sampling*. This method focuses on service quality in Rusunawa, by interviewing occupants to know the satisfactory level of Rusunawa management/ service quality of public housing.

In the process of gathering data, researcher include some ways of acquiring data, by exploiting data through the complex technology of internet and research journals, observing to the field directly, and interviewing some people who used to occupy Rusunawa, the team management in these sense persons who have been managing Rusunawa. The major method used to collect qualitative data include: participation in the group setting or activity, personal and group interviewing, observation, and document analysis.

In a practice, researcher observes and processes the data. In addition, to acquire data and possibly accurate information, researcher tries to occupy herself on a neutral position.

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All results of interview and perception are reconstructed to become the bundles of field note, and later the researcher conduct in data processing and interpreting.

## 3.6. Data Validity

To see degree of the truth of research results, researcherl conduct a technique of inspection by checking off the field data, theory, and technique of data analysis. These steps lead the data to be trustworthiness.

According to Lincoln and Guba, there are 4 (four) criteria to scrutinize the validity of data<sup>9</sup>:

- 1. Credibility, refers to the acceptance of the reader and the approval from respondent to the outcome of the research.
- 2. Transferability, refers to the effort to generalize the research outcome to the wider population by considering the empiric problems which rely on the same perception of contributor and acceptor.
- 3. Dependability, refers to the accurate data supported by the evidences which are taken from the locus of the research.
- 4. Conformability, refers to the objectivity of the research based on ethnics as a tradition of qualitative research. It can be achieved by auditing and examining all components, process and outcome of the research.

<sup>&</sup>lt;sup>9</sup> http://www.socialresearchmethods.net/kb/qualval.php

#### **3.7. Data Analysis Technique**

In analyzing data, researcher adopts a model of inductive data analysis, then, the data is processed by unitizing and categorizing to build descriptive. Ultimately, before configuring all data, researcher conducts an act of finding negotiation in order to avoid the researcher's attitude of feeling real correct. According Mc.Nabb, analysis of data includes there are activities. (McNabb : 369):

a. Data reduction

Data reduction involves selecting the most salient themes and constructs that emerge from data. It refers to the process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in written up field notes or transcription. Data reduction is a form of analysis that sharpens, sorts, focuses, discards, and organizes data in such a way that that final conclusion can be drawn and verified or can be seen as data condensation

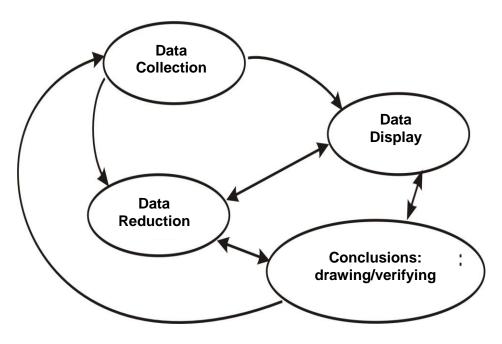
b. Data display

In data display phase the writer presenting the information of the most salient themes that have been selected in the first phase. Data display is an organized, compressed assembly of data and information that permits conclusion drawing and action. The display can be formed in many types of matrices, graphs, charts, and networks.

#### c. Drawing conclusions from the data

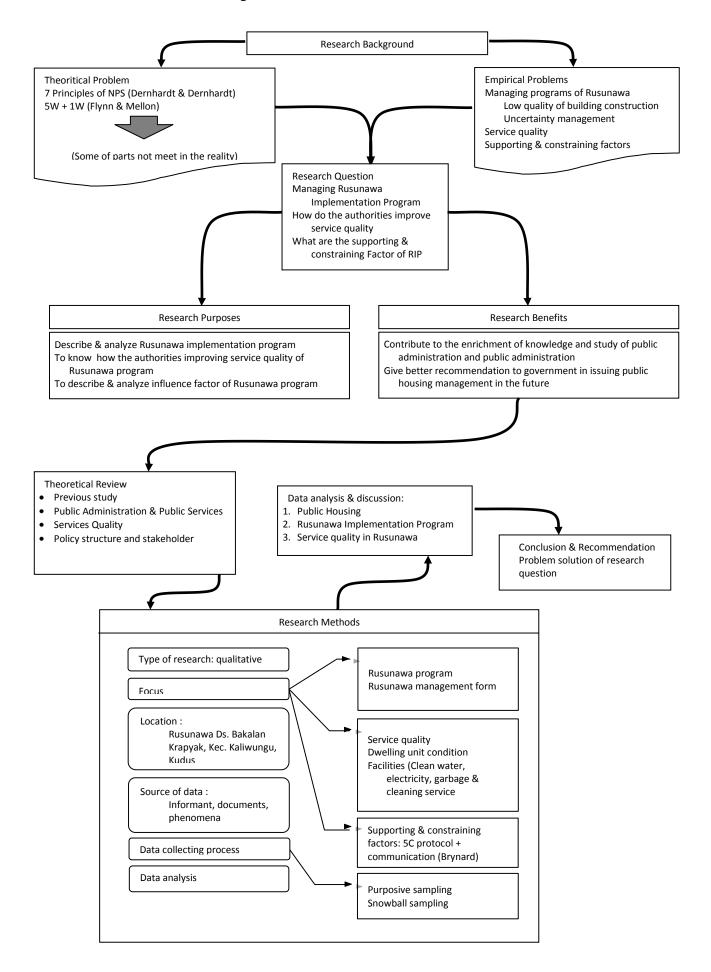
In this phase the researcher is force to interpret the results of the study. It is not enough simply to present the data as they appear, even if they have been effectively organized, categorized and structured. The research must explain what the data mean in relation to the study design and objectives and in term of their contribution to theory.

Figure 3.1. Component of Data Analysis: Interactive Model



Source: Miles and Huberman, 1994

### Figure 3.2. Research Framework



#### **CHAPTER IV**

# **PUBLIC HOUSING**

## 4.1. Public Housing in Indonesia

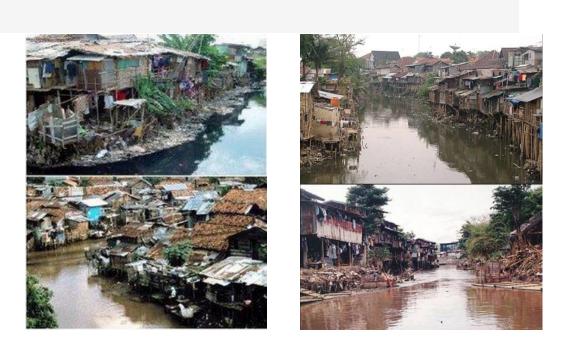
There are three fundamental problems faced in housing and settlements<sup>10</sup> Limited supply of houses is the first problem. The rapid population growth and house stairs lead to the need for new housing is increasing from year to years. Meanwhile, from the supply side, the numbers of houses built have not been able to meet the growth itself. Throughout the period 2005-2009, the additions of new household reach 3.6 million. It is not could be followed by the new houses construction that reach 2.5 million units. This condition is still coupled with the 555,000 housing units in poor condition that cannot be inhabited, so that shortage of houses (backlog) is estimated increased from 5.8 million units in 2004 to 7.4 million by the end of the year, 2009. Increasing the amount of backlog is still lower than predicted the first stage estimates RPJMN (medium-term national development plan) backlog growth will reach 11.6 million by the end of 2009, if not done handling.

Second problem is the increasing number of households who occupy inadequate housing habitation and not supported by the infrastructure, facilities and adequate public environment and utilities. In 2009, Estimated

<sup>&</sup>lt;sup>10</sup> Strategic Planning of Ministry of Public Housing Year 2010-2014, page 5-6, retrieved from bpa.kemenpera.go.id

4.8 million housing units in defective condition of the house with two of three basic structures (walls, floors, and roof) need improvement. In addition, by Welfare Statistics in 2008, 13.8% of households still inhabit the house with a dirt floor, 12.4% with the wall has not been permanent, and 1.2% lives in the house open to the leaves. Besides the issue of housing conditions, quality of a home was also measured by the level of accessibility to infrastructure, facilities, and utilities (PSU), such as the availability of clean water, electricity and toilets. In 2007, the Central Statistics notes that as many as 21.1% of households in Indonesia have not been able to access to clean water, as much as 8.54% of households still do not get electrical connections and as much as 22.85% of households have no access to latrines. The high number of people who live in homes that do not meet habitable standard is an indication of the economic conditions that still weak, so incapable of self-reliance to make improvements or improvement of the condition of the house where he lived. Therefore, the required interventions of government in improving housing conditions by integrate the physical aspects of buildings, the environment and supporting facilities.

Finally, the expanding slums are still faced in housing and settlements as fundamental problems, especially in urban area. Pressure development housing needs has shifted to urban areas as a result of urbanization. Number urban population has reached more than 50% of the total national population the concentration of growth in large cities and metropolitan. Land area not limited to urban areas to accommodate population growth and pressure in turn often led to irregular settlements, slums, and not livable. Handling of slums which causes the condition has not holistic slums cannot be overcome even area tends to increase. Result of United Nation Development research Program (UNDP) indicates the expansion of slums reaches 1.37% per year, so in 2009 a slum area estimated to be 57,800 ha of state before the 54,000 ha by the end of in 2004. Slum areas and squatter settlements in urban areas can be seen in the picture below.



Picture 4.1. Unfeasible housing and squatter settlements in urban areas Source: <u>http://www.google.co.id</u>

Those main problems caused by various factors as follows: regulations and policies that have not fully support the creation of a climate conducive to development of housing and settlements, limited access of lower-middle income people to existing land, weak settled assurance (secure tenure), long-term in low-cost funds does not available to improve access and purchasing power of lower-middle income people, lack of solid institutional organization of housing development and settlements, and utilization of housing resources and settlements are not optimal.

Public housing is a housing development that is publicly funded and administered for low-income families. It is a form of housing tenure in which the property is owned by a government authority, which may be central or local<sup>11</sup>. Rusunawa is one example of public housing in Indonesia. Its definition contained in the Minister of Housing Regulation Number 18/PERMEN/M/2007 is a high rise building built in an environment that is divided into parts functionally structured in horizontal or vertical. Each units used separately, the control status is lease and built by using the State Budget funds and / or Local Budget with its primary function as a residential.

# 4.2. Public Housing in Kudus

Kudus as one of Sub-Province in Central Java, located between 4 (four) sub-province that is in the bordering north side Jepara regency and Pati regency, in the east side with Pati regency, south side with Grobogan regency and Pati regency and bordering west side with Demak regency and Jepara. Administratively Kudus divided into 9 Districts and 123 Villages and 9 Villages. The total area of 42,516 hectares noted Kudus Regency or about 1.31 percent of the area of Central Java Province.

<sup>&</sup>lt;sup>11</sup> http://www.websters-online-dictionary.org

Total population of Kudus in 2010 stood at 746,606 people, consists of 379,020 souls of men (49.57 percent) and 385,586 female soul (50.43 percent). The density of population within five years (2006 -2010) tends to increase along with an increase in population. In the year 2010 stood at 1,798 people per one square kilo meter. On the other hand still has not been evenly spread population, Kota district is a densely populated district of 8,738 inhabitants per km<sup>2</sup>. Undaan is a lowest population density of 961 inhabitants per km<sup>2</sup>. There were 186,835 households in 2010, and obtained an average household size of 4.09.

The problem of limited land settlement has become a major problem in almost all cities in Indonesia, including in the Kudus regency. The growths of population density that rise rapidly cause the increase of land use demand for building/ housing. Overview of existing and normative land use in Kudus regency that was presented at the Coordination Meeting of the Regional Spatial Planning Coordinating Agency for the Kudus Regency can be seen in Table 4.1 and 4.2.

NO	TYPE OF AREA	WIDE (ha)
1	Forest	1,216
2	River	419
3	Building and settlement	8,557
4	Garden	2,582

Table 4.1. Overview of existing land use in Kudus regency

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5	Open area/ grass	88
6	Rice field	26,756
7	Shrub	1,332
8	Dry field/ farm	3,876

Source: Digitasi Citra Alos 2009, BPS , Ministry of Forestry 2010 and spatial plans of Central Java Province 2009 – 2029

Area of Kudus	42,516	ha
Forest area	3,593	ha
HL : protected forest	1,470	ha
HP : permanent	1,118	ha
production forests		
HPT : limited	1,005	ha
production forest		
Agricultural Land	30,901	ha
- Wetlands	20,579	ha
- Dry land	10,322	ha
Rest of the land	8,022	ha

Table 4.2. Overview of normative land use in Kudus regency

Source: Ministry of Forestry 2010 and spatial plans of Central Java Province 2009 - 2029

From two tables above, it can be concluded that there is rest of land for 8,022 ha. However area for building and settlement is approximately 8,557 ha. As a result the existing land use (building and settlement) in Kudus is more than the normative land use (over 535 ha). In conclusion, vertical housing (multi storey residential building) will be the best alternative to solve problem of limited land use for settlement, because it is able to provide more housing than horizontal type of residential building.

Rusunawa implementation program in Kudus regency was started since 2008 by built two twin-block Rusunawa consist of five stories building, each of level had 24 dwelling units, except first level that only had 4 units for difable (different ability) persons. Parking area, pray room, hall, gathering room, ground tank, mini-park are located in the first floor. Twin-block 1 and twin-block 2 are connected by a walkway connecting at the second floor.

Central government had allocated budget over 22.9 billion for construction two twin-block Rusunawa. At the end of 2011 Kudus obtained two additional Rusunawa that still in process of construction now. The building contract takes time for six months. Kudus local government as receiver of Rusunawa has duties to process building permit and provide area approximately 2 hectares that obtained from 'tanah kas desa' Bakalan Krapyak. According to Regulation of Minister of Internal Affairs number 4 Year 2007 *tanah kas desa* (village owned land) is village property in the form of cultivated land, graves and *titisara* (yield of village land for village purpose). Local government spent one billion to prepare the land and 15 million to rent it as rural asset. In addition, local government allocates fund (over 500 million) to build haw and electrical connection. Meanwhile, provincial government has built infrastructures such as, road and drainage in Rusunawa environment Facilities in Rusunawa Kudus consist of 198 dwelling units that have 24 m2 in width, hall or gathering room, mosque, parking area, fire protection, rubbish shaft, mini-park, electricity and clean water. Dwelling unit includes living room, bedroom, bathroom, kitchen, and balconies that well depicted in picture 4.2.



Picture 4.2. Dwelling unit plan Source: Infrastructure and Spatial Planning Agency of Kudus

Rusunawa residents are required to pay monthly rent as follows:

- a. rental rates for the 2nd floor is 165,000 IDR equivalent to 1,650JPY
- b. rental rates for the 3rd floor is 145,000 IDR equivalent to 1,450JPY
- c. rental rates for the 4th floor is 130,000 IDR equivalent to 1,300JPY
- d. rental rates for the 5th floor is 115,000 IDR equivalent to 1,150JPY

#### 4.3. Overview of Housing Situation

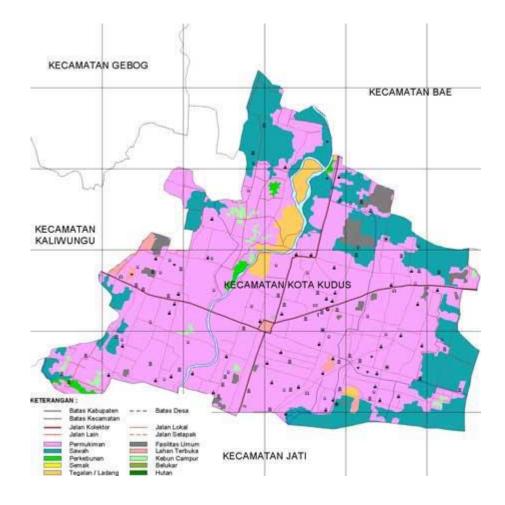
Kudus is an industrial city that has developed well in the economy, industry, trade, urban infrastructure, housing and settlements as well as population growth. Increasing population growth, development activity and uncontrolled urbanization in urban area result in the increasing demand of land for housing, industry, commerce, government and urban infrastructure rise sharply and condition of land is relatively fixed, this is going to create conflict of interests between the parties.

Rapid development and population growth will cause problems such as not well-organized areas intended for housing and settlements such as the shift of productive lands (fertile agriculture) into housing, settlement and green space. It will occur if government does not control the land use especially in urban area. The pace of housing development is built rapidly by individual and investors that urged productive lands and green space. Kudus local government has policy to improve the quality of the environment and public health with taking into account minimum requirements for housing and settlement, healthy, safe and harmonious.

Development of an area or a residential neighborhood and settlement by enterprises in the field of housing and settlement development, shall be held to realize housing and settlements with a balanced residential environment with a comparison of the houses number, simple house versus medium house versus mansion for 6 (six) or more versus 3 (three) or more versus 1 (one). Handling slum area actually needs to be done not only in slum areas that are part of the metropolitan and big cities, but it also needs to be done in the slum areas in the medium and small city. Handling slum areas in big cities, medium, and small cities become quite strategic when the region has a direct links to the parts of the metropolis like downtown metropolitan area, metropolitan area urban growth center, as well as other areas such as industrial zones, trade, warehousing, and offices.

