PAAC

PARLIAMENT
REPUBLIC OF TRINIDAD AND TOBAGO

FOURTEENTH REPORT OF THE

THE COMMITTEE ON

PUBLIC ADMINISTRATION AND APPROPRIATIONS

THIRD SESSION OF THE 11TH PARLIAMENT

INQUIRY

Examination into the Construction, Maintenance and Refurbishment of State- Owned or State-Funded Housing Projects and Units

Public Administration and Appropriations Committee

The Public Administration and Appropriations Committee (PAAC) is established by Standing Order 102 and 92 of the House of Representatives and the Senate respectively. The Committee is mandated to consider and report to Parliament on:

(a) *the budgetary expenditure of Government agencies to ensure that expenditure is embarked upon in accordance with parliamentary approval;*

(b) *the budgetary expenditure of Government agencies as it occurs and keeps Parliament informed of how the budget allocation is being implemented; and*

(c) *the administration of Government agencies to determine hindrances to their efficiency and to make recommendations to the Government for improvement of public administration.*

Current membership

Mrs. Bridgid Mary Annisette-George	Chairman
Dr. Lackram Bodoe	Vice-Chairman
Ms. Nicole Olivierre	Member
Mrs. Ayanna Webster-Roy	Member
Mr. Clarence Rambharat	Member
Mr. Daniel Dookie	Member
Mr. Wade Mark	Member
Brig. Gen. (Ret.) Ancil Antoine	Member
Ms. Amrita Deonarine	Member
Mr. Garvin Simonette	Member

Committee Staff

The current staff members serving the Committee are:

Ms. Keiba Jacob	Secretary to the Committee
Ms. Sheranne Samuel	Assistant Secretary
Mr. Brian Lucio	Graduate Research Assistant
Ms. Rachel Nunes	Graduate Research Assistant
Ms. Anesha James	Administrative Support

Publication

An electronic copy of this report can be found on the Parliament website using the following link:
http://www.ttparliament.org/reports/p11-s3-J-20180321-PAAC-R10.pdf

Contact Information

All correspondence should be addressed to:

The Secretary
Public Administration and Appropriations Committee
Office of the Parliament
Levels G-9, Tower D
The Port of Spain International Waterfront Centre
1A Wrightson Road, Port of Spain, Republic of Trinidad and Tobago
Tel: (868) 624-7275 Ext 2372, 2373; 2409 Fax: (868) 625-4672
Email: paac@ttparliament.org

Date Laid in HOR: January 11, 2019 **Date Laid in Senate: January 15, 2019**

Table of Contents

Members of the Public Administration and Appropriations Committee

Mrs. Bridgid Mary Annisette-George
Chairman

Dr. Lackram Bodoe
Vice Chairman

Mr. Wade Mark
Member

Mr. Clarence Rambharat
Member

Mrs. Ayanna Webster-Roy
Member

Mr. Garvin Simonette
Member

Ms. Amrita Deonarine
Member

Mr. Daniel Dookie
Member

Brig. Gen. (Ret.) Ancil Antoine
Member

Ms. Nicole Olivierre
Member

EXECUTIVE SUMMARY

This Report of the Public Administration and Appropriations Committee (PAAC) for the Eleventh Parliament contains the details of the examination of the stakeholders on **the Construction, Maintenance and Refurbishment of State-Owned or State-Funded Housing Projects and Units.**

The (PAAC) agreed to examine the construction, maintenance and refurbishment of housing projects and units to determine whether:

a) the construction, maintenance and refurbishment of housing projects and units are adequately administered;

b) there is efficient and effective monitoring of the construction maintenance and refurbishment of housing projects and units;

c) any hindrances exist in the construction, maintenance and refurbishment of housing projects and units;

d) improvements can be made pertaining to the construction, maintenance and refurbishment of housing projects and units; and

e) there are recommendations for improving the construction, maintenance and refurbishment of housing projects and units.

The Committee employed two (2) mechanisms: review of written submissions and a Public Hearing. The Committee focused on a review and analysis of the written submissions submitted by all stakeholders. Subsequently, the Committee conducted a Public Hearing with the following stakeholders:

- ✓ The Permanent Secretary, Ministry of Housing and Urban Development; and
- ✓ The Managing Director, Housing Development Corporation of Trinidad and Tobago.

The Committee extended recommendations related to the issues identified, the Observations and Recommendations are presented in Chapter 3.

1. INTRODUCTION

THE COMMITTEE

The PAAC of the Eleventh Republican Parliament was established by the revised Standing Orders to:

- examine current public expenditure, thereby capturing the full budget cycle by providing Parliamentary oversight of the implementation of the budget; and
- conduct a real time examination of the expenditure of Ministries and Departments.

