

PEMUDAH
TECHNICAL WORKING GROUP DEALING WITH CONSTRUCTION
PERMITS (TWGDCP) - OSC 3.0 WORKING GROUP

MEETING NO. 2/2020 MINUTES

Date : **22 October 2020 (Thursday)**

Time : **10.00 a.m. – 12.00 p.m.**

Venue : **Online Meeting**
Zoom Platform

Chairman : **YBhg Dato' Dr. Ir Andy Seo Kian Haw**
Co-chair PEMUDAH

Co - Chair : **YBhg. Tan Sri Dato' Ir Teo Chiang Kok**
Co-chair TWGDCP



Mohamad Muzaffar Abdul Hamid
Timbalan Pengarah
MPC

1. OPENING REMARKS

- (1) Chairman YBhg. Dato' Ir Andy Seo welcomed all members to the meeting for and thanked them for their presence at the meeting.
- (2) Dato' Chairman expressed that the current Conditional Movement Control Order (CMCO) might slow down interactions with government and technical agencies as physical meetings cannot be conducted, however it is important for TWGDCP to continue picking up issues commonly experienced in the construction industry and figure out solutions to overcome them. The meeting shall discuss the way forward with the issues.
- (3) He voiced out his dismay incompetence of both the regulatory bodies and consultants. Some professionals/consultants dare not to challenge or question the decisions of technical agencies/local authorities and blindly following them without knowing the correct practice.
- (4) Co-Chair YBhg. Tan Sri Dato' Ir. Teo Chiang Kok thanked Dato' Chairman for his welcoming remarks. Tan Sri Co-Chair added that this meeting shall also discuss the outcome of the previous OSC Working Group meeting conducted by REHDA KL with several industry players of the private sector.
- (5) He shared with the meeting that the economic slowdown due to CMCO has resulted in some municipalities seeking new applications from developers.

However, the irony is that there are still applications being processed that are yet to be approved, suffering the same delays.

- (6) Tan Sri Co-Chair concurred with Dato' Chairman – the incompetence of some local authorities officers result in projects being delayed longer due to the CMCO. To add to that, developers and consultants dare not to debate with the local authorities for fear of being victimized.
- (7) Mr Tan Ching Meng suggested to get together with Mah Sing Group Bhd and learn how they managed setting up of a rubber glove factory in such a short timeframe, although in the midst of the economic slowdown. The factory will begin production in April 2021.

The meeting agreed that:

- (a) MPC to contact and discuss with Mah Sing Group Bhd their strategy in setting up of the rubber glove factory in a short timeframe, especially Mah Sing's experience with utility providers (TNB, IWK and waterworks).

Action: TWGDCP Secretariat

2. UPDATE ON OSC WORKING GROUP MEETING

(A) Mr Tan Ching Meng shared the update of the OSC Working Group meeting conducted by REHDA KL on 16th October 2020:

- (1) The OSC Working Group conducted by REHDA KL aims to pool issues/cases from developers and consultants relating to the P1 and P2 submissions. The geographic scope will focus on submissions under DBKL to start with, and subsequently cascading to other states.
- (2) REHDA KL sub-group will focus on projects and matters/systems related to DBKL since the authority is subjected to certain federal acts. TWGDCP sub-group to focus on other local authorities outside of KL, which are directly governed under Jabatan Kerajaan Tempatan (JKT).
- (3) Issues/concerns of the OSC Working Group members are:
 - (i) Difficulty in getting data for utility and planning (i.e. IWK, TNB and waterworks data) to guide developers; there is no infrastructure masterplan to coordinate developments as a whole – each plan is on its own.

- (ii) Delay in application process due to additional requirements imposed by local authorities. Applicants are instructed by OSC officers to follow up with technical departments for approvals/comments outside of the OSC system, before their application can be accepted. Engagement with technical departments take a long time since they have to go through their own OSC meeting to scrutinize even minor details. The correct practice is all comments and feedbacks from technical departments should go through OSC system. Further, OSC officers are not well-trained in technical negotiations, hence unable to provide comments, assistance or wiggle room to consultants on the spot.
- (iii) Delay in land matters; a long time required because developers would have to approach Exco for clearing of Express Condition (*Tukar Syarat Nyata*).

(B) The meeting take note of the following:

- (1) Puan Aminah pointed out that these issues have been deliberated in previous meetings, however the proposed solutions are not implemented on the ground. For these issues to be fully addressed, it is essential for Kementerian Perumahan & Kerajaan Tempatan (KPKT) and Jabatan Kerajaan Tempatan (JKT) to be part of the Working Group. Awareness of incorrect submission practice by local authorities can be raised to JKT with their participation. PBT/state government often bring up the need for endorsement/instruction from JKT in order to implement the proposed solutions.