Determination of criteria slum areas by taking into account various aspects or dimensions of suitability as a location with spatial planning, status (ownership) of land, the location / position of the location, population density, building density, physical condition, social, economic and cultural local community . In general, housing condition facing problems such as: (1) The building area is very narrow with conditions that do not meet the standards of health and social life; (2) Home conditions huddle each other making it vulnerable to fire hazard; (3) Lack of clean water; (4) Insufficient and intricate power grid; (5) Drainage is very poor cause flood; (6) Bad quality of roads; (7) Availability of toilets is very limited.

Kota sub district is urban area in Kudus regency, consist of 16 villages and 9 urban villages with densely populated settlements conditions. Recorded in 2009, Kota has a total area of 1047.31 hectares or 2.46% of the area of Kudus regency with the use of agricultural land for 175.9 ha or 16.8% of Kota and non-agricultural land 871.4 ha or 83.2% of the area of Kota. (Source: Kecamatan Kota in the figure; 2010). The land use in urban area of Kudus Regency can be seen in the map below.



Picture 4.3. Land use in urban area of Kudus Regency

The pink color is housing/ settlement area while the green one is field (agricultural land). From its map can be concluded that non-agricultural land dominates the land use in Kota sub district. As a result, vertical housing is the best solution to solve limited land and to fulfill housing demand in urban area. Housing demand in Kudus regency is high. From housing data base in Kudus regency, there are 16,173 homes which have one household and 5,135 home which have more than one household. So, there is one third of total household in Kota sub district who need their own house.

Kota does not have enough land for housing and settlements. Productive land increasingly pressured by the pace of housing and settlement development. Based on the number of households, number of existing homes is insufficient housing and settlements. Based on the number of house mix, many homes are used as a place of residence or place of conduct business. Based on building type and condition of the building, there are still many uninhabitable house used to live. Built housing investors and individuals in the Kota has been developed to meet the needs of housing and settlements in urban area. Housing and settlement development areas are directed to create residential neighborhoods with impartial housing environment include simple homes, medium homes and luxury homes with comparisons and specific criteria that can accommodate harmoniously among groups of various professions, levels of economic and social status.

#### 4.4. Policy Structure and Stakeholders

Policies and regulations related to Rusunawa Program, among others:

- 1) Law Number 16 Year 1985 about Flat (Rumah Susun)
- 2) Law Number 20 Year 2011 about Flat (Rumah Susun)
- 3) Government Regulation No. 4 of 1988 about Flats
- Regent Regulation Number 10 Year 2010 about Rusunawa Management

 Regulation of the Minister of Housing Number 18 Year 2007 on Guidelines Flats Rental Rates Calculation Funded by the State Budget and Local Budget.

In supporting the effort of the Government to fulfil the right of adequate housing in Indonesia, Law No. 1 of 2011 on Housings and Residential Areas is enacted. The law regulates the development system of housing and residential area as an integrated system which provides basic infrastructures. The law aims to guarantee the sustainable and integrated planning and development of housing and residential areas that are adequate and affordable, within a healthy, secure, harmonious, and prosperous environment. The development of residential areas/housing has to be performed also in accordance with Law No. 26 of 2007 on Spatial Structuring and Spatial Planning. Measures to guarantee access to affordable housings involve the concepts of arrangement, nurturing, and monitoring. Arrangement is conducted through the provision of national policy on the management of slum areas in urban and coastal areas. Nurturing is conducted through the improvement of regional capacities, whereas monitoring is performed by controlling the management of slum areas at the national level.12

The direction of policies and strategy to reduce the proportion of households living in urban slums is as follows<sup>13</sup>:

<sup>&</sup>lt;sup>12</sup> Implementation of the International Covenant on Economic, Social and Cultural Rights. United Nations: Economic and Social Council. 23 January 2012

<sup>&</sup>lt;sup>13</sup> Report on the Achievement of the Millennium Goals in Indonesia 2010, National Development Planning Agencies (BAPPENAS)

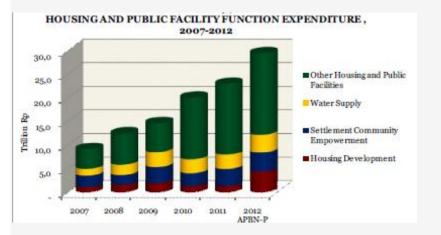
- a. Increasing the provision of decent and affordable housing for low income communities through public housing development which can be rented (Rumah Susun Sederhana Sewa Rusunawa), facilitation of new development/ improvement of the quality of self-help housing and the provision of infrastructure, facilities, utilities and other initiatives to increase access to land in urban areas.
- b. Increasing the accessibility of low income households to decent and affordable housing through a liquidity facility, micro-credit for housing and the national housing savings program.
- c. Improving the quality of residential environments through the provision of infrastructure, basic facilities and adequate public facilities, integrated with real estate development in order to achieve cities without slums.
- d. Improving the quality of planning and implementation of housing and human settlements through capacity building and coordination of various stakeholders in housing and settlement development and the preparation of action plans to improve the lives of slum dwellers.

Based on Financial Note and Indonesian Budget - Fiscal Year 2013, budget realization of Central Government Expenditure for housing and public facility function is used to develop houses and public facilities being the responsibility of the Government to people. Housing and public facility function consists of several sub-functions with budget proportion for each sub-function as follows: (1) housing development sub-function 10.9 percent; (2) settlement community empowerment sub-function 16.8 percent; (3) water supply sub-function 15.1 percent; (4) other housing and public facility subfunction 57.1 percent. In 2007-2012 the realization of budget for housing and public facility function is to increase by 26.4 percent per annum on the average, from Rp.9.1 trillion in 2007 to Rp.29.5 trillion in 2012. It indicates serious attention of the Government to satisfy the needs of people, especially in the provision of livable housing environment.

Illustration of budget realization in 2007-2012 of housing and public facility function is as follows: (1) housing development sub-function to raise 31.2 percent per annum on the average, from Rp.1.1 trillion in 2007 to Rp.4.4 trillion in 2012, particularly to finance housing and settlement area development program and rental apartment (rusunawa) development program; (2) settlement community empowerment sub-function to increase 10.9 percent on the average from Rp.2.4 trillion in 2007 to Rp.4.1 trillion in 2012, which is primarily used for settlement infrastructure development and expansion program and housing and settlement area development program; (3) water supply sub-function to rise 21.2 percent on the average from Rp.1.4 trillion in 2007 to Rp.3.7 trillion 2012 used to finance water supply system management, development, supervision program; and (4) other housing and public facility sub-function, which is to record average increase of 33.0 percent from Rp.4.1 trillion in 2007 to Rp.17.2 trillion in 2012, which is mostly used to finance community empowerment and village governance program and self-reliance improvement program for villagers.

The outcomes of programs and activities in housing and public facility function in 2007 – 2012 include: (1) the development of 585 twin blocks of simple multi-storey block (rusunawa); (2) self-help house development facilitated for 14,353 units; (3) quality of self-help houses enhanced for 55.738 units; (4) housing loans facilitated for 201,202 units; (5) outcomes in 2012, 223 twin block of Rusunawa, facilitation of self-help house development for 20,000 units, facilitation for self-help house quality improvement for 48,750 units, and slum-areas rehabilitation for 150 ha and 170 areas, and (6) for NTT management, facilitation for self-help house development of 2,020 units and self-help house quality improvement of 13,160 units. The trend of budget realization of housing and public facility function in 2007 – 2012 is presented in Graph below

Figure 4.1. Housing and Public Facility Function Expenditure

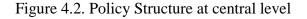


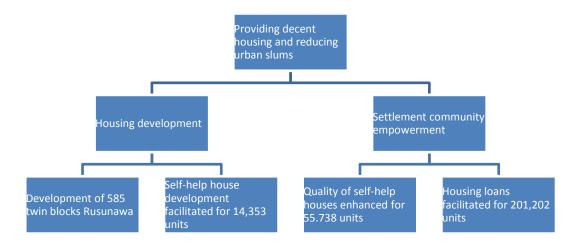
Source: Financial Note and Indonesian Budget - Fiscal Year 2013

In 2013, budget for housing and public facility function of Central Government expenditure reaches Rp.30.7 trillion or 4.3 percent higher than its realization in APBN 2012 of Rp.29.5 trillion. This sum consists of: (1) budget allocation for housing development sub-function Rp.4.1 trillion (15.2 percent); (2) settlement community empowerment sub-function Rp.3.8 trillion (12.3 percent); (3) water supply sub-function Rp.5.5 trillion (18.0 percent); and (4) other housing and public facility Rp.17.3 trillion (56.3 percent).

Budget allocation in some significant sub-function of housing and public facility function in 2013 can be illustrated as follows. Budget for housing development sub-function is mainly for housing and settlement zone development program. Meanwhile, allocation to the settlement community empowerment sub-function has been particularly expended for settlement infrastructure improvement and development and housing and settlement zone development program. As to budget proceeds allocated to water supply sub-function, they have been mostly used to finance settlement infrastructure improvement and development program. Budget allocated to other housing and public facilities is for community empowerment program and settlement infrastructure improvement and development program.

Targets expected from housing and public facility function in 2013 include: (1) the construction of 183 multi-storey blocks (rusunawa); (2) facilitation and simulation for the construction of 20,000 units of self-help houses; (3) facilitation and stimulation for quality improvement of 230,000 units of self-help houses; (4) facilitation for the construction of 60,000 housing and settlement complexes; (5) the development of rural SPAM (water Supply System) in 1,610 villages; (6) the development of waste water infrastructure in 567 areas; (7) the expansion of national raw water supply; (8) the construction of raw water reservoir in Galang Batang of Bintan island; (9) acceleration for water conveyance development preparation; (10) the development of Ground Water Pump Irrigation Networks; and (11) improved accessibility of low-income households to decent and affordable settlement facilities.<sup>14</sup> Policy structure at central/ national level can be well depicted in figure below.





At provincial level, government has a policy in housing development and stimulant housing improvement by facilitating uninhabitable housing improvement and stimulating construction of houses for poor households and low-income communities program. This program includes some activities; one of them is development of basic infrastructure (road and drainage) in Rusunawa and simple healthy home. This project was allocated to regencies/

<sup>&</sup>lt;sup>14</sup> Financial Note and Indonesian Budget - Fiscal Year 2013 page 169

municipalities which have Rusunawa. Policy structure related to housing policy can be seen in figure 4.3.

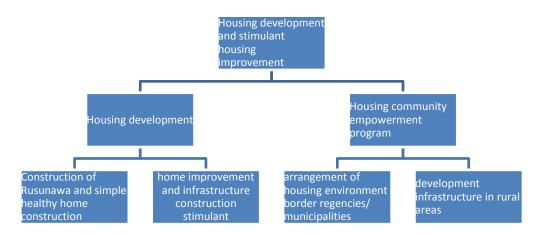
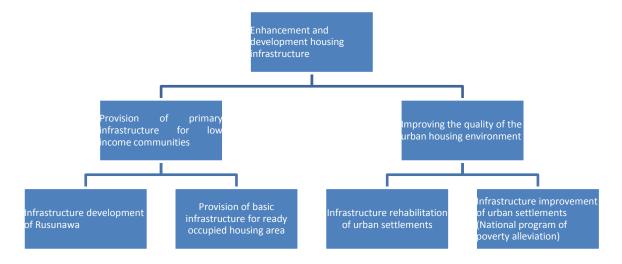


Figure 4.3. Policy Structure at provincial level

At local level, government has several programs as contained in Medium Term Investments Development Plan 2012 – 2014 to solve the housing problem which is parallel with policies and strategies from central government, as follows: provision of primary infrastructure for low income communities, handling urban slums, improving the quality of the urban housing environment, and community-scale rural infrastructure improvement. The policy structure of housing program in Kudus local government can be seen in Figure 4.4.



# Figure 4.4. Policy Structure at Local level

To enhance and develop housing infrastructure, local government has several programs that should integrate among others. Provision of primary infrastructure for low income communities is the intermediate outcome of providing basic infrastructure of Rusunawa and ready occupied housing area. Meanwhile improving the quality of urban housing environment is the intermediate outcome of infrastructure rehabilitation and improvement of urban settlements.

Miyoshi (2012, 68) noted that in the context of evaluation, the relationship between ends and methods is conceptualized as a "program theory" or "logic model". Most evaluation addresses causal relationships between constituent elements of the subject policies, programs and projects: end outcomes (effects manifested as change in the society in question), intermediate outcomes (effects manifested as change in target groups, including both individuals and organizations), outputs (goods and services

generated by the activities), activities (actions taken in order to apply inputs to the generation of outputs), inputs (human and material resources, operating funds, facilities, capital, expertise, time, etc.). Thus the subject of evaluation is the theory that forms policy structure.

A policy at a decentralized level (provincial and regencies/ local level) is different from that of a national (central) level in terms of roles relating to outputs or intermediate outcomes (namely, change of expected target groups). In housing policy in which policy respective authorities and roles are divided among central, province and local levels. The output of the central level would be Rusunawa building on urban areas in Indonesia, and those at a provincial level would be the infrastructure development of Rusunawa includes road and drainage construction in several regencies/ municipalities which have Rusunawa building. At local level would be development infrastructure of Rusunawa in its regency/ municipality includes community and site preparation, electricity connection, fence construction, water provision, etc. Among those levels promote the same policy but beneficiaries are different.

At central level there are two institutions which have a policy related housing development, among others Ministry of Public Work and Ministry of Public Housing. Ministry of Public Work has a policy to reduce urban slums by developing Rusunawa for low income communities who live in urban slums or unhealthy housing. Ministry of Public Housing has built Rusunawa for student and worker who have not a decent house. To get the output (Rusunawa building) central government have several stages/ activities as follows: pre construction, construction (planning, constructing, and monitoring), and post construction. Government selects the third party as service providers by procurement process. Their output in construction stage was verified and evaluated by government as the owner, progress from the beginning (0%) to the end (100%).

It is not much different from the central level, the local level also have stages in the implementation of infrastructure development activities in Rusunawa, conducted by third party. Planning and supervision conducted by consultants, while construction is being carried out by contractors. Local governments oversee the process from the initial stage (Term of Reference / TOR arrangement) to the final stage (PHO and FHO). The difference of those policy, program and project are target groups who selected to achieve end outcome, intermediate outcome and output. Elaboration between policy structure and stakeholders activities in housing development project can be well depicted in the program approach logic model as seen on Table 4.3 and Table 4.4.

STAKEHOLDER	PERIOD	VALUE (Rp)	OVERALL GOAL	(SUB)-PROJECT NAME	PROJECT PURPOSE	OUTPUT
Central Government (Ministry of Public Work &	2007 2008-2011 2012	1.1 trillion 4.4 trillion	Providing decent housing and reducing urban slums	Rusunawa development program	Increasing the provision of decent and affordable housing for low income communities	development of 223 twin blocks of Rusunawa in Indonesia
Ministry of Public Housing)	2007 2008-2011 2012	<ul><li>2.4 trillion</li><li>4.1 trillion</li></ul>		Housing and settlement area development	Improving the quality of residential environments through the provision of infrastructure, basic facilities and adequate public facilities	self-help house development facilitated for 14,353 units
Provincial Government (Infrastructure and Spatial Agency of Central Java Province)	2012 2011	1.2 billion 2 billion	Housing development and stimulant housing improvement	the construction of Rusunawa and simple healthy home construction	<ul> <li>Requirement house that satisfied with the ability of developers, governments and communities.</li> <li>increasing the quality of affordable housing by purchasing power of low income societies</li> </ul>	Development of basic infrastructure (road and drainage) in Rusunawa and simple healthy home for 13 regencies/ municipalities
	2012 2011	7.9 billion 3.5 billion		home improvement and infrastructure construction stimulant	rehabilitating homes that are not healthy and inhabitable become healthier and habitable home	Increasing housing quality in 16 regencies/ municipalities

# Table 4.3. Project related to Housing Development – Program Approach Logic Model 1

STAKEHOLDER	PERIOD	VALUE (Rp)	OVERALL GOAL	(SUB)-PROJECT NAME	PROJECT PURPOSE	OUTPUT
	2000	4 1 111	7.1	<b>D</b>		
Local Government	2008	1 billion	Enhancement and development	Development infrastructure of	Developing infrastructure of Rusunawa	Land lease funded for 2 years, site/ land provided
(Infrastructure			housing	simple healthy home	or Rusunawa	(2 hectar)
and Spatial	2009	600 million	infrastructure	1 7		Building permit issued,
Agency of Kudus						electricity connection,
Regency)						fence construction
	2010	320 million				Land lease funded for 3
						years, fence construction
						(continued), electricity
						bill and contractual labor
						honorarium were paid
	2011	250 million			Improving performance	electricity bill and
					of Rusunawa	contractual labor
					management; developing	honorarium were paid,
					infrastructure in	building improvement
	2012	250 million			Rusunawa	electricity bill and
						contractual labor
						honorarium were paid,
						building maintenance
						(painting)

Overall Goal	Program Purpose	Sector	Major Area	(Sub)-Project Name	Project Purpose	Output
Providing decent housing and reducing urban slums	development of housing and residential areas that are adequate and affordable, within a healthy, secure, harmonious, and prosperous environment.	Public sector	Infrastructure support combined	Rusunawa development program Housing and settlement area development	Increasing the provision of decent and affordable housing for low income communities Improving the quality of residential environments through the provision of infrastructure, basic facilities and adequate public facilities	development of 223 twin blocks of Rusunawa in Indonesia self-help house development facilitated for 14,353 units
Housing development and stimulant housing improvement	facilitating uninhabitable housing improvement and stimulating construction of houses for poor households and low- income communities	Public sector	Infrastructure support	the construction of Rusunawa and simple healthy home construction	<ul> <li>Requirement house that satisfied with the ability of developers, governments and communities.</li> <li>increasing the quality of affordable housing by purchasing power of low income societies</li> </ul>	Development of basic infrastructure (road and drainage) in Rusunawa and simple healthy home for 13 regencies/ municipalities
		Private sector	Combined (Infrastructure support, management and operation)	home improvement and infrastructure construction stimulant	rehabilitating homes that are not healthy and inhabitable become healthier and habitable home	Increasing housing quality in 16 regencies/ municipalities

Table 4.4. Project Related Housing Development – Program Approach Logic Model II

Overall Goal	Program Purpose	Sector	Major Area	(Sub)-Project Name	Project Purpose	Output
Enhancement and development housing infrastructure	Providing decent housing and affordable for low income communities	Public sector	Combined (Infrastructure support, management and operation)	Development infrastructure of simple healthy home	Developing infrastructure of Rusunawa Improving performance of Rusunawa management; developing infrastructure in Rusunawa	Land lease funded for 2 years, site/ land provided (2 hectar) Building permit issued, electricity connection, fence construction Land lease funded for 3 years, fence construction (continued), electricity bill and contractual labor honorarium were paid electricity bill and contractual labor honorarium were paid, building improvement electricity bill and contractual labor honorarium were paid, building maintenance (painting)

Rusunawa program is housing program for low income societies that is funded by central government (Public Work Department and Housing Ministry) for building development and managed by local government after development. Policy of providing decent homes at central and local levels is complementary each other in which central government allocated a budget for the provision of adequate housing to reduce slum. Meanwhile local governments provide basic infrastructure for housing such as water, electricity, roads and drainage. The end outcome is to reduce the proportion of households living in urban slums, so there is a change in society, from living in slums towards a decent settlement with better quality.