Membership

1. In the 11th Parliament the Members of the Committee were appointed by resolutions of the House of Representatives and the Senate at sittings held on Friday November 13, 2015 and Tuesday November 17, 2015 respectively.
2. By resolution of the Senate On November 3, 2017, Ms. Jennifer Raffoul was appointed as a Member of the Committee in lieu of Mr. Dhanayshar Mahabir.
3. By resolution of the House of Representatives on November 24, 2017, Brigadier General (Ret.) Ancil Antoine was appointed as a Member of the Committee in lieu of Mr. Maxie Cuffie.
4. By resolution of the Senate on November 28, 2017, Mr. Ronald Huggins was appointed as a Member of the Committee in lieu of Ms. Allyson Baksh.
5. Mr. Ronald Huggins ceased to be a Senator with effect from September 27, 2018.
6. By resolution of the Senate on November 27, 2018, Mr. Garvin Simonette was appointed as a Member of the Committee in lieu of Mr. Ronald Huggins.
7. By resolution of the Senate on November 27, 2018, Ms. Amrita Deonarine was appointed as a Member of the Committee in lieu of Ms. Jennifer Raffoul.

Chairman and Vice-Chairman

By virtue of S.O. 109(6) and 99(6) of the House of Representatives and the Senate respectively, the Chairman of the Committee is the Speaker. At its First Meeting held on January 27 2016, Dr. Lackram Bodoe was elected as the Vice-Chairman.

Quorum

In order to exercise the powers granted to it by the House, the Committee was required by the Standing Orders to have a quorum. A quorum of three (3) Members, inclusive of the Chairman or Vice-Chairman, with representatives from both Houses, was agreed to by the Committee at its First Meeting.

2. METHODOLOGY

Determination of the Committee's Work Programme

At an in-camera meeting of the Committee held on Wednesday December 28, 2017, it was agreed that the Committee would engage in an inquiry with stakeholders on the construction, maintenance and refurbishment of state-owned or state-funded housing projects and units.

Review of Documents

The Committee determined the examination would begin by a call for written responses from stakeholders to questions posed by the Committee. Questions were sent on January 11, 2018 and written responses were requested to be submitted by January 26, 2018. Written responses were requested from the following stakeholders:

- The Urban Development Corporation of Trinidad and Tobago Limited;
- The Ministry of Housing and Urban Development; and
- The Housing Development Corporation of Trinidad and Tobago.

The Inquiry Process

The Inquiry Process outline steps taken by the Committee when conducting an inquiry into an entity or issue. The following steps outline the Inquiry process followed by the PAAC during its enquiry into the construction, maintenance and refurbishment of state-owned or state-funded housing projects and units:

Identification of entity to be examined;

i. Preparation of Inquiry Proposal for the selected enquiry. The Inquiry Proposal outlines:
   - Description
   - Background;
   - Overview of Expenditure
   - Rationale/Objective of Inquiry; and
   - Proposed Questions.

ii. Consideration and approval of the Inquiry Proposal by the Committee and upon approval, questions were forwarded to the entity for written responses;

iii. Requests for Written Response were sent to stakeholders on January 11, 2018. Responses were received from the following stakeholders:
   - The Ministry of Housing and Urban Development - received on January 26, 2018; and
   - The Housing Development Corporation of Trinidad and Tobago - received on January 26, 2018; and
   - The Urban Development Corporation of Trinidad and Tobago Limited - received on January 25, 2018.

iv. Preparation of an Issues Paper by the Secretariat for the Committee's consideration, based on written responses received from the entities. The Issues Paper identifies and summarises any matters of concern in the responses provided by the entity or received from stakeholders and the general public;

v. Review of the responses received and the Issues Paper by the Committee;

vi. Determination of the need for a Public Hearing based on the analysis of written submissions and feedback from the public. There is usually no need to examine the entity in public if:
   - the Committee believes the issues have little public interest; or
   - the Committee believes that the written responses provided are sufficient and no further explanation is necessary.

vii. The Public Hearing was held on **Wednesday January 31, 2018** where the Committee conducted a panel examination with the stakeholders:
   - The Housing Development Corporation of Trinidad and Tobago; and
   - The Ministry of Housing and Urban Development.

viii. Letters requesting additional information from stakeholders were issued on February 07, 2018 and March 02, 2018 with a deadline of February 21, 2018.

ix. Report Committee's findings and recommendations to Parliament upon conclusion of the inquiry.

x. Receive Ministerial Responses. Review responses.

xi. Engage in Follow-up.

3. ISSUES, OBSERVATIONS AND RECOMMENDATIONS

UNIT 1: Construction of State-Owned or State-Funded Housing Projects and Units

ISSUES

1. **Backlog of Housing Applications**

   Oral submissions from the Ministry of Housing and Development (MHUD) indicated that there existed a substantial backlog of housing applications. There were one hundred and seventy-six thousand (176,000) housing applications as at January 31, 2018 compared to only two thousand, one hundred and thirty-eight (2,138) homes being delivered between 2015 and 2017. Based on the figure, an average of seven hundred (700) houses were delivered every year.

   However, the evidence suggested that the financial and natural resources required to support the demand for housing far exceeds the resources of the Ministry and the Government. For instance, oral submissions from the Ministry of Housing and Development (MHUD) indicated that more than fifty percent (50%) of the database indicated their preference to be housed along the East-West Corridor. The Committee noted that this meant at least eighty-eight thousand (88,000) would have to be accommodated along the Corridor which was unrealistic.