It is observed that JKT does not play its role well. Most of the guidelines and conditions proposed by JKT are contradictory to the law. It is important for this issue to be tackled at the roots so to standardise the implementation of OSC. KPKT has previously advised that OSC should not be structured under the planning department, however most local authorities still goes against this practice. Hence it is important to cooperate with JKT and PBT officers together to streamline this issue.

- (2) Tn Hj Arman shared his experience in getting JKT's involvement pertaining to the private healthcare process – roadshow organised with involvement from four main departments: PBT, OSC department, planning department and building department, together with JKT. Following from that JKT agreed with the benefits of the process, and would like PBT to adopt the proposal. However, PBT required an official circular/directive from JKT to adopt the process at state level.

Moving forward with TWGDCP issues, similar hierarchical collaboration with the government has to be undertaken to ensure OSC implementation is

standardized at all three tiers of the government, once commitment from the private sector is firmed up.

(3) Datuk Ezumi concurred with involving KPCT and JKT into the picture. The current construction ecosystem has created room for each party to protect their own turfs, hence working in silos without communication and coordination – information from top-tier management not cascaded to the bottom, and new regulations being freely created on the ground unbeknownst to the governing authorities. KPCT and JKT produce the OSC 3.0 Plus Manual and Online Platform without measuring the productivity and understanding the hiccups on the ground.

KPCT and JKT have no interest to improve the system as they assume issues with OSC will not impact them in the long run. It is suggested that measuring KPCT and JKT's productivity to prove that their system is causing a series of problems to bring them to their attention.

(4) Puan Aminah was of the view that OSC 3.0 Plus system is not working efficiently. Suggested to study the hiccups and revamp OSC 3.0 Plus. As per her study, the only objective of OSC 3.0 Plus is to allow planners to perform planning submission; no other revision done on other submissions. She suggested that TWGDCP revisit OSC 3.0 Plus system, and to present detailed issues and improvements to KPCT, instead of basing TWGDCP's current recommendations on OSC 3.0 Plus.

3. DISCUSSION: WAY FORWARD WITH TWGDCP ISSUES

(A) Five action plans/recommendations are proposed to be addressed to KSU KPCT. The following main topics are discussed by the meeting:

(1) Deep diving Planning Permission (KM) issues:

(i) Plots which are already part of an approved masterplan/gazetted zone shall not require a KM submission. The usage of all the plots within the masterplan/gazetted township are already determined in the KM approval, hence another KM submission is viewed redundant.

The meeting take note of the following:

(a) REHDA has previously conducted a property lab and agreed that there are ten types of development which is automatically exempted from planning approval – Exemption for Planning Approval (ExPA). The issue arises when it is not implemented in many PBTs, deviating from the outlined practice and law.

(b) Case by case/project scenarios to be compiled to analyse detailed issues with KM submission.

(2) Retraining for professionals and government officers on OSC:

- (i) It is important to obtain a mutual agreement with KPKT that both professionals and government officers shall be retrained on the correct practice of OSC process.
- (ii) Professionals and government officers are to be trained in a mixed-group and same module to avoid mismatch of information between regulators and submitting persons (SP). Training module/session to cascade policies down the three-tier government.
- (iii) It is suggested that Certificate of Competency in OSC is issued for the training. Professionals and government officers who will be involved in submission must demonstrate that they have undergone OSC training.
- (iv) KPKT has a module for every agency including OSC syllabus. The module for retraining shall be combined with KPKT's module so it benefits both public and private sector.

(3) Tracking system improvement for OSC:

- (i) To suggest improvement to the current track and trace system of OSC submissions for both SP and owners. Tracking system to allow consultants and stakeholders to keep updated with the current stage of the project, and to see where delays or holdups occur in the submission process.
- (ii) Project owners and SPs shall be able to track each individual project file at all stages in the process from submission to approval. This is so project owners

(4) Recommendation of 'silence implies consent' deeming clause for DOSH and BOMBA (OSC Process 5):

- (i) Currently, out of the six departments/technical agencies involved in P5, only DOSH and BOMBA have not agreed to the silence implies consent deeming clause. This topic is a proposal for KPKT to convince these two agencies to allow the deeming clause.

- (ii) Deeming clause to be applicable to all agencies under P5: PBT/JKR (for Road and Drainage), IWK, TNB, waterworks, DOSH and BOMBA.
- (iii) Silence implies consent after 14 days policy to be extended to DOSH and BOMBA under Stage 2 CCC inspection. DOSH and BOMBA are to issue clearance letter 14 days upon inspection, or silence will be deemed as approval.
- (iv) Providing a 14-day period for DOSH and BOMBA will maintain the timeline for issuance of CCC and in line with 28-days deeming clause for Stage 1 CCC inspection (IWK, TNB and waterworks).