Terminal evaluations are conducted at the end of cooperation. Consequently, relevance, effectiveness and efficiency are examined based on the actual situation and performance. Impact and sustainability are also examined based on performance and the status of activities up to that point, and also with regards to future trends and feasibility.<sup>15</sup> There are five evaluation criteria as follows:

1. Relevance

For the following reasons, this project is judged to be of high relevance:

- The land provision in public housing remains to be an imminent issue to be resolved because Rusunawa (vertical housing) is the best solution to overcome the limited land.
- The Project has been consistent with both major national development plans of Indonesia and medium term development plan in local level, both of

<sup>&</sup>lt;sup>15</sup> JICA Guideline for Project Evaluation. September 2004. Page 152

which explicitly give a high priority to the improvement in public housing quality and reducing slums.

- Selecting low income communities as a target group has been appropriate, because they deserve to live in decent and affordable housing
- 2. Effectiveness
  - The project has been partially effective. Poor communication among stakeholders almost inhibit project objective (Rusunawa program rejection). Socialization of Rusunawa program was held by local government and involves relevant stakeholders, overcome the problem. The promoting factor to achieve the project objective (developing infrastructure of Rusunawa) is commitment from local government to provide land for Rusunawa building.
  - The output (Rusunawa building) partially sufficient to achieve the project objective (Increasing the provision of decent and affordable housing for low income communities) in which the quantity target is reached, however the building quality does not meet the expectation (many damages and leakage).
  - The output (building maintenance) is partially sufficient to achieve project objective. It takes a long time to fix the building damages and leakage due to complexity in disbursement of fund.
- 3. Efficiency
  - The Project is implemented sufficiently efficiently. Outputs (Land provision and building permit) have been achieved. Regarding activities for producing

the Output, progress of the Project activities was relatively slow but enough to produce the expected outputs.

- The Project is implemented insufficiently efficiently. Many Rusunawa project in Indonesia have a low quality buildings (dwelling unit leaks) due to lack of supervision in construction process.
- The Project is implemented sufficiently efficiently. Outputs (electricity bill and labor honorarium are paid) have been achieved although building maintenance has not been done well.
- 4. Impact

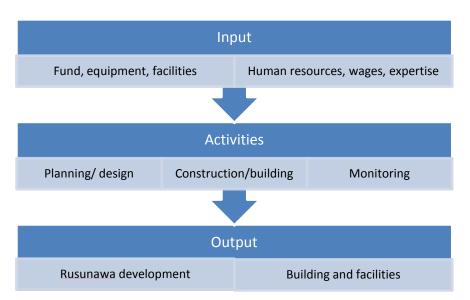
The impact of this project is expected to be as follows:

- The overall goal to provide decent housing and reduce slums promises to be realized within three to five years after the end of the project by appropriately Rusunawa development, management and maintenance.
- Currently, procurement plans for development and maintenance are expected to be implemented transparently and avoid collusion between project managers with the third parties.
- The impact on policies related to Rusunawa program is the commitment from central, provincial and local government to support and accommodate some projects in order to achieve overall goal. Central government allocate fund for building Rusunawa, meanwhile provincial and local government allocate fund for provide infrastructure and maintenance.

# 5. Sustainability

- In particular, self-reliance by local government as well as communities is crucial for the effects of the Project to continue after the completion of the Project (maintenance of basic infrastructures/ facilities)
- Effects of the Project are expected to be sustainable in terms of policy, while the financial and human resource sustainability is still uncertain.
- Too frequent personnel transfer at central, provincial and local governments, and the uncertainty on how to share the financial cost of maintenance might threaten the sustainability of the Project

Rusunawa development program consists of several activities as follows: planning, construction and monitoring. These activities are included in Rusunawa implementation program at second stage (construction of Rusunawa) that will be described at chapter V. This project need some input among others: fund, equipment and human resources. Equipment could come from local government (land/ site), contractor and consultant as third parties. Third parties who win the procurement process contribute machine and raw material for Rusunawa development. Human resources are the stakeholders who involved this program, among others: central government, provincial government, local government, private sector (contractor and consultant as third parties), occupants, journalist and NGO.



#### Figure 4.5. Rusunawa Project

Low income societies are the target group/ beneficiaries of the program of housing development. As intermediate outcomes, it can change the target groups, from homeless to own/ rent house. Outputs of project is more than 585 twinblock Rusunawa generated by the activities from pre construction to post construction stage. Activities (actions) taken in order to apply inputs to the generation of outputs. Inputs include human and material resources, operating funds, facilities, capital, expertise, and time (180 days) to build rental housing (Rusunawa).

Stakeholders can be divided into primary stakeholders (Those who are ultimately affected, i.e. who expect to benefit from or be adversely affected by the intervention is those with high power and interests) and secondary stakeholders (Those with intermediary role is those with high interest but low power, or high power but low interest)<sup>16</sup>. Actors and institutional aspects are an important aspect in the development of housing and settlement, as set up and who's doing what it does. Actually the whole process there are stages in the procurement of rental housing is emphasized in the formation of partnerships. The actor is related to the central government, local government, private sector (contractors and supervisory consultants), professional associations (employers, journalists), universities (faculty, students), community extension workers and the NGO community. From those explanations, the researcher arranges the stakeholder's map that can be seen in the table 4.5.

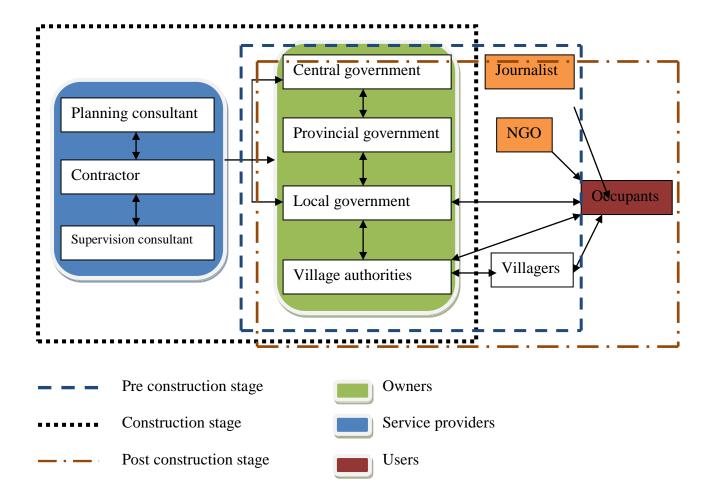
Organization Type	Primary stakeholders	Secondary stakeholders
Local government	Infrastructure and Spatial Agency of Kudus	Bappeda Kudus, Office of Investments and servicing of integrated licensing, Village officials
Provincial government	Infrastructure and Spatial Agency of Central Java Province	
Central government	Ministry of Public Work, Ministry of Public Housing	
Private sector		Contractor/ Developer, Planning and Supervision Consultant
Professional association		Journalist
Occupants		Rusunawa residents
NGO		Independent

Table 4.5.Stakeholders Map

<sup>&</sup>lt;sup>16</sup> Islamy, Irfan. 2011. Public Policy Analysis. Lecture material of Double Degree Class, Brawijaya University

Besides interviewing those stakeholders above, the researcher also interview a key informant specifically Yusuf Asy'ari who is former Minister of Public Housing of Indonesia. The interview had done in May 2012 and was continued by email on 19 June 2012.

The actors/ stakeholders who involved directly in Rusunawa program are central government, provincial government and local government as the owner, planning consultant, contractor/ developer, and supervision consultant as service provider, occupant as user. Professional association who concerned with Rusunawa development is journalists. Journalist has important role to evaluate Rusunawa development and management. NGOs has role as evaluator of government's performance and ensure public services right on target as desired occupants. Journalist and Non Governmental Organization (NGO) were indirectly involved in this project because they were only as analysts and independent. They have been involved in the early stages until the end of the project. They have assisted in the publication of the project, whether it was positive or negative. Relationship among stakeholders in Rusunawa program can be seen in Figure 4.6.



# Figure 4.6. Stakeholders in Rusunawa Program

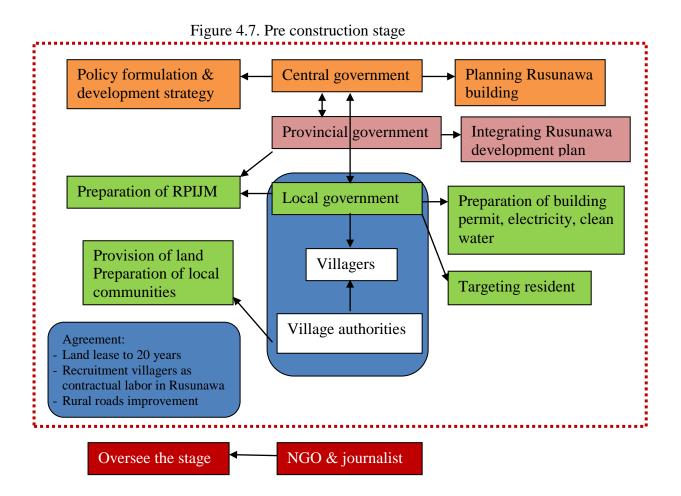
Rusunawa Implementation Program consists of Rusunawa construction and Rusunawa management. Stakeholders involved in preconstruction stage of Rusunawa program among others: central government, provincial government, local government, village authorities, villagers, journalist and NGO. Some requirements need to be prepared by local government (Infrastructure and Spatial Agency) before Rusunawa construction, including: land provision which ready to build, dealing with local communities related to the construction and post construction, building permit, water supply and electricity. According to booklet of Rusunawa implementation program, the role of local government as follows:

- a. Preparation of Medium Term Investment Program Plan (Rencana Program Investasi Jangka Menengah / RPIJM) Housing Development including construction of Rusunawa.
- b. Provision of land in which ready to build.
- c. Preparation of local communities to deal with the construction and post construction (including for relocation if necessary).
- d. Preparation of the IMB including its funding
- e. The provision of funds of electrical connection to PLN (state electricity company) and drinking water.
- f. Targeting residents and selection of prospective residents.

Kudus local government runs all their role well, except in targeting and selecting prospective residents. Resident who was not married and domiciled outside Kudus was not appropriate with Regent Regulation. Local government allowed them to live in Rusunawa because the number of occupants did not meet the target.

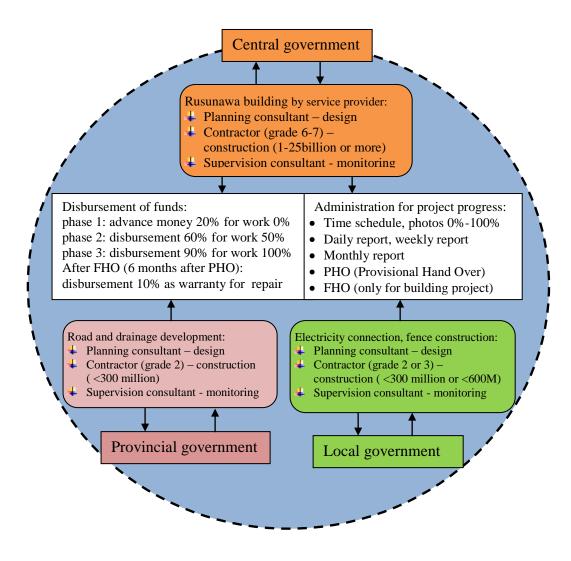
Meanwhile Central government's role in pre construction, among others: policy formulation and development strategy program of Rusunawa construction; planning and design of Rusunawa construction. Central government has done their role properly. In addition journalist, NGO and villagers monitored and oversee process from the beginning (selecting location). This stage of the process takes a long time (almost a year) since Rusunawa is a new housing policy that was not directly accepted by the public. There are pros and cons before Rusunawa development stage. Even the proposed location in Bakalan Krapyak was originally rejected by the villagers because they fear Rusunawa will affect the social economy, such as reduced income of communities who have the boarding house business and slum removal to their village. Through a process of mediation and socialization by the local government and village authorities, local communities would eventually receive Rusunawa built in Bakalan Krapyak.

Between local government and village authorities had been fairly difficult negotiations related to building status and village involvement in the management of Rusunawa. Local government explained that the Rusunawa is central government project and building status is the central government assets. Rusunawa management will be handed over from central government to local governments, while waiting for grant process from central government assets to local government assets (the process spent almost 3 years). Furthermore local government agreed to involve villagers in Rusunawa management as security, technician and janitor. Bakalan Krapyak villagers are preferably in the recruitment. Local government is committed to improve rural roads damaged. The whole process of pre construction stage can be seen in figure below.



Rusunawa construction consists of planning/ design, construction/ development and supervision/ monitoring. Rusunawa Kudus was built/ funded by Department of Public Work, because the targets of prospective residents for public (low income people). Central government took the responsibility in provision and stimulation for Rusunawa construction. Private sector who involved in Rusunawa construction is contractors and supervisory consultants. Contractor's performance affect to building quality of Rusunawa. Meanwhile supervisory consultant has an important role that determines contractor's performance. Stakeholders' role in construction stage can be well depicted in figure 4.8.





Contrast to previous phase, the construction phase of the central government and the private sector does not play a role well. It can be seen from low building quality of Rusunawa Kudus because the construction stage did not meet the standards. Similar cases also occurred in many places, for example in Jepara, Semarang, Solo and other cities in Indonesia. Administration of the funds disbursement process is quite complicated. The service provider must submit daily reports, weekly reports and monthly reports to the project manager from the relevant authorities to find out the work progress. Assessment of work progress considering the following matters: conformity of technical specification (includes size, volume, types of materials) between shop drawing / design and building result.

For major project (more than 1 billion rupiah), work inspection had been done in 3 times. The first time is for disbursement phase 1 (60% funds) which must reach work progress 50%. Second time is for disbursement phase 3 (90% funds) which must achieve work progress 100% (finish). This phase is known as PHO (Provisional Hand Over) which is done by Committee of Work Inspectors from related institutions as follows Technical offices (Public Work or Infrastructure and Spatial Agency), Department of revenue and financial management, and local secretariat. There are still 10% of funds which have not been taken for the maintenance of over 180 days. If there is damage during building maintenance contractor should fix it. After six months the contractor can apply FHO (Final Hand Over) for disbursement maintenance assurance by 10% of the contract value. The report and acceptance of work must be approved / signature of the consultant supervisors, field supervisors and official of relevant agencies maker commitments.

This process often occur collusion between authorities and third parties result in corruption of project fund. In order to get signatures for the disbursement of funds, third party bribing or giving gratuities to the authorities. The worst during the signing of the contract, there has been a

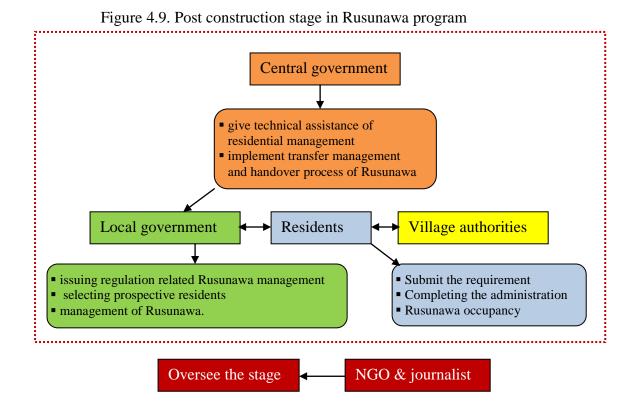
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commitment from the winning bidder to deposit funds in a certain percentage to the top leaders. The funds are drawn from the project fund (public money). This also contributes to the quality of the project / output activity. Not all building projects occur illegally budget cuts. It is very depend on good will of leadership and commitment from the leadership and council members who approve the budget allocation.