   To assist in meeting the demand the Ministry identified a number of initiatives to assist prospective homeowners in planning the construction of their home.

   i. Homeownership Manual

      The Homeownership Manual was supposed to provide the necessary information to prospective homeowners and aid them in making decisions.

   ii. Housing Construction Incentive Programme (HCIP)

      The HCIP was a Housing Programme by the Ministry of Housing and Urban Development executed by the Housing Development Corporation. The HCIP was intended to stimulate private construction in the housing sector by encouraging private developers to construct housing units to satisfy the current demand for affordable housing.[1] Oral evidence indicated that the HDC projected that approximately 2,225 houses would be delivered in 2018 via the Corporation with 2,000 to 3000 houses being provided under the HCIP.

iii. Aided Self-Help Programme

The Committee learnt that the Government's Aided Self-Help Housing Programme (GASHHP) was aimed at empowering persons to manage the construction of their own homes with financial and technical support from the state. This programme complemented the existing Accelerated Housing Programme and targeted resident citizens with and without land with a maximum household salary of $25,000 per month.

MHUD officials submitted that there were 118 applicants with land and 5,018 persons without land. Additionally, 70 per cent of the applicants will be selected via a modified weighting system, 30 per cent will be selected on recommendation of the Minister with responsibility for housing. Successful applicants have two (2) years to fully develop their allocated lot of land.

According to additional evidence submitted by the MHUD, the lots for the Aided Self-Help Programme will be sourced from:

(a) Land Settlement Agency:
   - Infill Lots and Expansion of Existing Squatting Sites
   - Village Expansion & Consolidation

(b) Housing Development Corporation — Lots from within Greenfield developments

(c) Estate Management and Business Development Company Limited — Surplus lots from 22 estates (Cabinet Minute 1256 of May 17, 2007).

With specific reference to a) above, lots for future phases of the GASHHP would come from the sites listed at **Table 3**:

[1] Ministry of Housing and Urban Development website: http://www.housing.gov.tt/housing-construction-incentive-programme/; accessed on August 13, 2018

TABLE 1 - LOTS TO BE USED IN THE AIDED SELF-HELP PROGRAMME

No.	Site	No. of Lots
1.	Glenroy II, Princes Town	167
2.	Roopsingh Road —Preau Village	53
3.	Balmain, Couva	169
4.	Felicity II, Chaguanas, Site A	277
5.	Felicity II, Chaguanas, Site B	348
6.	Arena Road II, Freeport	95
7.	Allamby Street, Cocoyea	87
8.	La Phillipine II, Gran Couva	267
9.	La Romain	465
	Total	**1928**

Recommendations:

- ***The Ministry of Housing and Urban Development (MHUD) shall submit a progress report to the Committee by February 15, 2019 on the efforts made in clearing the backlog of applications for housing and include the following:***
    - **The number of housing units constructed by the Housing Development Corporation (HDC) as at January 01, 2019 and the corresponding number of houses occupied; and**
    - **The number of units constructed under the HCIP as at January 01, 2019 and the corresponding number of houses occupied.**
- ***The MHUD shall liaise with the HDC and submit a status update on the current batch of successful applicants under Aided Self-Help Programme to the Parliament by February 28, 2019. Please include the following in the status update:***

  - ***The number of applicants selected (segregate into applicants with land and without land); and***
  - ***The key performance indicators being used to determine whether the programme is meeting its goals.***
- ***The Ministry of Housing and Urban Development (MHUD) shall determine a mechanism to update the database of housing applications along with timelines for the implementation of same by February 28, 2019.***

2. Reducing the Cost of Construction

Oral evidence submitted by the HDC indicated that the company made active attempts to reduce the cost of construction. The HDC, in reviewing the cost of construction submitted that the cost was within a range of approximately $560 per square foot on the low end to $1,080 per square foot on the high end. This resulted in a greater need for government subvention.

Following the review, the HDC went through a process of value engineering whereby designs and systems were modified according to value analysis. The cost of construction was reportedly reduced from approximately $560 to $440 per square foot and from $1,080 to $650 per square foot.

Recommendations:

- ***The MHUD shall submit a report to the Parliament by February 28, 2019 on the amount of public funds saved for each of its housing projects as a result of the reduction in the cost of production within financial year 2017/2018.***
- ***The MHUD shall submit a report to the Parliament by February 28, 2019 on the number of houses constructed under the new cost of $440 per square foot and $650 per square foot.***

3. Monitoring and Evaluation

The June 2014 Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 1) the Administration and Operations of the Housing Development Corporation (HDC) recommended that "the Corporation conduct a review of its project monitoring and evaluation system in order to ensure that its systems can identify and highlight deviations between the project designs/concepts and project execution".

Oral evidence submitted by the MHUD in January, 2018 indicated that the Ministry reviewed the required competencies for a Monitoring and Evaluation Unit and opted not to create the Unit, according to the Ministry's position that the existing required competencies such as a degree in sociology/ management or economics were deficient and irrelevant. In its stead, the Ministry opted to pursue a Projects Unit which would include competencies such as engineering and quantity surveying. To this end, the Ministry held discussions with the Ministry of Public Administration on setting up the Unit and thereafter, submitted a proposal to the Public Management Consulting Division.