The meeting take note of the following:

- (a) For CCC, only clearance from these six departments are required: PBT/JKR (for Road and Drainage), IWK, TNB, waterworks, DOSH and BOMBA. However, some local authorities impose the condition that architects can only issue CCC once clearance letter has been obtained from PBT. This is wrongful practice, against Act 133 of Uniform Building By-Law (UBBL). Once all six departments have issued clearance letter, there is no need to notify the PBT before architects can issue the CCC. It is worthy to include in TWGDCP recommendations to KPKT that all local councils should observe and uphold the law governing them when dealing with CCC.
- (b) All six agencies need to be addressed together with KPKT to explain and clarify the mechanism of the deeming clause. It is also important to involve professionals/consultants as there are some that are still unclear of the mechanism and in fear of speaking up to local authorities' incorrect practices.

(5) Adoption of landscape guideline by local authorities:

- (i) Issue arises when some local authorities do not fully adopt the state's landscape guidelines/policies. Different local authorities adopt different portion of the guideline and some even none, hence creating confusion among applicants on the landscape requirements. The subjective/non-standardised and constantly changing requirements makes getting an approval difficult as there is no baseline to refer to.
- (ii) Issue to be raised to KSU KPKT for local authorities to implement adoption of the guideline uniformly. The landscape guideline has been heavily deliberated in previous meetings and there are no issues with the guideline itself.

(B) The meeting agreed that:

(a) Deep diving KM issues to be led by Mr Tan Ching Meng (REHDA) to drive and further deliberate. Sub-group to add on and enhance issues related to KM discussed in this meeting. Actual projects as case studies/precedents to be clearly presented to draw a baseline to issue analysis and solution proposal.

Action: REHDA

(b) MPC to fine tune all five issue statements. Assessments to be conducted to gather data, facts and figures, subsequently followed by recommendations proposal and packaged into a memorandum paper.

(c) Issues relating to OSC to be solicited and refined/collated into a memorandum paper before it is forwarded to KSU KPCT.

Action: TWGDCP Secretariat & Topic Contributors

(d) To communicate with KPCT for them to demonstrate current OSC Portal tracking system. Proposal for individual project file tracking and public domain/access for private sector to follow accordingly.

Action: REHDA

(e) Implementation issue of landscape guideline by local authorities to be raised to KSU KPCT so the guideline is adopted uniformly.

Action: LAM

(f) MPC to arrange for meeting with KSU KPCT and KP JKT. All issues and recommendations discussed with KSU KPCT to also be shared with KSN / PEMUDAH Co-Chair.

Action: TWGDCP Secretariat

4. ADJOURNMENT OF MEETING

Chairman, YBhg. Dato' Ir Andy Seo adjourned the meeting at 12.00 p.m. and thanked the members for their attendance. The date of the next meeting will be notified to the members.

SECRETARIAT

TECHNICAL WORKING GROUP DEALING WITH CONSTRUCTION PERMITS

23 OCTOBER 2020

APPENDIX 1

PEMUDAH TECHNICAL WORKING GROUP DEALING WITH PEMUDAH TECHNICAL WORKING GROUP DEALING WITH CONSTRUCTION PERMITS (TWGDCP) - OSC 3.0 WORKING GROUP MEETING NO. 2/2020

ATTENDANCE

A CHAIRMAN

1. YBhg. Dato' Dr. Ir. Andy Seo Kian Haw Co-Chair PEMUDAH

B CO-CHAIR

2. YBhg. Tan Sri Dato' Ir Teo Chiang Kok Co-Chair TWGDCP

C PRIVATE SECTOR

1. Mr Tan Ching Meng REHDA
2. Datuk Ar Ezumi Harzani Ismail PAM
3. Ir Bashir Ahamed Maiden Nadi Consult
4. Ar Tn Hj Syamsul Arman Yap Arte – Axis
5. Puan Aminah Abd Rahman

D SECRETARIAT

1. Encik Zahid Ismail MPC
2. Puan Wan Fazlin Nadia Wan Osman MPC
3. Encik Mohamad Muzaffar Abdul Hamid MPC
4. Encik Mohamad Azrol Mohamad Dali MPC
5. Puan Ati Djam Seri Montoi MPC
6. Puan Haslizayanti Othman MPC
7. Cik Khalidatul Asrin Abdul Aziz MPC
8. Cik Najwa Harzani Ezumi Harzani MPC Associate