In addition provincial government has roles as follows: integrating Rusunawa development plan with the Provincial spatial plan and other sectors of development, facilitating Rusunawa development, or related activities, which require coordination between the district / city. The provincial government had done their role by built Rusunawa infrastructure, such as road and drainage.

After Rusunawa construction, local government should prepare Rusunawa occupancy and management by making/issuing regulation (Regent Regulation) related Rusunawa management, targeting and selecting prospective residents, occupancy and management of Rusunawa. Meanwhile Central government's give technical assistance of residential management and Rusunawa management in post-construction, also implement the transfer management and handover process of Rusunawa buildings to local government. The stakeholder's role in post construction can be seen in figure 4.9.

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NGOs and journalists carry out their role as well especially in post construction stage. Because there were 3 journalists living in Rusunawa, so that they understand the building condition. Many residents complained that the conditions of dwelling units are leaking. This encourages them to write these conditions in the newspaper and led NGOs reported these findings to the authorities. The prosecutor call the relevant stakeholders ranging from contractors, consultants, supervisors, project implementers (from central to local government) for questioning. Finally, contractor was willing to fix a leak in Rusunawa and they repaired the leakage in August 2012.

Furthermore based on Law No.20 of 2011, the role of communities is accomplished by providing input in: development plans of flats and the environment; implementation of the Rusunawa building and the environment; utilization of flats and the environment; maintenance and repairs flats and the environment, and / or supervision and control of Rusunawa implementation and its surroundings. Communities can form a forum of flats development. The forum has the functions and duties: accommodate the aspirations of the community in the development of flats; discuss and formulate ideas towards the development of the Rusunawa implementation; enhance the role and supervision of the public; provide input to government and / or perform the role of arbitration and mediation in the field of organizing the Rusunawa.

#### 4.5. Rusunawa Program

#### 4.5.1. Definition of Rusunawa

Public housing is a housing development that is publicly funded and administered for low-income families. It is a form of housing tenure in which the property is owned by a government authority, which may be central or local<sup>17</sup>. Rusunawa is one example of public housing in Indonesia. Its definition contained in the Minister of Housing Number 18/PERMEN/M/2007 is a high rise building built in an environment that is divided into parts functionally structured in horizontal or vertical. Each units used separately, the control status is lease and built by using the State Budget funds and / or Local Budget with its primary function as a residential.

<sup>&</sup>lt;sup>17</sup> http://www.websters-online-dictionary.org



Picture 4.4. Rusunawa

# 4.5.2. Goals of Rusunawa Program

The goals of flats construction contained in Law number 16 year 1985, among others:

- a. Providing the needs of decent housing for the people, especially low-income segments of society that guarantees legal certainty in their use;
- b. Improving the effectiveness and efficiency of land in urban areas by giving attention to the preservation of natural resources and create housing environment which is complete, harmonious and balance.

Meanwhile, the implementation of flat aims to<sup>18</sup>:

 Guarantee the formation of habitable apartments and affordable in a healthy, safe, harmonious, and sustainable and to create an integrated neighborhood in order to build economic security, social, and cultural rights;

<sup>&</sup>lt;sup>18</sup>Law Number 20 Year 2011 article 3

- 2. Improve the efficiency and effectiveness of space utilization and soil, as well as providing a green open space in urban neighborhoods in creating a complete and harmonious and balanced with the principles of sustainable development and environmentally sound;
- 3. Reduce the housing area and prevent slums;
- 4. Guide the development of urban areas are harmonious, balanced, efficient, and productive;
- Meet the social and economic life of residents and community support to continue prioritizing the purpose of housing needs and settlement, especially for the MBR;
- 6. Empower local stakeholders in the field of construction of flats;
- Ensure the fulfillment of a decent apartment and affordable, especially for the MBR in a healthy, safe, harmonious, and sustainable in a system of governance of the integrated housing and settlements; and
- 8. Provide legal certainty in the provision, tenancy, management, and ownership of flats.
- 4.5.3. Requirements of Rusunawa Development

Construction of flats require technical and administrative requirements are more severe, because the specification has the form of flats and the special circumstances that are different from ordinary housing (landed house). Construction of flats must meet a variety of technical and administrative requirements as set out in some legislation, namely: Act No. 16 of 1985 about Flats, and Government Regulation No. 4 of 1988 about Flats

### 4.5.3.1. Administrative requirements

Construction of flats and the environment must be established and implemented based on permissions granted by local government in accordance with destining (administrative requirements). Referring to the explanation of Article 6 of Law No. 16 of 1985 on the Flats, which are the administrative requirements of the construction of flats, is a set of requirements<sup>19</sup>:

- 1. The licensing of the business of real estate development company;
- 2. Permit the location and / or destining; and
- 3. Building permits.

Licensing is submitted by the development organizers to the local government with attaching the technical and administrative conditions.

If viewed from the administrative requirements of the construction of flats is seen that in addition to development actors must meet the administrative requirements, development actors should really qualified in the field to carry out the construction of flats. This is because the specification has the form of flats and the special circumstances that are different from ordinary housing (landed house).

### 4.5.3.2. Technical Requirements

The provisions of the technical requirements set by the Minister of Public Works and all the technical requirements shall be in accordance with the local

<sup>&</sup>lt;sup>19</sup>Explanation of Article 6 of Law No. 16 of 1985 about Flats

town planning. The technical requirements include the construction of flats set on the<sup>20</sup>:

- The structure of the building;
- The security, safety, comfort;
- The things that related with building design;
- Completion of infrastructure and environmental facilities.

Government Regulation No. 4 of 1988 on the Flats also regulates the technical requirements of the construction of flats, among others, include:

a. Space;

All rooms are used for daily activities should have a direct or indirect relationship with the air and direct and indirect lighting is naturally in sufficient numbers.

b. Structure, components, and building materials;

Housing project is planned and should be built with the structure, components, and use of building materials that meet the construction requirements in accordance with the applicable standards.;

c. Completeness of flats;

Flats shall be equipped with: water networks, electricity networks, gas networks, rainwater drainage, sewage drains, channels and / or landfills, where for the possibility of installation of telephone and other communication equipment, means of transportation in the form of stairs, elevators or escalators, fire doors and fire stairs, laundry, fire extinguishers,

<sup>&</sup>lt;sup>20</sup>Explanation of Article 30, Government Regulation No. 4 of 1988 about Flats

lightning rods, tool / alarm system, smoke-tight doors at certain distances, and the electric generator housing project for the use of elevator.

d. Apartment units;

Apartment units can be at ground level, above or below the ground surface, or partly below and partly above ground. Flats should have a standard size that can be accounted for, to meet the requirements with respect to the function and use, and must be prepared, organized, and coordinated in order to realize a welfare state that can support and smooth for residents in performing daily activities.

- e. Parts together and shared objects;
  - Section with a form of public space, stairwells, elevators, hallways, must have a size which can provide convenience for residents in performing daily activities both in relationships among residents, as well as with other parties.
  - Shared object must have the dimensions, location, quality, capacity to deliver environmental compatibility in order to ensure the safety and enjoyment of the residents.
- f. Density and layout of buildings;

Building density in the environment must be achieved taking into account the effectiveness and optimization of land use. The layout of the building must support the smooth day-to-day activities and must consider the establishment of joint land ownership boundaries, health aspects, lighting, ventilation, and

prevention and protection against the dangers which threaten the safety of occupants, buildings, and the environment.

g. Environmental infrastructure;

Environmental flats shall be equipped with the environmental infrastructure that serves as a liaison for the purposes of daily activities for residents, either inside or outside with the provision of footpath, roadway, and parking lots.

h. Building facilities

In the housing project and its environment should be provided the rooms and / or buildings for a gathering place, community activities, a playground for children, and other social contacts as well as room and / or buildings to suit the needs of service standards.

Technical requirements of the construction of flats are intended to ensure the safety, security, peace and order of the occupants and others. Setting up of the building, each of which can be used independently owned and contains the right to part with, objects together, and the land together, provide a foundation for building systems that require the organizers of development ("developer") to perform the separation-unit housing project on apartment units with deed of separation and approved by the competent authority.

### 4.6. Influence factors in Rusunawa Implementation Program

According to Brynard (2005) as cited Islamy (2011), there are **5-C Protocol** of successful Policy Implementation:

- The Content of the policy itself: What it sets out to do (i.e. goals); how directly it relates to the issue; how it aims to solve the perceived problem (i.e. methods).
- 2. The nature of the institutional **Context**: The corridor (often structured as standard operating procedures) through which policy must travel, and by whose boundaries it is limited, in the process of implementation.
- 3. The **Commitment** of those entrusted with carrying out the implementation at various levels to the goals and methods of the policy.
- 4. The administrative Capacity of implementers to carry out the changes desired of them. It obviously refers to the availability of and access to concrete or tangible resources (human, financial, material, technological, logistical, etc). Capacity also includes the intangible requirements of leadership, motivation, commitment, willingness, guts, endurance, and other intangible attributes needed to transform rhetoric into action. The political, administrative, economic, technological, cultural and social environments within which action is taken must also be sympathetic or conducive to successful implementation (Grindle 1980) as cited Brynard (2005).
- 5. The support of **Clients** and **Coalitions** whose interests are enhanced or threatened by the policy, and the strategies they employ in strengthening or deflecting its implementation.

An addition to the 5 C Protocol, communication could easily be regarded as a variable for implementation. In other words this could be regarded as the sixth C in the implementation protocol. It could be argued that communication is an integral part of all the above-mentioned variables, but is also worthy to single out because of the importance of communication.

Brynard (2005: 16) stated that implementation capacity is likely to be a function of all the remaining four variables: policy content may, or may not, provide for resources for capacity building; the institutional context of the relevant agencies may hinder or help such capacity enhancement; the commitment of implementers to the goals, causal theory, and methods of the policy may make up for the lack of such capacity -- or vice versa; or the coalition of actors opposed to effective implementation may stymie the capacity which might otherwise have been sufficient -- here, again, supportive clients and coalitions may in fact enhance capacity.

#### **CHAPTER V**

#### **RUSUNAWA IMPLEMENTATION PROGRAM**

#### 5.1. Description of Rusunawa Program

Government issued policy to solve the housing problems, by providing public housing for low-income societies. Ministry of Housing made policy to build a thousand towers (Rusunawa and Rusunami). Rusunawa is rental flat housing for low income societies with the target residents for students (which known as Rusunawa students) and workers. Ministry of Public Work also issued policy to build Rusunawa for low income societies (general). According to Law Number 16 Year 1985, government builds rental flat housing which is known as Rusunawa (Rumah Susun Sederhana Sewa). Construction of flats is one of the alternative solutions to problems of housing and settlement needs, especially in urban areas that the population continues to increase, due to the construction of flats can reduce the use of land, open spaces make the city a more spacious and can be used as a way for urban renewal for the slum areas.

Rusunawa program is a government program where the cost of building Rusunawa comes from state funds. While the provincial government's role is integrate the development plans of Rusunawa with other sectors of development. The role of local governments, among others, provision of land in which ready to build, preparation of the IMB, the

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provision of funds of electrical connection to PLN and drinking water, and also targeting residents and selection of prospective residents.

Rusunawa Implementation Program consists of Rusunawa construction and Rusunawa management. Rusunawa construction divided pre-construction, construction and post construction of Rusunawa. Before the development Rusunawa some things that need to be prepared by local government (Infrastructure and Spatial Agency), including: land provision which ready to build, preparation of local communities to deal with the construction and post construction, building permit, water supply and electricity. Rusunawa construction that was held by central government (Department of Public Work and Ministry of Public Housing) consists of planning/ design, construction/ development and supervision/ monitoring.

In 2008 Central Government had built two twin-blocks Rusunawa in Bakalan Krapyak, Kudus. It has 198 dwelling units that each unit has total area 24 meters square. Based on the high demand for residential units, the government built two additional twin-blocks Rusunawa in 2011-2012 that are already finished their construction (see picture 5.1.).

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Picture 5.1. Two twin-blocks Rusunawa (new) and one twinblocks Rusunawa (the old one) in Kudus

New twin-blocks Rusunawa located in east of the old Rusunawa (TB II – south) and south of the village's field. There is no park arrangement of outside buildings yet, both old and new Rusunawa. Recently, Rusunawa Kudus has 396 dwelling units that are divided into 4 twin-blocks. Local government decided to operationalize two additional twin-blocks Rusunawa in 2013. In the first year of the commencement of occupancy Rusunawa (in 2010), the number of residents is less than 50% from their intended target. So the rules for prospective residents to be more flexible, which allowed prospective residents from out of town, not married yet (single), and have no fixed income. As a result, the occupants come from various backgrounds (status, job, and hometown). Most of occupants have been working as worker (54%) and entrepreneur (31%). More than 60% of occupants (most of them are labor and entrepreneur) have equivalent levels of primary and

secondary education and less than 15% of them (all workers) has an undergraduate degree.

In 2012 Rusunawa Kudus has a waiting list of prospective resident. Almost all of dwelling units has been occupied, except 36 dwelling units cannot be occupied because of heavy damages. In general, the damages due to the leakage of dwelling units, that reaches more than 70%. The heavy damages can be seen in picture 5.2.



Picture 5.2. The leakage of dwelling unit

Currently the authority is stricter in selecting residents because all decent dwelling units had been occupied. Prospective residents must wait until next year to occupied dwelling unit in recent Rusunawa.

## 5.2. Location

Central government has several criteria to decide location of Rusunawa construction, among others: big cities whose have densely populated, limited land and high price of land. Rusunawa site selection criteria with the target resident is the MBR, has the location criteria include<sup>21</sup>:

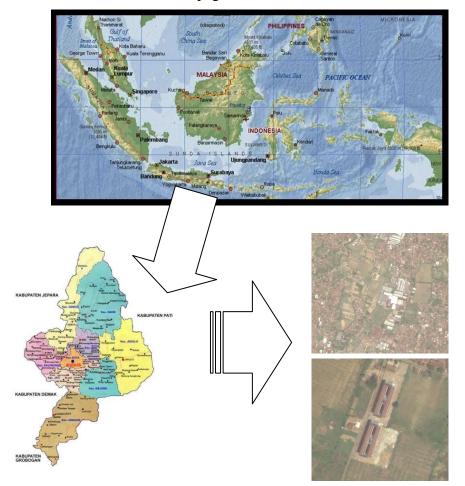
- 1) Development to improve the quality of residential environment on the slums;
- 2) Land development intended to have legal certainty rights land, buildings and allocation functions;
- 3) Development carried out by applying the principles of environmental independent and complete;
- 4) Near the work activity / activities (industry, education, worker);
- 5) Construction site near the center of mass/ public transportation

The location of the development has been supported by the infrastructure and basic facilities (PSD)-PU, such as accessibility, and clean water.

Kudus is a small city (42,516 ha) that grows rapidly in housing demand and has a high population density (8861 people per square kilometer in City District)<sup>22</sup>. The existing land use (building and settlement) in Kudus is over 535 ha compare to the normative land use (over 535 ha).

So, local government submit a proposal of Rusunawa building to central government to build Rusunawa in Kudus, to find alternative solution of limited land use for settlement. Kudus local government select Bakalan Krapyak as location of Rusunawa because the location is near industry, education, worker and public transportation.

<sup>&</sup>lt;sup>21</sup> Regulation of Ministry of Public Housing Number 2 Year 2009 about Procedures for The Implementation of Stimulant Aid of Infrastructure, Facilities and Public Utilities of Housing and settlement. Appendix Chapter II <sup>22</sup> Retrieved from *kuduskab.bps.go.id*/



The location can be seen in the page below:

Picture 5.3. Location of Research Source: <u>www.maps.google.com</u>

As the places where multi storey residential building (MSRB) was built for the first time as a means of housing provision program, Rusunawa Bakalan Krapyak in Kaliwungu district have been chosen as the research location. Study in this location has been widely conducted for the first time.

# **5.3. Fund Allocation**

Rusunawa Kudus was built/ funded by Department of Public Work, because the targets of prospective residents for public (low income people). Meanwhile Rusunawa that is funded by Ministry of Public housing is for student in university. Rusunawa Kudus is located in Bakalan Krapyak village in Kaliwungu district, within 3 kilometers from the downtown. Rusunawa has a very strategic location because it is located near the terminal (east side) and electronics factory (Polytron) where many workers lived in Rusunawa. The distance from Rusunawa to Polytron approximately 100 meters, so it is valuable for them. Fund allocation from local government to support Rusunawa program can well depicted in Table 5.1.