Recommendation:

- ***The MHUD shall submit a progress report to the Parliament on the status of the establishment and staffing of the Projects Unit by February 28, 2018.***

4. Eden Gardens

This project sought to provide three hundred (300) units with a commencement date of May 2014 and an original completion date of November 2015. The project was split amongst three contractors namely:

1) Syne's Contracting and Industries Limited (SCIL);
2) Therml Impact Affordable Housing Company (TIAHCO); and
3) Carl King Company Limited (CKCL).

However, written submissions from MHUD and HDC indicated conflicting figures for the quantum of the original contracts for each contractor. **Table 1** highlights the discrepancies in the submissions.

TABLE 2 - DISCREPANCIES IN CONTRACT FIGURES FOR EDEN GARDENS

Contractor	Contract Sum	
	MHUD	**HDC**
SCIL	39,787,462.55	**45,755,585.73**
TIAHCO	79,872,761.62	**91,853,675.86**
CKCL	117,031,565.48	**134,586,300.30**
Total	236,691,789.65	**272,195,561.89**

The Committee noted there was another discrepancy with the number of units for this project. TIAHCO was contracted to provide 128 units with the remaining 172 units to be provided by CKCL. However, written evidence from the HDC indicated that there were **13 units** unaccounted for. **Table 2** summarises this shortfall.

TABLE 3 - SHORTFALL OF UNITS FOR EDEN GARDENS

	TIAHCO	CKCL
Units provided as of 2017	60	-
Units to be provided in 2018	16	40
Units to be provided in 2019	39	132
Contracted units	128	172
Total	**115**	**172**

Additionally, certain aspects of Eden Gardens were before the courts so officials were unable to provide much clarification on Eden Gardens when the Committee examined them on January 31, 2018.

Recommendation:

- ***The HDC shall submit a report to Parliament on an investigation into the 13 unit shortfall under the Eden Gardens project by February 15, 2019.***
- ***The MHUD shall submit a report to Parliament on an investigation into the discrepancy between the Ministry's figures and HDC's for the Eden Gardens project by February 15, 2019.***

5. Failure to Submit Audited Financial Statements

The Committee learnt that the HDC did not submitt any Audited Financial Statements to the Parliament from its inception in 2005. Oral evidence indicated that HDC's auditor, Klynveld Peat Marwick Goerdeler (KPMG) completed the fieldwork for 2005 to 2009 with the final reports expected to be laid in March, 2017. Additionally, HDC officials stated that draft financial statements were completed up until 2017. Officials submitted that the HDC intends to be current with the submissions of its Audited Financial Statements by December, 2019.

However, as of September, 2018, none of HDC's financial statements were laid in Parliament, contrary to submissions given to the Committee.

Recommendations:

- ***The HDC shall liaise with the MHUD to ensure that HDC's Audited Financial Statements for 2005 to 2009 are laid in Parliament by February 28, 2019.***

6. The Housing and Village Improvement Programme

The Committee learnt that MHUD developed the Housing and Village Improvement Programme as part of an affordable and high quality housing initiative by the Ministry which targeted disadvantaged rural and peri-urban villages and granted access to housing grants and improved infrastructure.

The programme was designed to target beneficiaries (residents of the villages) who had the following challenges:

- Poor quality housing;
- Lack of security of tenure on their family lands;
- Limited income earning activities; and
- Deteriorating social environment.

The start date for the programme was October 01, 2017 and proposed end date was September 31, 2018.

The Programme comprised of five phases:

- Phase 1 – Village Selection;
- Phase 2 - Comprehensive Social Surveys;
- Phase 3 - Intervention Planning;
- Phase 4 – Implementation; and
- Phase 5 - Monitoring & Evaluation.

The village earmarked thus far for this project was Merikins Village, Samuel Cooper Trace, Fifth Company, Moruga.

Recommendation:

- ***The HDC shall submit a status update to the Parliament on the progress made in developing Merikin Village under and the progress made in developing other villages by February 15, 2019.***

7. Bon Air North

Written and oral evidence indicated that the Bon Air North housing development had a total yield of 398 units. Of the 398, 92 units was provided in 2017 with 48 units were to be provided in 2018 and the remaining 258 units in 2019.

Recommendation:

- ***The MHUD shall submit a status update on the 48 units to be provided in 2018 to the Committee by February 15, 2019.***

8. Structural Integrity of Housing Units

Officials of the HDC during the Committee's public hearing affirmed that all local (statutory) and international codes and standards are adhered to when constructing its units and buildings. . For example; International Building Code (IBC) American Concrete Institute (ACI), American Society of Civil Engineers (ASCE). Local Statutory guidelines include those set by the Water and Sewerage Authority (WASA), the Trinidad and Tobago Electricity Commission (TTEC), the Ministry of Works and Infrastructure (MOWI) and the Town and Country Planning Division (TCPD). Oral evidence also indicated that units were designed to withstand the highest magnitude earthquake for the respective zones of the units which was policed by the Designs Branch of the Ministry.

a. Las Alturas

The Committee learnt that the HDC had not yet decided on when nor whether the structures at Las Alturas would be demolished.

Recommendations:

- ***The MHUD shall liaise with the HDC on the issue of Las Alturas and report the recommended action(s) with a justification and timelines for said action (s) to the Committee by February 28, 2019.***

9. Construction of Units for the Physically-Challenged

Written and oral evidence indicated that there was a Cabinet-approved allocation policy which mandates that at least 5% of units within applicable housing developments are to cater to the physically-challenged. This is applicable to single-family homes as well as to apartment buildings (townhouses were not included due to internal staircases). Designs for accessibility were guided by international codes for accessibility (e.g. ADA Guidelines and ADA Standards).