No	Kind of Work	Year	Total of Budget
A.	Kudus Local Government		
1.	Land lease for 2 years	2008	30,000,000 IDR
2.	Preparing site	2008	928,000,000 IDR
3.	Building Permit (IMB)	2009	42,700,000 IDR
4.	Electricity connection	2009	371,505,000 IDR
5.	Fence construction	2009	140,806,000 IDR
6.	Land lease for 3 years	2010	45,000,000 IDR
7.	Fence construction (continued)	2010	89,000,000 IDR
8.	Electricity bill	2010	99,000,000 IDR
9.	Contractual labor honorarium	2010	39,900,000 IDR
В.	Provincial Government		
1.	Channel development (drainage) and road widening	2009	250,000,000 IDR
2.	Construction of corridor connection between buildings and paving	2010	250,000,000 IDR
C.	Central Government		
1.	Rusunawa construction (2 TB)	2008/2009	22,907,084,200 IDR
2.	Rusunawa construction (2 TB)	2011/2012	24,369,338,000 IDR

Table 5.1. Fund allocation for Rusunawa Program in Kudus

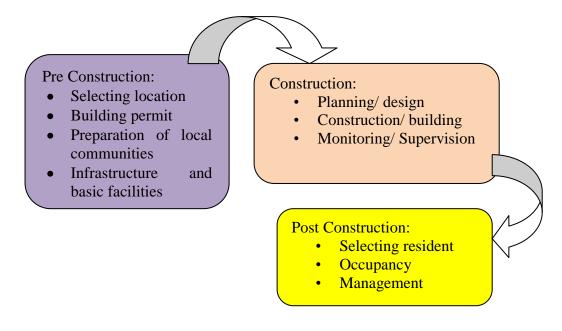
Source: Infrastructure and Spatial Agency of Kudus

Central government allocates more than 47 millions rupiahs to build 4 twin-blocks Rusunawa from 2008 to 2012. Meanwhile local government funds for land preparation, building permit, build facilities and Rusunawa management. In addition, Provincial government allocates budget for build infrastructure around Rusunawa.

# 5.4. Stage of Rusunawa Implementation Program

The following is the figure of Rusunawa implementation program.

Figure 5.1. Stage of Rusunawa Program



## 5.4.1. Rusunawa Construction

#### 5.4.1.1. Rusunawa pre-construction

Rusunawa pre-construction consist of providing site/ land, building permits, electrical and water supply. It is divided into several steps as follows:

1. Selecting location to build Rusunawa

Central government has several criteria to decide location of Rusunawa construction, among others: big cities whose have densely populated, limited land and high price of land. The target of Rusunawa resident is the MBR (Masyarakat Berpenghasilan Rendah/ Low Income Societies). The location of the development has been supported by the infrastructure and basic facilities (PSD-PU), such as accessibility, and clean water.

2. Building Permit

The administrative requirements of the construction of flats, is a set of requirements:

- a. The licensing of the business of real estate development company;
- b. Permit the location and / or destining; and
- c. Building permits.

Licensing is submitted by the development organizers to the local government with attaching the technical and administrative conditions.

Building permit should fulfill before the construction phase, but in fact the licensing process of Rusunawa lasted almost a year because the applicant (Public Work Agency / Infrastructure and Spatial Agency) must fulfill the requirements specified. Building permit request was proposed in September 2008 and had been issued in June 2009. Local government allocates 42.7 million rupiah for building permit and 15 million rupiah per year for leasing land in Bakalan Krapyak. Its process needs coordination among institutions (Public Work Agency, Office of Integrated License Service, and Bakalan Krapyak village)

3. Preparation of local communities to deal with the construction and post construction. Local government should give socialization to local communities who live in Rusunawa location. By socialization, local communities will understand the purpose and benefits of this program and accept the Rusunawa implementation program.

Socialization was held twice, before construction (November 2008) in order to prepare communities to deal with the construction and after construction (March 2010) to promote Rusunawa occupancy. As noted in office memo to Head of Infrastructure and Spatial Agency about Rusunawa socialization report in Bakalan Krapyak village on 9 March 2010 that Rusunawa held in 8 March 2010 and attended by stakeholders (local government officers, personnel of private company, local communities and their leaders). 4. Infrastructure and basic facilities (electrical and water supply)

Local government allocates 371,505,000 IDR for electricity connection, and 229,806,000 IDR for fence construction in 2009 and 2010. Providing clean water (deep well) includes in Rusunawa construction that was funded by central government. Provincial government built infrastructures by allocating total of funds as much as 500 million in 2009 and 2010.

#### 5.4.1.2. Construction of Rusunawa

Construction project is a series of activities that are only done once. In general, construction projects have a short period of time. In a series of the project construction, there is usually a process that serves to process the project's resources so that it can be a result of activities that produce a building. The process occurs in a series of activities will certainly involve the parties are related either directly or indirectly. With the involvement of many parties in a construction project then this could cause potential conflict is also very large so it can be drawn a conclusion that the actual construction project contains a high degree of conflict.

Construction process of Rusunawa consists of planning or design, construction, and supervision of Rusunawa. Those processes were held by central government (Department of Public Work) from 2008 to 2009 for first building and 2011/2012 for second building.

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1. Planning or design of Rusunawa

The provisions of the technical requirements set by the Minister of Public Works and all the technical requirements shall be in accordance with the local town planning. The technical requirements include the construction of flats set on the:

- a. The structure of the building;
- b. The security, safety, comfort;
- c. The things that related with building design;
- d. Completion of infrastructure and environmental facilities.

Rusunawa planning/ design had been done by PT. Panca Arga Loka, Jakarta. Prototype of Rusunawa design with 24 m2 for dwelling unit's dimension had been used by all Rusunawa in Indonesia for the first time of Rusunawa construction in 2008/2009. The previous model was type 21 m2 for dwelling unit's dimension. There are five stories that consist of 24 dwelling units per floor, except first floor. Two dwelling unit for difable (different ability) person, one unit for guard, hall, parking area, mini park, ground tank are located on the first floor.

2. Construction of Rusunawa

Rusunawa construction in 2008/2009 had been done by PT. Ultrajasa Persada Prima, Jakarta. This construction includes structure, architecture and mechanical/ electrical work that spends budget 22,907,084,200 IDR from central government and takes six months to build two twin-blocks Rusunawa.

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If viewed from the administrative requirements of the construction of flats is seen that in addition to development actors must meet the administrative requirements, development actors should really qualified in the field to carry out the construction of flats. This is because the specification has the form of flats and the special circumstances that are different from ordinary housing (landed house).

Technical requirements of the construction of flats are intended to ensure the safety, security, peace and order of the occupants and others. Setting up of the building, each of which can be used independently owned and contains the right to part with, objects together, and the land together, provide a foundation for building systems that require the organizers of development ("developer") to perform the separation-unit housing project on apartment units with deed of separation and approved by the competent authority.

In fact, the construction was not doing well, because of limited time and less intense control. Short time to built 2 twin-blocks Rusunawa, result in the work quality. Many weaknesses occur in Rusunawa building, such as there was no waterproofing installation on the bathroom floor and low quality of pipe material that result in leakage of dwelling units and other rooms. Low quality of piping and bathroom construction cause heavy leakage in almost rooms (dwelling units, ground tank, hall, mosque, gathering room, and management office). During two years of Rusunawa occupancy, there are a lot of damages in Rusunawa building, especially leakage in almost all rooms.

The damage which caused by leakages can be seen in pictures below.





Picture 5.4. Leakage in dwelling units



Picture 5.5. Leakage in parking area and hall



Picture 5.6. Leakage in ground tank (outside)

The crucial problems are leakage in dwelling units and ground tank. Thirty six dwelling units did not occupied because it cannot be fixed by simple fillings. The leakage in ground tank causes water pollution which led to unfeasible clean water for drinking and daily activities. These problems inflicted many complaints from occupants. They must buy clean water from outside to sufficient the daily needs. The authorities tried to solve these problems by install gutters to drain the dirty water out of the building, in order not fall into the ground tank. Repair leaks in ground tank by installing gutters are documented in picture 5.7.



Before repair After repair Picture 5.7. Repair leaks in ground tank

The authority step in water quality improvement by contracting third parties to do dewatering ground tank. It aims to dispose of depleted water that has been polluted and flowing the clean water from deep well. After dewatering, apparently found buckets and material used during the construction process. This makes the residents suffer from skin diseases due to use water from ground tank which has contaminated. Dewatering ground tank can be seen in picture 5.8.



Picture 5.8. Dewatering ground tank

Dewatering water spent three days, because they have to drain ground water tank in two buildings. Depletion is assisted by a qualified cleaning service Rusunawa, because they have known each other.

According to office memo from Head of Housing section to Head of Infrastructure and Spatial Agency of Kudus at 24 November 2010 about coordination and evaluation report of Rusunawa development mentioned that the Rusunawa construction was completed in September 2010 and has been implemented PHO (Provisional Hand Over). There are still 6 months (180 days) for maintenance period. If there were any damages, they would be the responsibility of the contractor and should be repaired before FHO (Final Hand Over).

# 3. Supervision of Rusunawa

Based on Regulation of the Minister of Public Works Number 45/PRT/M/2007 on the Technical Guidelines Development State Building, stated that construction projects worth more than 20 billion should use construction management. Construction Management will generally include the physical quality of construction, costs and timing, materials management and labor. In principle, the construction management, workforce management is one of the things that will be more emphasized. This is due to management planning only contributes about 20% of the project work plan. The rest of the implementation management includes cost control and project time. The functions of construction management, namely:

• As a Quality Control, so as to maintain compatibility between

planning and execution.

- Anticipating the changing conditions on the ground of uncertainty and overcome the limitations of the execution time.
- Monitor project performance and progress that has been achieved.
   It was done with reports in daily, weekly and monthly.
- Evaluation results can be used in decision-making actions of the problems that occur in the field.
- Managerial function of management is a good information system that can be used to analyze the performance of the field.

Rusunawa construction had been monitored by Consultant of Construction Management that was handled by PT. Galih Karsa Utama, Jakarta. Local government oversees the implementation of monitoring and gives approval of weekly and monthly reports on construction progress. In reality, the supervision performance did not run well.

Contractor's performance affect to building quality of Rusunawa. Meanwhile supervisory consultant has an important role that determines contractor's performance. In reality, their performance was not good enough. It can be seen in picture 18.



Picture 5.9. Damages in Rusunawa building

In the picture above shows that the ceiling fell down and the toilet cannot be used although it did not occupied yet. Many rooms cannot be functioned because of low standard of building quality. Construction process did not monitored strictly, so that contractor's work was not suitable with technical requirements. As a result many damages occurred in Rusunawa building, especially leakages.

During building process, supervision consultant (construction management) was responsible for keeping the quality of Rusunawa building. Local government actually put three officers from the Public Works Department as supervisor of Rusunawa construction. But their evaluation and monitoring do not affect the contractor performance. Contractors pay less attention to the advice from the supervisor of the agency because they work for the central government. So they are more obedient to central government as the executor of the project. Input from local governments has no impact on performance improvement service providers.

After the completion of Rusunawa construction (Provisional Hand Over), there is 180 days (six months) for maintenance period. If the project result was unsatisfied, the owner can demand for improvement before Final Hand Over (FHO). There is 10% nominal fund kept during probation/ maintenance period. This fund can be taken after FHO with complete investigation report. Each carried PHO and FHO always done the job inspection. If there was any damage or jobs that do not match the technical specifications, the contractor shall fix it. As a consequence, the Rusunawa building in well developed.

Unfortunately the owner was less optimal in utilizing probation period. After construction completion, the Rusunawa building was not occupied directly, resulting in leakage in residential units and other spaces not detected. Rusunawa occupancy was done after completion of maintenance period (a year after the building construction finished). Suharto (Head of Team Management), said that development Rusunawa completed in July 2009 and there was 6 months for maintenance period. Indeed, authorities can make a complaint to the contractor if there is damage to buildings. Because it has not settled,

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authorities cannot know there is a leak or not. Authorities knew the leakages after Rusunawa occupancy. Draft regulations on the management Rusunawa regents had we submitted in August 2009, but newly signed Regents in May 2010. So authorities waited a year for residential Rusunawa because awaiting adoption decree.

Several problems occurred in Rusunawa building dissatisfied many parties, especially residents. It pushed NGO (Non Governmental Organization) reporting this case to the legal authority. They assumed that Rusunawa construction did not meet with the specification and affected to building quality. After this case was processed, several officers from Infrastructure and Spatial Agency of Kudus were investigated by Attorney of Kudus. As local government was not the responsible party (as the grantee of Rusunawa), the Prosecutor called contractor who did the Rusunawa construction and project leader from central government. They were investigated by the Attorney and willing to take responsibility for such findings. The Contractor will repair all the damage and leakage in Rusunawa. Actually, local government has budgeted 80 million to tackle leakage in Rusunawa. Due to contractor was willing to be responsible for repairing the leak, so budget will be used for other minor repairs (e.g. painting).

### 5.4.1.3. Rusunawa Post-construction

Rusunawa post-construction consists of Rusunawa occupancy, and incidents in Rusunawa occupancy. There are several phases in Rusunawa occupancy, as follows: registration of prospective residents, administrative selection, determination of prospective residents, dissemination to prospective tenants, signing leases agreement and Rusunawa occupancy.

There are several requirements that must be fulfilled by prospective resident to be able to occupy Rusunawa. However the lack of public interest in the first launching of Rusunawa (only 20 families), encourages authority to loosen the requirements to allow residents from outside the city and / or not married to occupy Rusunawa, as long as they do not have the house yet and able to pay the rent. Recently in the selection of Rusunawa residents, authority is guided by the initial conditions based on applicable rules, based on several considerations, namely:

- a. The increasing public interest that was marked the presence of waiting list for prospective residents.
- b. The emergence of socio-economic problems due to loosening of occupancy requirements.
- c. Obeying the applicable rules.

Rusunawa had been operationalized since August 2010 based on Regent

Regulation number 10 year 2010 about Rusunawa Management. Its launching was held on 2 August 2010 which was attended by the stakeholders from relevant agencies, community leaders, village authorities, prospective residents and journalists.



Picture 5.10. Launching of Rusunawa Kudus

The event was marked by handing over the keys from the Head of Infrastructure and Spatial Agency of Kudus to the representative resident of Rusunawa, and also the delivery of the rice cone from head of village to other representative. Its means between residents with authorities will start a good relationship in Rusunawa. There are several requirements that must be fulfilled by prospective residents to be able to occupy Rusunawa, among others:<sup>23</sup>

- c. Statement does not have permanent homes, unable to pay rents
   Rusunawa, and has a steady job and / or fixed income with a known
   head of the Village / Ward is sufficiently sealed;
- d. Population and Applicant Data (Data Pemohon dan kependudukan/ DPK);

<sup>&</sup>lt;sup>23</sup> Regent Regulation number 10 year 2010, article 5

- e. Copy of Identity Card (KTP) are legalized by the competent authority;
- f. Copy of Marriage Certificate legalized by the competent authority;

g. Copy of Family Card (KK), legalized by the competent authority; andh. Recent photograph 2 pieces 4x6 size.

Those requirements are intended for the public, while for the Civil Service, military / police, and workers there are two additional requirements, namely:

 a. Statement of employment and / or fixed income that is signed by owners / leaders of their office and sufficiently sealed;

b. Copy of pay receipt, legalized by the competent authority

Rusunawa occupancy period is for 3 years and may extend the contract for 3 years. Initially, the target groups of Rusunawa residents are Indonesian citizens who:

- a. A resident of Kudus regency as evidenced by showing original Identity Card (KTP);
- c. Had a family / marriage as evidenced by showing original marriage certificate and Family Card (KK);
- d. Not have a permanent residence;
- e. Afford to pay the rents;
- f. Employment and / or have a fixed income;

The following figure is the registration procedure and process of Rusunawa occupancy:

Figure 5.2. Procedure of Rusunawa Occupancy

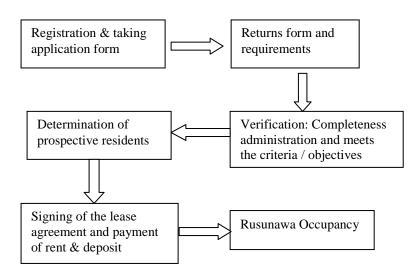


Table 5.2. Number of occupants in Rusunawa Kudus

NO	Floor	Number of Occupants (Household)		Number of Occupants (Person)			
		TB I (North)	TB. II (South)	Total	TB I (North)	TB. II (South)	Total
1	1st Floor	0	2	2	0	3	3
2	2nd Floor	22	23	45	53	71	107
3	3rd Floor	23	16	39	62	55	112
4	4th Floor	17	18	35	52	56	117
5	5th Floor	21	20	41	45	58	108
	TOTAL	83	79	152	212	243	455

Source: Administration of Rusunawa Kudus (processed)

There are 152 households who occupied in Rusunawa. They consist

of 455 persons, which mostly inhabit in southern twin-block.

#### 5.4.2. Rusunawa Management Form

Based on the General Guidelines for Implementation Guidelines of Rusunawa Management, Directorate General of Human Settlements Department of Public Works that Rusunawa Management use pattern Technical Implementation Unit (UPT) which is managed under the relevant technical institutions after the handover of the project is completed while waiting for the submission of the fixed assets of the Centre for Regional.

In fact, Kudus local government did not establish UPT to manage Rusunawa. Local government decided to form Rusunawa management team to handle Rusunawa, with the issuance of Agency Head's decision about establishment of Rusunawa Management Team number 060/0144/09.02 on 5 March 2010, as amended in Agency Head's decision number 060/102/09.02 on 21 February 2011 due to changes of personnel team. Personnel of team management were derived from Housing section at Infrastructure and Spatial. Government had several considerations to choose the management form, as explained below.

#### 5.4.2.1.Team Management

The advantages and disadvantages Management Team are formed for the Rusunawa management as noted in official memorandum from Head of Infrastructure and Spatial Agency of Kudus to Regent/ Bupati on 20 January 2010 about Study of Organization and Work Order of Rusunawa Management:

- a. The advantages are formed does not need to change and do not need to finance the manager of Rusunawa.
- b. Disadvantages are the coordination and management more difficult, less focused and less controllable because managers do not only handle duties and functions of Rusunawa management, but also handle other tasks related duties and functions in institution where he served.