<u>For the overall site development</u>

Physically challenged residents must have access to all the major common areas, from car parking to the pedestrian routes, to buildings and common facilities.

<u>For single-family homes</u>

Emphasis was placed on access ramps, wheelchair turning radius, railings & grab-bars, doorways, passageways, bathroom, kitchen and laundry fixtures and mechanical fittings. Accessibility was granted to all the rooms in a house.

For apartment units

The accessible apartment is located on the ground floor level where all of the above listed criteria for single-family houses are employed. The design of the overall apartment building must ensure accessibility to all the common spaces and access points on the ground floor level.

UNIT 2: Maintenance of State-Owned or State-Funded Housing Projects and Units

10. Maintenance of Waste Water Treatment Plants at Housing Development

The Committee learnt that residents at some of HDC's housing developments experienced some sewer and wastewater challenges. As a result, HDC was working closely with WASA over the past year in an attempt to have the Water and Sewage Authority of Trinidad and Tobago (WASA) take over all the plants. In the interim, HDC has been paying to have the plants maintained. Officials from HDC lamented that it is a challenge to maintain some of the plants due to the age of the infrastructure and the machinery.

Oral evidence indicated that approval was granted for an on-lot disposal for some of the units at River-Runs-Through Housing Development in addition to a treatment plant which is also carded for implementation.

Recommendation:

- ***The HDC shall submit a progress report to the Committee on:***
  - ***The status of handing over all waste water treatment plants to WASA by February 15, 2019; and***
  - ***The status of providing the on-lot disposal and the waste water treatment plant for River-Runs-Through Housing Development units by February 15, 2019.***

11. Maintenance of Housing Developments and Units

Written and oral evidence indicated that the HDC's policy for the maintenance of housing developments and units included the implementation of inspections using checklists and regular maintenance which is provided by a mix of in house and contracted maintenance service providers.

Maintenance workers were stationed at nine (9) strategic area offices which are placed within close proximity of HDC's developments to monitor the day to day functions of rental units. Inspections are carried out daily, weekly, monthly and annually and workers also respond to complaints made by tenants. Oral evidence indicated that the HDC was pleased with the nine offices at the following areas:

i. Princes Town;
ii. San Fernando;
iii. Couva;
iv. Maloney;
v. Morvant
vi. Port of Spain East (Beetham Gardens);
vii. Port of Spain West (Cocorite); and
viii. Port of Spain Central (Duncan Street and Charford Court).

The HDC's criteria for maintenance are as follows:

- ✓ Allocation needs;
- ✓ Age or development/building;
- ✓ Criticality of issue; and
- ✓ Natural disaster.

Additionally, HDC officials submitted that the Corporation tries to respond to plumbing, electrical and sewer issues within 28 to 48 hours where as more critical issues such as injury, damage to property or loss of life within 1 to 12 hours.

12. Neighbourhood Upgrading Programme

Oral evidence received from the MHUD indicated that under the Inter-American Development Bank (IADB) majority funded, Neighbourhood Upgrading Programme, subsidies were given for the construction of houses as well as to the repair of houses.

Subsidies of up to $50,000 were granted for the construction of houses if your salary was under $48,000 per year; and $35,000 if your salary is above $48,000 and under $54,000. The home improvement subsidy was $20,000 for anyone, once your salary is under $84,000 per year. The MHUD was able to disburse 4,424 of these subsidies to citizens of Trinidad and Tobago. In Tobago specifically, 185 of these subsidies were disbursed.

13. Common Area Maintenance (CAM) Charges

Written and oral evidence postulated that the resources required to maintain a vast amount of units can be reduced by transferring this responsibility to the homeowners and tenants via establishment and implementation of Home Owners Associations or Management Companies. To this end, the HDC embarked upon a pilot project where a maintenance fee was introduced along with tenants' rent/mortgage payments which is used to defray the cost of maintenance. The HDC was in the process on monitoring this initiative with a view to introducing same to future projects.

Recommendation:

- ***The MHUD shall liaise with the HDC and submit a status update on the delegation of responsibility initiative to the Parliament by February 15, 2019. Please include the following in the status update:***
    - ***Whether the pilot was successful and a justification for response;***
    - ***The weaknesses/failings identified; and***
    - ***Whether the HDC intends to introduce the same initiative in other projects and if so, the timelines for same.***

UNIT 3: Refurbishment of State-Owned or State-Funded Housing Projects and Units

14. Refurbishment of Abandoned Units

The Committee learnt that the process used for the refurbishment of abandoned housing projects included:

a. Abandoned projects with an existing contract in place:

- Negotiate the restart of the project with the existing contractor

b. Abandoned projects with no contract in place:

- Invite tenders from a list of prequalified contractors
- Evaluate and select a preferred tenderer
- Engage and execute the work to completion.

Additionally, from 2017-2018, the HDC has restarted abandoned housing developments in the following areas:

i. Lakeview, Point Fortin;
ii. Pier Road, La Brea;
iii. Hubertstown, Guapo;
iv. Cypress Hills, San Fernando;
v. Pine Ridge, Bon Air; and
vi. Phase 1, Malabar.