Kanter and Summers (1987) as cited McKevitt (1998) noted that the problem in the public services is not how to measure but what to measure. They see performance measurement as serving three distinct functions: the institutional (the attraction of resources from the environment and the renewal of organizational legitimacy), the managerial (internal allocation decisions and corrections to the structure and processes of the organization), and the technical (the efficacy and quality of service delivery).

Based on the theory above, the institutional, the managerial and the technical become important function to measure service performance. The clarity of management and determination of the appropriate form of management becomes an important factor of the success of Rusunawa management.

### 5.4.2.2. Technical Implementation Unit

The advantages and disadvantages of Technical Implementation Unit as noted in Office Memo from Head of Infrastructure and Spatial Agency of Kudus to Regent/ Bupati on 20 January 2010:

- The advantages are easier in the coordination and management, controlled and focused in work because of special duties and functions to handle the management of Rusunawa.
- The disadvantages are increasing shortage of Organizational Structure and Work (SOTK) so that adds to the burden of financing a new level of Echelon IV employees.

Since Rusunawa began operationalized until now Team Management tasked to manage Rusunawa. It consists of five people from Housing division on Infrastructure and Spatial Agency of Kudus. They are a head, a secretary, three members (administrative, technical, K3 / security, order and cleanliness). Agency heads as an advisors, while the head of the Human Settlements as a responsible. In his duties, the management team is assisted by contract staff consisting of 7 people as security, 4 people as janitor, 2 technicians / mechanical electrical, and an administrator.

Considering the advantages and disadvantages of both management forms, Technical Implementation Unit will be the ideal formulation to managing Rusunawa. Actually, Infrastructure and Spatial Agency of Kudus apply to the Regent to establish Technical Implementation Unit of Rusunawa (UPT Rusunawa) for managing Rusunawa. However, the Regent refused the proposal and stated that Rusunawa fairly administered by the Team Management.

Viewing the Rusunawa development in which there are two additional twin-blocks of Rusunawa, UPT Rusunawa will be the best formulation to manage Rusunawa that has complicated problems and many divisions to manage related to occupancy and facilities provision.

# 5.5. Supporting and Constraining Factors in Rusunawa Program

There is 5C protocol (content, context, commitment, capacity, clients and coalitions, and communication) that influenced Rusunawa implementation program. It could be supporting and constraining factors and come from internal or external condition.

### **5.5.1.Supporting Factors**

Rusunawa implementation program is supported by several factors as follows: human factor (stakeholder's role), budget/ finance, building quality, commitment/ political will, and communication/ coordination among stakeholders.

1. Human factor (stakeholder's role)

Actors and institutional aspects are an important aspect in the development of housing and settlement, as set up and who's doing what it does. Actually the whole process there are stages in the procurement of rental housing is emphasized in the formation of partnerships. The actor is related to the central government, local government, private sector (contractors and supervisory consultants), professional associations (employers, journalists), universities (faculty, students), community extension workers (TPM) and the NGO community.

2. Budget/ finance

Availability of sufficient finance to build and maintain a habitable Rusunawa is one important factor in driving the success of the program. So, government will quick to respond occupant's complain in fixing Rusunawa damages.

3. Building quality

Good quality of building construction will be supporting factors in Rusunawa program. It is related to residential satisfaction. Good condition of Rusunawa will make residents satisfy and comfort to live in Rusunawa.

4. Commitment/ Political will

Commitment from government to implement the policy is one of supporting factors for successful Rusunawa Implementation Program. If the leader does not has strong commitment to implement the policy, it will be constraining factor for successful the program. Kudus local government has strong commitment to provide land, although the location of Rusunawa is 'tanah kas desa'' (leasing land from Bakalan Krapyak village).

5. Communication/ coordination between stakeholder's

Communication could easily be regarded as a variable for implementation. It could be argued that communication is an integral part of all the above-mentioned variables, but is also worthy to single out because of the importance of communication. Good communication between government and villagers will be supporting factors of Rusunawa Program. However it will be constraining factor when communication did not well-established.

Those factors above are similar with statement from former Minister of Public Housing (Yusuf Asy'ari) by interviewing via email on 19 June 2012. He said that the supporting factor Rusunawa, including 1) the political will of government, 2) Political will is contained in the budget should be adequate. 3) Government should provide land and preparation of active management and provide for its maintenance budget. 4) Networking horizontal and vertical needs to be strengthened. Meanwhile inhibiting factors are the absence or lack of supporting factors.

### **5.5.2.** Constraining Factors

Rusunawa implementation program is constrained by several factors as follows: human factor (limited role of stakeholders), limited budget/ finance, low building quality, commitment/ political will, and poor communication/ coordination among stakeholders.

1. Human factor (limited role of stakeholders)

The actor is related to the central government, local government, private sector (contractors and supervisory consultants), professional

associations (employers, journalists), universities (faculty, students), community extension workers (TPM) and the NGO community.

2. Limited budget/ finance

Limited budget/ finance to build and maintain a habitable Rusunawa is one important factor in inhibiting Rusunawa program. This factor will result in poor output (low quality of building) and make government unable to respond complain to fix building damages.

Yusuf Asy'ari said that Rusunawa problems in Indonesia, among others: the Government has not committed to implementing the policy as a rental housing provider in the developed countries i.e. USA and UK done. If his policy as an enabler of rental housing, subsidies and regulations are not enough for it should be made. To fix this, should be propagated and amplified the supporting factors needed.

Limited budget causes implementation of public housing policy in Indonesia is not as good as the implementation of housing policy in developed countries. Building quality becomes one of the key indicators of successful Rusunawa program, influenced by the availability of funds. Budget constraints affect the quality of the building. The smaller the available funds, the lower the quality of the acquired building. Although it is influenced by the presence or absence of corruption, collusion and nepotism factors in the budget

planning process, the tender process and implementation of development Rusunawa

3. Building quality

Low quality of building construction will be inhibiting factors in Rusunawa program. This factor has strong relationship with the budget availability. It is related to residential satisfaction. Poor condition of Rusunawa will make residents unsatisfied/ uncomfort to live in Rusunawa and make them decide to move out from Rusunawa.

4. Commitment/ Political will

Weak commitment from government to implement the policy is one of constraining factors for successful Rusunawa Implementation Program. If the leader does not have strong commitment to implement the policy, the program will be failed/ stopped.

5. Communication/ coordination between stakeholder's

Communication could easily be regarded as a variable for implementation. Poor communication and coordination among stakeholders will be constraining factors of Rusunawa Program. Although coordination has been established at central level to local level, implementation was difficult because of the frequent change of officers or the regulations, both at central and local level. Yusuf Asy'ari said that 1000 tower development policy, it seems unfinished, because it may have been the preservation of the habit which always replaces any official change of policy and programs. Rusunami

(simple flats owned) is dependent on Government policy and private interests, while Rusunawa apparently still running although it is very slowly. Rusunawa in colleges and schools seem to still be forwarded. Poor communication and coordination often cause unsuccessful program. Communication and coordination not only among institutions at central and local levels, but also between the period of leadership. There is no continuity between the old policies with new ones. Tradition has always replace any official change policy that makes the implementation of the policy is not completely

# 5.6. The Benefits of Rusunawa Implementation Program

Slums can be overcome by regional planning and implementation integrated with vertical housing as one solution. Land scarcity and high price of urban land has hinted stakeholders' interests, particularly the government, societies and private sector to consider conception of vertical housing as the efficiency land will also have an impact on the decline cost of living and energy savings expenditures primarily associated with the field transportation. Rusunawa as structuring strategy urban slums bring some positive implications include:

- (1) Resolving the problems of settlement urban slum with the application of urban renewal or urban renewal.
- (2) As a form of alignments to low-income communities who has not or is not able to occupy the decent house.

- (3) To ensure the certainty and security of living (secure tenure), especially for community who originally inhabited the environment and or Illegal areas.
- (4) Efficient land use will impact on environmental conservation because expanding watersheds and Green open space (RTH), as well as providing space / land for social functions beneficial to the life and well-being those who live within the community.
- (5) Physical development technique rusunawa have been developed (such as by prototype system and the current system) is speed up the construction process can relied upon in time efficiency, handling collapse and seismic issues.
- (6) Vertical façades emphasizes the efficiency of land use.
- (7) The concentration of centralized residential has create efficiency in investment and maintenance urban infrastructure.
- (8) Radius achievement is relatively close to town center will reduce wastage family living expenses and energy savings related to transportation.

Rusunawa implementation program had a positive impact on the economy of the community around the Rusunawa location. It can be seen from the significant rise of land prices and the emergence of food stalls and other economic enterprises around the site.

For residents, the Rusunawa can assist them in the provision of decent shelter. According to Regent Regulation number 10 year 2010

article 8 paragraph 1, Rusunawa residential period is for three (3) years and may be extended for one period. They are only allowed to rent for maximum 6 years so that residents do not always stay in Rusunawa, but they can also have their own home. Rusunawa is only as a means for temporary shelter until they are able to own their own home.

Rusunawa as social housing has limited capacity, while there are many other people who need to be nurtured. By staying in flats are expected to increase their ability and skill entrepreneur switch into the housing market. Rusunawa could be a problem solving of limited land use for settlement, because it is able to provide more housing than horizontal housing. It is suitable for urban areas which have high price of land and slum areas.

## 5.7. Activities of Rusunawa Residents

Rusunawa residents come from various backgrounds of education and job. Most of occupants have been working as worker (54%) and entrepreneur (31%). This is reasonable because Kudus has various industries (tobacco, garment, electronic factory) which absorb many labors. Indeed, there is an electronic factory (Polytron) on the east side of Rusunawa which employs labors from Kudus and outside Kudus. Total number of man power in Rusunawa Kudus can be seen in Table 5.3.

No.	Type of Work	Total
1.	Labor	15
2.	Entrepreneur	54
3.	Civil Servant, TNI/Police	4
4.	Worker	93
5.	Trader	4
6.	Others	2

Table 5.3. Type of Work of Occupants in Rusunawa Kudus

Source: Administration of Rusunawa Kudus (processed)

It can be concluded from the table above, that most of occupants has been working as worker (54%) and entrepreneur (31%). Meanwhile education degree of occupants can be seen in Table 5.4.

Table 5.4. Education Degree of Occupants in Rusunawa Kudus

No.	Education Degree	Total
1.	SD/MI/Madin Awaliyah/Paket A	37
2.	SMP/Mts/Madin Wustho/Paket B	45
3.	SMA/SMK/MA/MadinUlya/Paket C	65
4.	DIPLOMA I/II/III	8
5.	Sarjana (S1) Under Graduate	17

Source: Administration of Rusunawa Kudus (processed)

From the table 5.4., we can analyze that more than 60% of occupants (most of them are labor and entrepreneur) have equivalent levels of primary and secondary education and less than 15% of them (all workers) has an undergraduate degree.

Rusunawa located in Bakalan Krapyak village where Polytron and Djarum (tobacco factory) are located. Bakalan Krapyak villagers generally have a different social structure. Most of the people are happy for gathering, be organized for the advancement of the village and improving the quality of human resources, for example:

- a. In the social field, pleased to meet neighbors through social gathering, meeting residents RT (Neighborhood association), gotong royong (mutual cooperation), community service, or other social events.
- b. In the social and religion aspect, held recitals, lectures, mosque teens, and various other religious activities.
- c. In sport, especially for youth, namely volleyball, tennis / table football, badminton, and others.
- d. There is gathering event for women, namely "arisan". It is held once a month at the home member who gets "arisan" (amount of money collected each month by members). Every 10-20 homes have their own association, called "dasa wisma". Dasawisma is a group of 10-20 families (can be adapted to local circumstances), chaired by the chosen one among them, constitute a potential group leader in the implementation of the activities of the PKK. In this gathering they arrange some activities such as cooking, making handcraft, exchanging knowledge about health, children/ baby's treatment and education, etc.
- e. Men also have a duty in their social life, namely "siskamling" (perimeter security system) to protect the housing environment which is scheduled regularly. Two or more men were assigned to secure their neighborhoods with around housing or guard in "poskamling" (guard room). It is

intended to maintaining local security as well as to strengthen neighborly relations.

f. PKK (empowerment and family welfare movement) from local level to national level is supported by the village government to the central government. It is a national movement in the development community that grew under the management of from, by and for the people towards the realization of a family who is faithful and devoted to God Almighty, noble and virtuous, healthy and prosperous, advanced and independent, gender equality and environmental and legal awareness. Activator Team of Empowerment and Family Welfare (TP.PKK) is a partner governments and civil society organizations, which serves as a facilitator, planning, executing, controlling and driving at each level for the implementation of the PKK program. PKK members are citizens, men and women, individuals, voluntary, does not represent the organizations, groups, political parties, institutions or agencies, and serve as planners, implementers, controlling movement PKK. PKK groups are groups that are under PKK village / villages which can be formed by regional or activity. PKK also held various activities such as women activities' guidance (cooking, sewing, crafting), family counseling, and competition from local level to national level.

In addition, based on Regent Regulation number 10 year 2010 article 10 paragraphs 1 about Rusunawa management, residents were given the right to become members of Neighborhood Association (RT) / Pillars of Citizens

(RW) is used as a forum for communication and socialization of mutual interest. Unfortunately, until now it has not formed such a group (association of Rusunawa residents). The management should facilitate establishment of this association/ community and hold regular meetings every month by involving stakeholders (local government, residents, and village authorities).

Before living in Rusunawa, residents did not have a permanent residence. Most residents rented a house at a price above 2 million rupiahs per year, while the others lived at their siblings' or parents' home. They decide to move in Rusunawa because they were looking for a cheaper rental housing and independent by move out from their parents' house. It is common in communities that in a house consist of more than one household (extended family houses). There are 30% extended family houses in Kota sub district (urban area in Kudus), thus increasing the demand for homes. Rusunawa (vertical housing) become solution when housing demand increase while land in urban area is insufficient for horizontal housing. Residents come from low income communities who have income below 1.5 million rupiahs per month (< ¥15,000/ month). So they need a low cost residential to reduce their expenditure and sufficient the daily needs.

Some residents have done various ways done to get an extra income. One of them is by opening stores in their dwelling units. Though it is banned due to residential units is only place to stay not for commercial activities. Actually management has been provided the facility to open a stall on the ground floor. But since there are no clear rules about rental rates stall, then the place is used for the parking area. Based on Regent Regulation number 10 year 2010 article 12, occupants are prohibited to do the following things: (a) assign this lease to another party; (b) hire more than one dwelling unit; (c) use a dwelling unit as place of business / warehouses; etc (d-n). Rusunawa is a strategic market to open a grocery store at that location because it is quite far from markets or stalls. So that residents choose to break the rules by using a residential unit for trade (grocery and food). Consumers are Rusunawa residents (455 people) while there are 5 people who open stalls in their dwelling units. Authorities already warned them but they argued do that to get income in order to meet their daily needs.

There is interesting phenomena in Rusunawa that many lamps in the hallway were missing, so at night there is no light in the front of the dwelling unit. The security suspects that the lights were taken by residents who have lights off in their dwelling unit. Management is not competent to replace a broken light in dwelling units. According to Regent Regulation number 10 year 2010 article 11, one of the occupants' obligation is to replace electrical appliances and water fixtures in the dwelling unit as balloon lamps and water faucets. Due to limited funds they take a shortcut by taking the lights in the hallway, causing a dark corridor at night.

Furthermore, it is rather difficult to maintain cleanliness in Rusunawa, especially raising awareness on environmental hygiene in Rusunawa. Many residents especially children, were littering from the top (corridor) to bottom (mini-park). Although there are always cleaned every

day, garbage littered on the park and surrounding drainage. It raises complaint from cleaners and other residents. In the pictures below show the condition of drainage and mini-park in Rusunawa



Picture 5.11. Garbage strewn in drainage and park

This incident is unfortunate because it has provided waste disposal facility (waste shaft) on each floor. Indeed, there is no policy to separate burnable and unburnable trash. Raising public awareness to dispose waste in the right place takes precedence over waste separation. Economic, social and education communities is less support the culture/ custom to trash in the right place. Both wastes that can be recycled or not mixed together and thrown to the bottom of the shaft garbage. This garbage will be transported by dump truck and taken to a landfill in the Tanjungrejo village. Scavengers will take waste that can be recycled such as bottles, plastic goods, cardboard boxes or waste paper and then taken to the garbage collectors for sale. Though the results slightly, but that's how they sufficient their daily needs.

Daily activities of Rusunawa residents can be seen in the figure below.

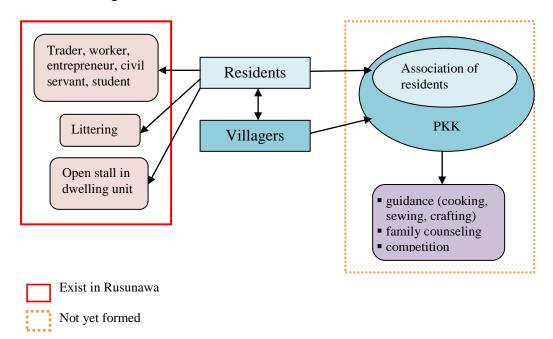


Figure 5.3. Activities of Rusunawa residents

After occupancy, some incidents occurred in Rusunawa that caused by occupant's behavior and other parties. It is not an easy duty to handle 162 families (455 persons) who have a various job and education background. From interview with Diyah (administrator) and Affandi (security), they said that there were some incidents occurred in Rusunawa, because of occupant's behavior, as follows:

 Two months after Rusunawa launching, security raided one of the residents and her visitors (both individual teachers) as indicated to sexual misconduct. She was renting Rusunawa on behalf of her son who has been married. In fact, she inhabited Rusunawa at any given moment, while her son was outside the city and never inhabits Rusunawa. That resident abused her dwelling unit to perform immoral acts. So, security raided her dwelling unit to stop these abuses. Finally, she was out from Rusunawa because she felt ashamed and had been known her motives.

- 2. A resident who worked as karaoke guides, have rent arrears of more than one million rupiahs. When she was billed by the officer, she cursed and would not pay the rent. A month later she was out of Rusunawa and died at the age of 29 years. Her rent arrears so far have not been paid.
- 3. A resident has tried to attempt suicide by running on the bus at the terminal. Fortunately there are people who look and thwart the suicide attempt. This was not the first time she did suicide. The problem just because she fought with her boyfriend who had a family.
- 4. A child who inhabits Rusunawa blew up a toilet with firecrackers. As a result, the toilet broken and cannot be used. Until now his parents not yet pay the compensation for such damage, even though he had signed a statement stamped. This family also has rent arrears up to millions of dollars, for not paying rent for 18 months. The condition of toilet can be seen in picture 5.12.



Picture 5.12. Condition of toilet after blown up

Public toilet in the first floor of Rusunawa was no longer used, because it broke after a blown up. The management was waiting for the disbursement of local budget to repair the damage.

5. Stealing in Rusunawa

There are some cases of stealing in Rusunawa Kudus, among others:

- a. Theft of electrical panel at the maintenance period which Rusunawa has not been inhabited yet. There are two electrical panels lost where the panel is 10 million rupiah. Because the stealing at the maintenance period, the contractors would replace the panel.
- b. Occupant lost his bicycle, several months after he lived Rusunawa. This case had been reported to the police, but not yet known where the bicycle is. Finally team management asking an apology to the resident for that incident. The resident tolerated the incident and transfers this case to the police.

- c. Three occupants lost their things, such as sandals and clothes drying.
- d. One occupant's child tried to steal metal door (to close the dump). However this action failed because it was caught by the security.

Residents has important role in housing maintenance. From rent they pay every month, maintenance of Rusunawa can be done regularly. The rent is used for repairing the Rusunawa damage and giving service to occupants, such as electricity, clean water, cleaning service etc. The map of residents' activities related to utilization of Rusunawa can be seen in figure below.

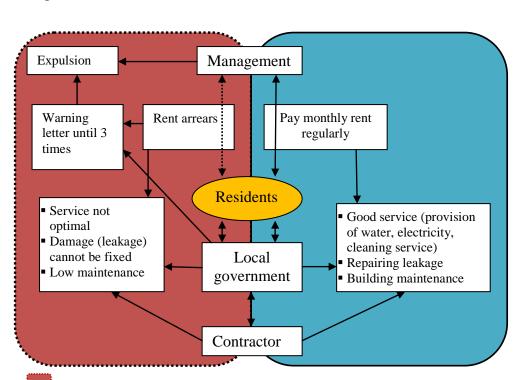


Figure 5.4. Residents' activities in Rusunawa utilization

- 39.5% residents have done rent arrears
- 40.5% residents have not done rent arrears

39.5% is the rate for rent arrears from one month to 8 months. This data had been achieved from 25<sup>th</sup> April 2013 after expulsion. The increasing number of delinquent encourages authoritiy (Infrastructure and Spatial Agencies) adopted a policy to evict delinquent of Rusunawa (especially those who are overdue for more than 6 months). This policy is expected to encourage residents more disciplined in paying rent so it will reduce the amount of arrears of more than 61 million rupiahs.

### 5.8. Best Practice in Rusunawa Probolinggo

Government's commitment in Probolinggo alleviation slums is very high. Its program is not only done by limited budget we have but also through co-operation with the provinces, other institutions such as ICETT, USAID, the Ministry of Housing and Ministry of Public Works who have built 2 twins block Rusunawa in Probolinggo. Construction of Rusunawa in Probolinggo is a strategic program, because it is one of the programs to overcome the house shortage (backlog) and can increase the accessibility of the poor communities to the healthy, convenient and feasible house, so as to reduce slums in Probolinggo.

Problems of the urban population is continue to increase as well as the limited land owned Probolinggo result in attendance rusunawa is the perfect solution. Rusunawa Bayuangga, for example. Besides being used by MBR is located in the city of Probolinggo well used by workers in the industrial area who need a place to stay feasible. Rusunawa own development in use of land for housing still meet the requirements of 10% of the industrial area. A total of 196 units of Rusunawa are located at in the Brantas road already inhabited by citizens who were recorded in the area of asset Revenue Service Financial Management and Asset (DPPKA) City Probolinggo. Through this community DPPKA sign up to get their turn occupy one of the units in Rusunawa Probolinggo.

Facilities and the rent are very affordable. First and second floors 100,000 IDR per month, the third and fourth floor of 90,000 IDR, while the floor V is cheaper at 80,000 IDR to make people on the waiting list of rusunawa Bayuangga and Bestari continue to increase. Currently DPPKA is believed to managing rusunawa Probolinggo order well maintained. For the year 2011, DPPKA budgeted Rp 285 million, - and Rp 303.1 million in 2012 for the purposes of maintenance of existing facilities and infrastructure in including small-scale rusunawa procurement generators. hydrant maintenance, painting walls rusunawa and others. Later, rusunawa will be managed independently if it had been formed UPTD (Technical Implementation Unit). Rusunawa used according allotment, not leased to other person.

It is very difficult for prospective residents who occupy Rusunawa at the time. Cooperation the whole team of rusunawa community by giving outreach to prospective residents in villages around Rusunawa including reimburse mannered to the people who used to occupy government land to move to Rusunawa and provide understanding of the importance of healthy

occupancy and worth so help smooth the process. With these efforts, not infrequently there are pros and cons from society. But after Rusunawa awakened, public enthusiasm for inhabit very large, especially for low income people who do not have a home or living in slums. Given the knowledge society to live more regularly, learn to socialize the assisted with the formation of neighborhood (RT / RW), association, lectures and youth (Karang Taruna) as well as the application of order occupants by managers, so diverse community characteristics able to live together and tolerate each other. To increase the intensity of the relationship between citizens, local Government through the Department of Public Works also has built several facilities within Rusunawa, garden fences and security posts, canopy, mosque also sports fields that will be realized.

Mostly Rusunawa occupants are former neighbors who live in previous housing at District Mayangan. So they have known each other like family. Mothers also many activities, there are aerobics every week, posyandu (health clinic), and recitation. Many people assume that living in flats make activities so limited or other bad assumptions. Therefore live in Rusunawa are healthier and feasible than staying in dense settlements population. Without realizing it, their togetherness creates a feeling of having each other so as to foster a sense of strong brotherhood.

#### CHAPTER VI

### SERVICE QUALITY IN RUSUNAWA

Improving service quality in public housing can be achieved by solving problems in providing public housing policy. Government has several aims in providing public housing, in general, to improve life quality of societies. Nevertheless, there are still weaknesses in its implementation.

1. The service quality of public housing still low, such as providing clean water, communal space, security, cleaning service.

The construction of public housing is not accompanied by providing clean water and other supporting facilities. So people are less comfortable to live there. For example in Rusunawa, poor water quality caused people to buy water for cooking and drinking. Communal space that should for social interaction instead is used as a commercial area. Cleaning service personnel do not carry out the task optimally, so Rusunawa seem seedy and less kept clean. Although to protect the environment cleanness should need participation from occupants. The most important of other facilities is security. People cannot live in peace if there is no guarantee of security. Many cases of theft occurred in a residential neighborhood and Rusunawa which less secure.

2. There are many damages at building amenities and it takes a long time to start fixing them. This problem often occurs in Rusunawa which only takes six months to build two twin-blocks Rusunawa with unprofessional labors. As a result the building's quality is not good, many damages at building amenities although he building has not been occupied. At the time occupied, many damages seen mainly leaks in residential units. This is very disturbing the comfort of occupants. Rusunawa managed by the local government where the rent income get into the local treasury and can be retrieved through the mechanism of the DPA disbursements (Budget Implementation Document) from the local budget. Authorities need a long time to fix these damages, because the authorities must wait for budget repairs can be melted (usually budget funds can be disbursed starting from April).

3. In Rusunawa, many rent arrears are not paid by the occupant thereby affecting the quality of service to residents (electricity and water cut).

Many cases happen in Rusunawa in which occupant did not pay the rent bills. Though the rental price per month is only about Rp.115.000, - and the rent is used for the management of Rusunawa. According to the Minister of Housing regulation Number 18 year 2007, one of the requirements for prospective residents is their income at least equivalent to the UMK (Upah Minimum Kabupaten/ Minimum wage district). Because the rents are set up one-third of the UMK, so expect no resident of rent arrears. However delinquent argued that their income can only be to satisfy their daily needs. With so many arrears, management costs will be limited so that service to the residents is reduced, particularly in providing clean water and electricity. There are residents who owe millions of rupiah, although already received warning letters over and over again. This causes the manager to take decisive steps to remove the occupants from Rusunawa.

## 6.1. Kind of Services

The management (Infrastructure and Spatial Agency) has never conducted a survey to measure the level of residential satisfaction and did not have service standard of Rusunawa occupancy. The researcher has done survey to occupants by interviewing them about the residential satisfaction. Two occupants were taken in each floor in order to obtain data validity. This survey includes 5 variables, among others: dwelling unit, security, utilities (clean water, electricity, garbage management), facilities (communal space/ gathering room, mosque, parking area, park) and cleaning service. The result can be well depicted in table 6.1.

NO.	KIND OF SERVICES	SATISFY	NOT SATISFY
1	Dwelling unit	60	40
2	Security	90	10
3	Utilities		
	Clean water	70	30
	Electricity	80	20
	Garbage management	60	40
4	Facilities		
	Parking	90	10
	Mini park/ yard	60	40
	Hall	60	40
5	Cleaning service	20	80
	Mean	66	34

Table 6.1. Level of Satisfaction in Rusunawa Kudus

Source: Data of Occupant's Satisfaction Survey

From data above, overall occupants satisfy with Rusunawa service stood at 66%. The highest score (90%) of satisfied variable are security and parking. Otherwise the lowest score (20%) of satisfied variable is cleaning service. This indicates that the cleaning service requires a more intensive service improvement as compared with other variables. Dwelling unit condition also requires improving the quality by repairing the damage, because 60% of occupants are dissatisfied with the condition of dwelling units.

Service quality in public housing, particularly in Rusunawa can be measured by calculating the occupant satisfaction index. By calculating the index, provider can determine residential satisfaction (occupant satisfy or not with the service provision). Unfortunately, until now the management (Infrastructure and Spatial Agency) has never conducted a survey to measure the level of residential satisfaction and did not have service standard of Rusunawa occupancy. Based on that fact, the researcher has done survey to occupants by interviewing them about the residential satisfaction. Two occupants were taken in each floor in order to obtain data validity. This survey includes 5 variables, among others: dwelling unit, security, utilities (clean water, electricity, garbage management), facilities (communal space/ gathering room, mosque, parking area, park) and cleaning service.

## 1. Dwelling unit condition

Data of building damages in dwelling unit was dominated by leakage as much as 90% from total damages (34 from 38 damages). This fact indicates that the condition of dwelling units in Rusunawa Kudus less feasible because the number of leaks that cause inconvenience to live in Rusunawa.

Occupant satisfaction level in dwelling unit showed that 40% occupants satisfy and 60% occupant unsatisfied with their dwelling unit. 90% occupants, who unsatisfied with dwelling unit condition, complain related to the leakage in their unit.

Dwelling unit includes living room, bedroom, bathroom, kitchen, and balconies that have 24 m2 in width (6 meters x 4 meters). Two twin-blocks Rusunawa has 198 dwelling units, in which each twin-block consist of 98 dwelling units. Unfortunately from 198 units, only 162 units has been occupied, while 36 dwelling units did not occupied because of heavy damages/ leakage that cannot be fixed by simple fillings. This fact indicates that the condition of dwelling units in Rusunawa Kudus less feasible because the number of leaks that cause inconvenience to live in Rusunawa.

All rooms are used for daily activities should have a direct or indirect relationship with the air and direct and indirect lighting is naturally in sufficient numbers. Flats should have a standard size that can be accounted for, to meet the requirements with respect to the function and use, and must be prepared, organized, and coordinated in order to realize a welfare state that can support and smooth for residents in performing daily activities.

Design of dwelling unit in Rusunawa Kudus is suitable with standard above, but the building quality is far from resident's expectation because of the leak in almost all rooms. Management must sacrifice/ empty the rooms that had a leak. Contractor who have built Rusunawa were investigated by the Attorney. They will take responsibility for such findings by repair all the damage and leakage in Rusunawa that had been repaired in August 2012.

2. Security

Security is important factor to reach resident's satisfaction and secure. This item influences to comfort and safety for the residents. The personnel leader is from the army in order to facilitate security coordination and people become reluctant to criminal. Two buildings guarded by three personnel on duty for 8 hours. 1 person on duty turns to get around and monitor the Rusunawa security, while the two men on guard at the entrance of each building.

From occupant's satisfaction level, security is the factor which residents feel safe and satisfy with the security stood at 90%. This fact shows that resident trust to the security system, although there was stealing incidents at beginning of occupancy.

At beginning of occupancy, Rusunawa has seven people from local residents as security personnel. Local government took security, janitor, and technician from Bakalan Krapyak villagers because there is commitment/ MoU between local government and village's parties to recruit contractual labor from local residents.

After two building had been occupied, local government added 2 personnel as security. So there are nine security personnel that are divided into three shifts to safeguard Rusunawa security. The shifts are 6.00 am - 2.00 pm, 2.00 pm - 10.00 pm, and 10.00 pm until 6.00 am.

3. Utilities

Rusunawa utilities include clean water, electricity and garbage management. It can be defined as follows:

• Clean water

Each twin-block Rusunawa has one deep well to supply clean water. Clean water from deep wells to pump ground water in the tank. From ground water tank, clean water is pumped upward to the upper tank, and then distributed to each dwelling unit. Actually, water from deep well in compliance with health standards, unfortunately the quality of ground water tank was not good enough. Buckets and material that used during the construction process was found after dewatering. The condition was worsened by leaks in the ground water tank from the dwelling unit at the  $2^{nd}$  floor. This makes the residents suffer from skin diseases due to use water from ground tank which has contaminated.

After dewatering, the problems caused by water contamination had been diminished. Recently, there are other problem occurred in water supply. Water pump in TB I (North Twin-block) damaged that cause the water supply in TB I stalled. There is no budget to repair the pump or buy new pump, because all of the rent income must be paid directly to the local treasury. While waiting for the budget release, the technician looking for a solution by connecting a hose from the ground water tank in TB II to be pumped into TB I (look at picture 6.1). This is done to provide water supply in TB I.



Picture 6.1. Solution to provide clean water in TB I

Technician quickly finds alternative problem solutions of providing clean water, although still awaiting disbursement of funds to repair the pump. Water supply still performing well, thus survey obtained level of satisfaction related clean water is 70% occupant satisfied and 30% unsatisfied with clean water supply.

• Electricity

Electricity is very important facilities of Rusunawa. Not only for lighting and daily activities, but also to turn the water pump which is used to pump water from wells in the ground tank, upper tank and all residential units.

Unfortunately, there was theft of electrical panel at the maintenance period which Rusunawa has not been inhabited yet. As explained by Kholis Sodiqi (technician of Rusunawa) on 5 July 2012. He said that two electrical panels lost where the panel is 10 million rupiah. Before the electrical panel replaced, water pump cannot be operationalized, so clean water did not supplied to dwelling units. Contractor replace the panel because the stealing at the maintenance period.

Another problem arises when the panel room affected by the leakage of residential units in  $2^{nd}$  floors. This is very dangerous, if the electrical panel exposed to water can cause a surge / damage. It can be seen in picture 6.2.



Picture 6.2. The leakage in panel room

Splicing 2x164 KVA electricity would be accomplished in Rusunawa since January 2010, with the monthly expenses of at least 8,029,440 IDR. As long as yet inhabited, the cost of electricity cannot be paid. Rusunawa began operationalized in August 2010. So during 7 months local government allocate fund to pay the bill in which electricity has not been used at all, because there is no occupancy. Until now, local government still subsidizes the electricity bills, because the electricity bills from occupants cannot cover the electricity bills from PLN (state electricity company).

Occupants are required to pay for electricity each month, while the water is free of charge because the clean water comes from deep wells. Residents who do not pay for electricity up to 3 months, the flow of electricity to residential will be turned off by the technician. As a result, occupants is more diligent to pay electricity bills rather than rent bills because electricity delinquent penalties tougher than the delinquent rent.

Ambiguity in enforcing the rules often becomes motivating factor indiscipline resident in paying bills. Factor of compassion and giving sanctions be a dilemma for officers. On one side the officer want to enforce the rules, but on the other hand they do not bear to give sanction for violators.