The HDC submitted that the Corporation did not face any noteworthy challenge in refurbishing abandoned units or projects. However, oral evidence indicated that HDC was not able to commence refurbishment works on the following abandoned developments due to a lack of funding:

i. Oasis, Chaguanas;
ii. Almond Court, Morvant; and
iii. Ed Towers, Chaguanas.

The Committee also noted that the last assessment on abandoned units was conducted in 2012 which yielded a result of 1200 units. Officials submitted that 1000 of the 1200 units were refurbished and allocated therefore leaving 200 units spread across the aforementioned developments.

Recommendation:

- ***The MHUD shall liaise with the HDC and submit a status update on the refurbishment of the following abandoned housing developments by December 31, 2018:***
    - **Lakeview, Point Fortin;**
    - **Pier Road, La Brea;**
    - **Hubertstown, Guapo;**
    - **Cypress Hills, San Fernando;**
    - **Pine Ridge, Bon Air;**
    - **Phase 1, Malabar;**
    - **Oasis, Chaguanas;**
    - **Almond Court, Morvant; and**
    - **Ed Towers, Chaguanas.**

15. Gang Infiltration at Housing Developments

The Committee learnt that gang infiltration was a serious issue for the HDC in relation to maintaining housing developments and units. Strategies to treat with the infiltration of gangs include working closely with law enforcement agencies and community groups. Officials submitted that the HDC has had successes in some developments and significant challenges in others.

Recommendation:

- ***The MHUD shall liaise with the HDC and submit a status update on the efforts to rid housing developments of gang infiltration in named developments to the Parliament by February 15, 2019.***

- ***The MHUD shall liaise with the HDC and submit a report on the countermeasures being implemented to combat gang infiltration in developments to the Parliament by February 15, 2019.***

16. Progress made by SILWC

The Committee noted that the Sugar Industry Labour Welfare Committee (SILWC) had under its purview, approximately twenty-five (25) housing developments and were charged with maintaining all housing developments. SILWC officials submitted that the Committee was without a Board for 2 years and was therefore unable to carryout maintenance work due to only the Board having the authority to instruct that maintenance work be completed. However, SILWC was able to conduct maintenance work following the installation of a new Board in August 2017.

Additionally, officials submitted that SILWC intends to resurvey and allocate the land at Orange Field which were allotted to the Voluntary Separation Employment Package (VSEP) recipients from Caroni (1975) Limited.

Recommendation:

- ***The MHUD shall liaise with the SILWC and submit a status update to the Parliament on the resurvey and allocation of land at Orange Field for former Caroni (1975) Limited employees by December 31, 2018. Please include the following in the status update:***
    - ***The status of the land survey at Orange Field (include timeline for completion); and***
    - ***The timelines for the allocation of land to respective persons.***

17. Ninth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 1) the Administration and Operations of the Housing Development Corporation (HDC)

As was previously mentioned, the June 2014 Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 1) the Administration and

Operations of the Housing Development Corporation (HDC) made several recommendations with a view to improving the administration and operations of HDC. Additional evidence indicated that the HDC did in fact make some progress in implementing the recommendations which arose in the aforementioned Committee Report.

Recommendations from 9th Report of JSC Group 1

i. The Government, through the Ministry of Housing and Urban Development engage with stakeholders in the Housing Industry for the purpose of devising an incentive programme to encourage greater involvement in the Industry by the private sector. This programme should also attempt to promotion unconventional, yet suitable Housing solutions that require minimal land space.

ii. In the absence of sufficient land, that the Ministry of Housing should promote and incentivize the option of Home expansion and improvement and should encourage multi-family dwelling units.

iii. The Corporation reevaluate the performance of its Project Management and Oversight Division (PMOD) with a few to strengthening its capacity to provided sound quality control and management of projects.

iv. In addition, the Corporation must introduce a Defect Rate Policy, which will allow for financial deductions from payments owed to contractors, if during the inspection of houses, a specified number of work defects is exceeded.

v. The HDC should as far as possible, establish specific timeframes for the execution of remedial work by contractors after the expiration of the Defect Liability Period.

vi. A comprehensive programme for the retrofitting of tenanted buildings be undertaken to inter alia ensure that fire escapes and other required life preservation mechanism are installed.

vii. The HDC provide its HSE department with continuous exposure to HSE training in order to keep abreast of recent developments and best practices.

viii. The Corporation undertake a review of it maintenance and or defect alleviation procedures with a view to reducing inefficiencies represented mainly by time lags between “walkthroughs”, the registering of defects and the repairing of defects.

ix. The HDC provide an estimated specified (or estimated) time frame in which customers can expect their defect claims to be processed and completed. This procedure should be computerized to allow the Corporation and affected clients to easily track the status of maintenance and remedial works.

x. In order to introduce greater transparency and accountability in the process used by the Minister to allocate houses in his own discretion, we recommend, that the Ministry of Housing and Urban Development document the process and criteria used by the Minister to justify his allocations. A list of names and the location of the houses allocated by the Minister’s and the rationale for his decision should be subjected to public scrutiny.