Frequent power transformer exploded also affect the supply of electricity and clean water in Rusunawa, but these problems can be quickly handled. So that, occupant satisfaction related electricity supply reach 80% satisfy and 20% unsatisfied.

• Garbage management

Rusunawa has been designed with the waste shaft which is located on the corner of the building at each floor. In total there are 4 shafts in two twin-blocks Rusunawa garbage. On the ground floor (waste shaft) there is a landfill for garbage collection by garbage workers. Unfortunately the residents, especially children less orderly in landfills, taking the garbage down (mini park).



Picture 6.3. Condition of garbage shaft

Condition of garbage shaft starts to look shabby for a dislodged iron door and has not been fixed. Even one occupant's child tried to steal metal door (to close the dump). However this action failed because it was caught by the security. Occupant satisfaction related garbage management is 60% occupants satisfy and 40% unsatisfied.

At the beginning of occupancy, there was miss communication between the management team with division of hygiene and landscaping on Infrastructure and Spatial Agency, which Rusunawa trash picked up indirectly by garbage workers. As a result the garbage piled up during the 2 weeks that cause odor and comes up a lot of green flies. Once the management team to coordinate intensively by paying in advance the cost of trash collection, trash finally picked up all.

## 4. Facilities

Flats shall be equipped with: water networks, electricity networks, gas networks, rainwater drainage, sewage drains, channels and / or landfills, where for the possibility of installation of telephone and other communication equipment, means of transportation in the form of stairs , elevators or escalators, fire doors and fire stairs, laundry, fire extinguishers, lightning rods, tool/ alarm system, smoke-tight doors at certain distances, and the electric generator housing project for the use of elevator.

In the housing project and its environment should be provided the rooms and / or buildings for a gathering place, community activities, a playground for children, and other social contacts as well as room and / or buildings to suit the needs of service standards. In fact, Rusunawa Kudus has gathering room for community activities. Unfortunately this facilities never been used because there is no communities' gathering.

One twin block Rusunawa Kudus consists of 99 residential units, divided into 3 units on the 1st floor (two units for the handicapped / disabled people and one unit for the guards) and 96 residential units on  $2^{nd}$  until  $5^{th}$ floors. Each dwelling unit consists of a living room, one bedroom, kitchen, bathroom and balcony. Each dwelling unit has an electric meter (placing it in the room collected together near the stairs), water meter and TV channels. There is clean water from deep wells for Rusunawa residents. Each building is also equipped with lightning rods, water hydrant for fire safety and waste shaft. Level of occupant satisfaction in parking area reach 90% satisfy, meanwhile for hall and park reach 60% satisfy. Overall residents satisfy with the facilities stood at 75%.

5. Cleaning service

Cleaning service becomes important indicator of residential satisfaction. However in reality, cleaning service improvement became prominent expectation of Rusunawa resident. Almost 80% occupants want cleaning service improvement. As revealed by Bagus (resident in TB I room 4.3B), he said that there should be responsible for the cleanliness of each floor. The leaks and damage of dwelling unit should be handled immediately. Cleaning service becomes most unsatisfied variable for residents. Many complaints occurred related to the poor cleaning service, especially in staircase and mini park stood at 80% unsatisfied with cleaning service performance.

Local government contract 4 people to be janitor in Rusunawa. It will be hard duty for them if residents not keeping the environment clean. A lot of garbage was strewn especially in the mini park although it is cleaned every day. This is compounded by the janitors who often sleep during working hours. Only one person works diligently. It is not enough to cover hygiene of two twinbloks Rusunawa. To maintain the cleanliness Rusunawa, required residents awareness to maintain environmental hygiene and the proactive janitor in working.

## 6.2. Residential Satisfaction

During two years since Rusunawa had been operationalized, there are 98 families out from Rusunawa. Most of them go out after occupied several months. The number of households who inhabit and out from Rusunawa can be seen in table 6.2.

NO	Floor	Number of Occupants (existing Household)			Number of Occupants (Household move out)		
		TB I (North)	TB. II (South)	Total	TB I (North)	TB. II (South)	Total
1	1st Floor	0	2	2	1	0	1
2	2nd Floor	22	23	45	10	20	30
3	3rd Floor	23	16	39	15	13	28
4	4th Floor	17	18	35	9	10	19
5	5th Floor	21	20	41	12	8	20
	TOTAL	83	79	152	47	51	98

Table 6.2. Number of households (exist and out)

Source: Administration of Rusunawa Kudus (processed)

The occupants who decided to move out from Rusunawa felt uncomfortable to live in, because the leakage in their dwelling units.

The needs of housing have to be fulfilled by the state. As a fundamental and basic rights as well as a prerequisite for any person to survive and enjoy a life of dignity, peace, security and comfort the provision of housing and settlements that meets the principles of decent and affordable for all people has become a global commitment as stated in Habitat Agenda (The Habitat Agenda, Istanbul Declaration on Human Settlements) and Millennium Development Goals (MDGs).

From the theory above, government should provide decent and comfort housing where any person can survive and enjoy their life. People tend to choose a comfortable housing although more expensive, rather than unfeasible housing but they cannot enjoy their life.

In addition residential satisfaction is the important factor of service quality in Rusunawa. Management should know occupant's expectation and realize it to reach residential satisfaction in order to improve service quality in Rusunawa. Good condition of dwelling unit and complete facilities become prominent factors to achieve residential satisfaction.

## 6.3. Rent Arrears

Arrears of rent are a classical problem in the management Rusunawa. Arrears are gradually increasing, due to the increasing number of households in arrears. The addition amount of arrears is also caused by lack of strict managers in cracking down on delinquent. According to the decree number 10 of 2010 section 26 stated that:

(1) In the event Rusunawa residents do not pay the rent for 3 (three) consecutive months, the UPT Rusunawa can break a lease agreement and asked the occupants to get out of Rusunawa.

(2) Termination of rental agreement referred to in paragraph (1) carried out after UPT Rusunawa provide 3 (three) times the warning and not implemented.

Delinquent had been given a warning letter three times, but the authority did not have the heart to remove them from Rusunawa. As a result, rent arrears to be a virus that spreads in Rusunawa. At 29 June 2012, Diyah (administrator in Rusunawa) said that Rusunawa arrears always increase each month because a lot of new delinquent. Other residents who previously would pay rent arrears to be affected, because they see households who delinquent until more than a year, had not been removed from Rusunawa. From data that was made in June 2012, there are 63 households in arrears with total amount 51,700,000 IDR and the highest number reached 3,190,000 IDR (for 20 months). He only paid a month since the first time of occupancy in October 2010. According to Regent Regulation number 10 year 2010 article 24, late payment of Rusunawa rent are penalized to a fine of 10% (ten percent) of rental rates every month. Since there is no strict punishment for the delinquent, delinquent amount increases every month. As a result, the incoming rent could not cover operating costs, and maintenance Rusunawa.

## 6.4. Expulsion

The increasing number of delinquent encourages authoritiy (Infrastructure and Spatial Agencies) adopted a policy to evict delinquent of Rusunawa (especially those who are overdue for more than 6 months). This policy is expected to encourage residents more disciplined in paying rent so it will reduce the amount of arrears of more than 61 million rupiahs. In 1st november 2012, authorities have evicted 3 households who had the highest rent arrears (more than a year). This policy is actually very problematic because residents who came out was low income people who also need a decent place to live. On the other hand this policy was to give lessons to other tenants to pay the rent regularly. As a result the amount of rent arrears after expulsion (April 2013) was decrease almost 50% from 61.6 to 36.6 million rupiahs.

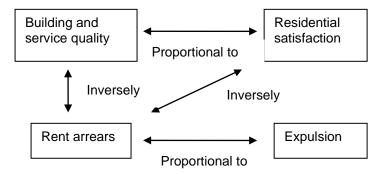
The expulsion had done by all member of security (9 persons), cause resident who was expelled very angry and remove the water faucet of dwelling unit, so that water spilled up to the stairs. One of evicted household was tenants representatives who asked to participate in the launch of Rusunawa (key handover ceremony). It was a bad ending because he was expelled from Rusunawa with arrears almost 2 years. Then he reported this expulsion to the NGOs by saying three months arrears got expulsion. This case was not followed up by NGOs because these reports proved incorrect after confirmed to the management.

# 6.5. Relationship between Building and Service Quality, Residential Satisfactions, Rent Arrears and Expulsion

There are four points that have close relationship among others: building and service quality, residential satisfaction, rent arrears and expulsion. Low service and building quality cause dissatisfaction Rusunawa residents that result in rent arrears. Rent arrears are higher, an indication of dissatisfaction Rusunawa residents during they stay there. They consider that it is not necessary to pay the rent, because their leaky shelter is not immediately addressed by management. Most of them, who are in rent arrears, do not complain of leakage or damage of their residential unit. While they often complain are those who diligently pay their rent. They hope to get better service with improved residential units, so they can live comfortably in Rusunawa.

The high rent arrears from residents led to poor quality of service and expulsion for those who are in arrears of more than six months. Rusunawa rent is used to repair buildings and service facilities. If the rent is not paid by the residents it will affect the service quality and building maintenance. The expulsion will be affected to decrease the amount of arrears and delinquent. Those relationships can be will depicted in figure below.

# Figure 6.1. Relationship Building and Service Quality, Residential Satisfactions, Rent Arrears and Expulsion



Building and service quality has positive correlation with residential satisfaction. In the contrary they have negative correlation (inversely) with rent arrears. Expulsion is the impact of rent arrears that has positive correlation with rent arrears. It is affected by residential satisfaction, building and service quality.

## CHAPTER VII

#### CONCLUSION AND RECOMMENDATION

## 7.1. Conclusion

From research findings and data analysis in previous chapters above about service quality in Rusunawa Kudus, it can be concluded as follows:

- Development Rusunawa by the contractor is not adequately controlled. Although the contractor is not subject to or working for local government, local government must take control from the time of construction. Do not want to accept (give signature) if the quality does not meet the requirements.
- 2. Since the government built Rusunawa in receiving area, the local government had to set up such as: Who is to inhabit it, and how the budget provided for the selection and maintenance Rusunawa.
- Rusunawa construction and its supervision influence the building quality. Low performance of those service providers will result in low building quality and vice versa.
- 4. Rent arrears are higher, an indication of dissatisfaction Rusunawa residents during they stay there. They consider that it is not necessary to pay the rent, because their leaky shelter is not immediately addressed by management. Residents still satisfied to the service quality of Rusunawa (66% of occupants are satisfied, while 36% are not satisfied with the service quality) because there is no better choice.

5. The supporting factors of Rusunawa program, including 1) the political will of government, 2) Political will is contained in the budget should be adequate. 3) Government should provide land and preparation of active management and provide for its maintenance budget. 4) Horizontal and vertical networking needs to be strengthened. In addition, human, budget, and building quality will be important factors that influence Rusunawa program. Those can be inhibiting factors if they are not implemented well.

The conclusion can be well depicted in the matrix below:

Issues	Pre construction Stage	Construction Stage	Post construction Stage
Rusunawa	Provision of land	Rusunawa building	Rusunawa
Implementation	and basic		management and
Program	infrastructure		maintenance
1. Relevance	The land provision in public housing remains to be an imminent issue to be resolved because Rusunawa (vertical housing) is the solution to overcome the limited land	The Project has been consistent with both major national development plans of Indonesia and medium term development plan in local level, both of which explicitly give a high priority to the improvement in public housing quality and reducing slums	Selecting low income communities as a target group has been appropriate, because they deserve to live in decent and affordable housing
2. Effectiveness	The project has been	The output	The output
	partially effective.	(Rusunawa building)	(building
	Poor communication	partially sufficient to	maintenance) is
	among stakeholders	achieve the project	partially sufficient
	almost inhibit	objective in which	to achieve project
	project objective.	the quantity target is	objective. It takes
	Socialization of	reached, however the	time to fix the

	Rusunawa program was held by local government overcome the problem	building quality does not meet the expectation (many damages and leakage).	damages related to disbursement procedure.
3. Efficiency	The Project is implemented sufficiently efficiently. Outputs (Land provision and building permit) have been achieved. Regarding activities for producing the Output, progress of the Project activities was relatively slow but enough to produce the expected outputs	The Project is implemented insufficiently efficiently. Many Rusunawa project in Indonesia have a low quality buildings (dwelling unit leaks) due to lack of supervision in construction process	The Project is implemented sufficiently efficiently. Outputs (electricity bill and labor honorarium are paid) have been achieved. Although building maintenance has not been done well.
4. Impact	The impact on policies related to Rusunawa program is the commitment from central, provincial and local government to support and accommodate some projects in order to achieve overall goal.	Procurement plans for development and maintenance are expected to be implemented transparently and avoid corruption, collusion and nepotism between project managers with the third parties.	The overall goal to provide decent housing and reduce slums promises to be realized within three to five years after the end of the project by appropriately Rusunawa development, management and maintenance.
5. Sustainability	In particular, self- reliance by local government as well as communities is crucial for the effects of the Project to continue after the completion of the Project (maintenance of basic infrastructures/ facilities)	Effects of the Project are expected to be sustainable in terms of policy, while the financial and human resource sustainability is still uncertain.	Too frequent personnel transfer at central, provincial and local governments, and the uncertainty on how to share the financial cost of maintenance might threaten the sustainability of the Project

Influences Factors	Pre-construction	Construction stage	Post construction
in Rusunawa Program	stage		stage
1. Human factors (stakeholder's role)	All stakeholder's play their role quite effective based on their duties and authority	Low performance of private sector (contractor and supervision consultant) result in low building quality	Horizontal and vertical networking among stakeholders need to be strengthen
2. Budget	Sufficient budget from central and local government	Sufficientbudgetfromcentral,provincialandlocalgovernment	Insufficient budget from local government
3. Building quality	Good result in land provision and basic infrastructure	Material meet the requirement, but wrong procedure in piping and bathroom construction	Low building quality, leakage in almost all rooms
4. Commitment/ Political will	Commitment from local government to provide land and infrastructure for Rusunawa development	Commitment from central government to build Rusunawa in order to reduce slums and provide decent housing	Commitment from local government to manage Rusunawa, although weak in its maintenance
5. Communicatio n	Communication among stakeholders in land preparation (socialization of Rusunawa program and intensive approach to villagers who refuse Rusunawa)	Although coordination has been established at central level to local level, implementation was difficult because of the frequent change of officers or the regulations, both at central and local level.	Communication among stakeholders did not well established in Rusunawa maintenance (ambiguity of responsibility in maintenance and management)

#### 7.2. Recommendation

From conclusion above, researcher propose several recommendation to solve the problems, generally in public housing and particularly in Rusunawa Kudus, among others:

- 1. If local government wants that maintenance budgets does not weigh the local budgets. From the beginning they had to be prepared and make regulation of Rusunawa leasing and occupancy, where rents should be sufficient, at least for maintenance. Here required the active and creative work of local government, do not just passively accept the program from the central government. What a dialogue should be the rights and obligations of each party, and do not want to receive when the program was detrimental to the area or beyond the financial capacity.
- Viewing the Rusunawa development, Technical Management Unit of Rusunawa (UPT Rusunawa) will be the best formulation to manage Rusunawa that has complicated problems and many divisions to manage related to occupancy and facilities provision.
- 3. Governments should find solutions to improve service quality, particularly to provide decent housing and its facilities, among others:
  - Procurement system should be repaired by apply e-procurement to minimize corruption, collusion and nepotism in selecting third party to do the housing project.

- b. Monitoring the housing project comprehensively and entirely to obtain a good quality of public housing. The authorities dare to give punishment or penalty if the work does not comply with the technical specifications as set forth in RKS (Rencana Kerja dan Syarat-syarat/ Work Plan & Conditions).
- c. Representative housing/ Rusunawa should equip with adequate support facilities (clean water, security, cleaning service, electricity, garbage, communal space).
- d. Eliminating corruption and cutting bureaucratic procedures would encourage the private sector to build affordable homes.
- e. The government needs to reassess its budget priorities and shift the emphasis from law enforcement to housing provision.
- f. Involving private sector in providing public housing, such as providing decent housing for their employee and allocate budget by CSR (Corporate Social Responsibility) to improve service quality in housing sector.
- 4. Government should find solutions to eliminate rent arrears, as follows:
  - a. The government must allocate the funds that can be taken at any time for infrastructure improvements (Rusunawa), so that residents do not wait too long to fix the building amenities.
  - b. The government should provide decent dwelling unit and facilities, and fix it immediately when damages occurred. So, it will push

residents to pay the monthly rent regularly because of excellent services.

- c. It needs a minimum income limitation for prospective occupants during the selection process of occupancy Rusunawa, so that occupants will be able to pay the rent to support the service quality of Rusunawa.
- d. The management to be more assertive in giving sanction to the delinquent. For resident who has the highest arrears should be removed from Rusunawa to set an example for residents to pay their rent every month regularly, with a note the damaged dwelling units immediately repaired.
- 5. The government should seek the public housing interest by collecting and accommodating the aspirations from stake holders. Involving citizens (citizens' participation) to formulate the standardization of public housing and to find problem solutions in housing sector. It is important to apply Citizen's Charter as a medium of public participation in implementing, controlling, and making decision about public service.
- 6. Management should encourage and facilitate occupants to establish *paguyuban* (association). Association of occupants in Rusunawa could be a forum to accommodate the interests of residents and a medium to make good communication between the community and government to improve service quality.

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