xi. The Corporation conduct a review of its project monitoring and evaluation system in order to ensure that its systems can identify and highlight deviations between the project designs/concepts and project execution.

xii. In addition to some of the housing models utilized in Israeli and Singapore, that the Corporation, in collaboration with its line Ministry should explore the alternative housing model adopted by the Community Land Trust (CLT) of the United Kingdom. CLT is a “non-profit, community based organization run by volunteers that develops housing or other assets at permanently affordable levels for long-term community benefit.

xiii. The HDC explore alternative construction technology such as the one used by Moladi, South Africa, where “an innovative system of moulds assembled with 30cmx30cm plastic panels allows for buildings such as school, homes, community centres and clinics to be ‘cast’ with speed and ease. The model has no restrictions but is particularly useful for low cost housing, as the casting structures can be used up to 50 times, which allows for cost savings through economies of scale. The model utilizes its construction technology with a simplified assembly method, which helps to reduce cost, complexity of building, and the use of traditional materials such as timber and steel.”

xiv. The Corporation explore alternative types of home mortgages to provide customers with more financing options. Perhaps the following home mortgages can be explored:-

a. Fixed rate mortgage where the interest rate stays the same over the stated period;

b. Adjustable-rate or variable-rate mortgage which would offer a lower initial rate of interest than fixed rate mortgages;

c. A protected services loan, which guarantees loans to eligible members of the protected forces, retirees, active personnel and surviving spouses. This can offer competitive rates, low or no down payments;

d. Interest only where the borrower pays only the interest on the loan, in monthly payments, for a fixed term; and

e. A reverse mortgage which would allow seniors to convert equity in their homes to cash so that they would not have to pay back the loan and interest as long as they live in the house.

xv. The HDC's Training and Development Unit continue to forge partnerships and collaborations with relevant agencies to ensure the delivery of effective training and certification of its workforce. Additionally, the Committee recommends that the Unit continue to keep abreast of all the different training programmes available to staff, both locally and internationally.

xvi. Contractors that have developed a reputation of poor workmanship and a high frequency of cost and timeline deviations should not be awarded contracts in the future unless they are able to demonstrate that they have the capacity to deliver projects at the required standards.

xvii. The outstanding audited financial statements of the Corporation be prepared and submitted to Parliament and or the Auditor general as a matter of priority The line Minister must introduced the necessary oversight procedures within his Ministry to prevent lengthy delays in the production of audited financial statements on the part of the HDC and any other entity falling under the purview of his Ministry.

Some of the programmes and measures taken thus far include:

i. The HDC in collaboration with the Ministry of Housing and Urban Development created a Housing Construction Incentive Programme (HCIP) document/package for Cabinet's approval;

ii. A 22 point certification programme was implemented for the purpose of quality monitoring and control for housing development sites;

iii. A programme was developed with respect to the recommendation for a comprehensive programme for retrofitting tenanted buildings, however the HDC was constrained by costs and the availability of funds to implement this programme;

iv. The HDC's Health and Safety and the Environment (HSE) Department attended numerous HSE training courses to keep abreast of recent developments and best practices;

v. With respect to remedying defects identified by clients and providing a specific time frame for close out, this remained a work in progress.

vi. Two of the HDC's departments, (1)Construction Management and Operations (2) Project Development and Oversight, had been working closely with respect to the review of the HDC's project monitoring and evaluation systems in order to ensure that the systems can identify and highlight deviations between the project designs/concepts and project execution;

vii. The HDC explored alternative construction technology and did not identify any satisfactory solution thus far that is cheaper and superior to traditional brick and mortar;

viii. The HDC's Training and Development Department continued to identify suitable courses/training exercises to improve employees' skillsets; and

ix. A contractor performance system was implemented to treat with contractors who produce poor workmanship and have high frequency of cost variations and timeline deviations to ensure that they are not retained.

Recommendation:

- ***The HDC shall submit a status update on the implementation of the outstanding recommendations to the Parliament by February 15, 2019.***

4. CONCLUSION

During the Third Session of the Eleventh Parliament, the PAAC conducted an inquiry into the Construction, Maintenance and Refurbishment of State- Owned or State-Funded Housing Projects and Units

During the course of the inquiry, the Committee discovered that the demand for housing significantly outweighed the resources necessary to compliment the demand. However, the Committee noted the various initiatives implemented by the MHUD and the HDC in an effort to not only provide housing, but also empower citizens with the tools needed to embark upon home ownership on their own. The Committee's biggest concern was that of gang infiltration at housing developments, the demand for housing and the Ministry's ability to appropriately monitor and evaluate the construction, maintenance and refurbishment of state- owned or state-funded housing projects and units.

The Committee is of the view that the adoption of its proposed recommendations will lead to greater accountability, transparency and value for money in the use of public funds. Moreover, the Committee intends to monitor the progress made in the implementation of the recommendations proposed in this Report.

This Committee respectfully submits this Report for the consideration of the Parliament.

………………………………………….

Mrs. Bridgid Mary Annisette-George
Chairman

…………………………………………

Dr. Lackram Bodoe
Vice-Chairman

………………………………………….

Mrs. Ayanna Webster-Roy
Member

…………………………………………

Ms. Nicole Olivierre
Member

………………………………………….

Brig. Gen. (Ret.) Ancil Antoine
Member

…………………………………………

Mr. Wade Mark
Member

………………………………………….

Mr. Daniel Dookie
Member

……………………………………...

Mr. Clarence Rambharat
Member

………………………………………….
Mr. Garvin Simonette
Member

……………………………………..
Ms. Amrita Deonarine
Member

APPENDIX I

<u>Contractors who received the highest/lowest number of contracts</u>

The list of the 10 contractors who received the highest number of contracts were:

No.	Contractor
1.	Mattenai Maintenance
2.	T&T Landscaping Company Limited
3.	Darwen Construction Limited
4.	B.K. Holdings
5.	DG Construction
6.	Fitzroy Francis Limited
7.	Jason Mills Contracting
8.	Spark Action Services
9.	Radaa Industrial
10.	R.B.P Lifts

The list of 10 contractors who received the least number of contracts were:

No.	Contractor
1.	2020 Construction
2.	Almond Drive Tenants Association
3.	Bennan Construction Limited
4.	CAE Logistics Limited
5.	Critical Engineering Solutions Limited
6.	Diamond Brite Janitorial Limited
7.	Envion Marketing Company
8.	Hannah and Pete Limited
9.	Miracle Brite Maintenance Limited
10.	Tripple J Scavenging and Transport Limited

APPENDIX II

<u>The Inquiry Process</u>

The Inquiry Process

The Inquiry Process outlines steps to be taken by the Committee when conducting an inquiry into an entity or issue. The following steps outlines the Inquiry process followed by the PAAC:

xii. Identification of entity to be examined;

xiii. Preparation of Inquiry Proposal for the selected entity. The Inquiry Proposal outlines:

- Description
- Background;
- Overview of Expenditure
- Rationale/Objective of Inquiry; and
- Proposed Questions.

xiv. Consideration and approval of Inquiry Proposals by the Committee and when approved, questions are forwarded to the entity for written responses;

xv. Issue of requests for written comment from the public are made via Parliament's website, social media accounts, newspaper and advertisements;

xvi. Preparation of an Issues Paper by the Secretariat for the Committee's consideration, based on written responses received from the entities. The Issues Paper identifies and summarises any matters of concern in the responses provided by the entity or received from stakeholders and the general public;

xvii. Review of the responses provided and the Issues Paper by the Committee;

xviii. Conduct of a site visit to obtain a first-hand perspective of the implementation of a project (optional);

xix. Determination of the need for a Public Hearing based on the analysis of written submissions and the site visit (if required). If there is need for a public hearing, the relevant witnesses will be invited to attend and provide evidence. There is usually no need to examine the entity in public if:

xx. the Committee believes the issues have little public interest; or

xxi. the Committee believes that the written responses provided are sufficient and no further explanation is necessary.

xxii. Issue of written request to the entity for further details should the Committee require any additional information after the public hearing.

xxiii. Report Committee's findings and recommendations to Parliament upon conclusion of the inquiry.

APPENDIX III

Minutes of Meetings

THE PUBLIC ADMINSTRATION AND APPROPRIATIONS COMMITTEE – THIRD SESSION, ELEVENTH PARLIAMENT

MINUTES OF THE THIRTIETH MEETING HELD ON WEDNESDAY JANUARY 31, 2018 AT 1:34 P.M.
IN THE ARNOLD THOMASOS (EAST) MEETING ROOM, LEVEL 6 AND THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, TOWER D, OFFICE OF THE PARLIAMENT, INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT OF SPAIN.

Present were:

Mrs. Bridgid Mary Annisette-George	-	Chairman
Dr. Lackram Bodoe	-	Vice-Chairman
Mrs. Ayanna Webster-Roy	-	Member
Mr. Clarence Rambharat	-	Member
Brig. Gen. (Ret.) Ancil Antoine	-	Member
Ms. Jennifer Raffoul	-	Member
Mr. Daniel Dookie	-	Member
Mr. Wade Mark	-	Member

Ms. Keiba Jacob	-	Secretary
Ms. Sheranne Samuel	-	Assistant Secretary
Mr. Brian Lucio	-	Graduate Research Assistant
Ms. Rachel Nunes	-	Graduate Research Assistant

Absent were:

Ms. Nicole Olivierre	-	Member (Excused)
Mr. Ronald Huggins	-	Member (Excused)

EXAMINATION OF THE CONSTRUCTION, MAINTENANCE AND REFURBISHMENT OF STATE-OWNED OR STATE-FUNDED HOUSING PROJECTS AND UNITS

5.1 The Vice-Chairman called the public meeting to order at 2:35 p.m., in the J. Hamilton Maurice Room, Mezzanine Floor.

5.2 The following officials joined the meeting:

MINISTRY OF HOUSING AND URBAN DEVELOPMENT

Mrs. Simone Thorne-Mora	-	Permanent Secretary

Ms. Nina Antoine	-	Senior Economist
Mr. Jeffrey Reyes	-	Programme Coordinator
Mr. Hazar Hosein	-	Chief Executive Officer- Land Settlement Agency
Ms. Lydia M. Brown	-	Secretary/Executive Officer Sugar Industry Labour Welfare Committee

TRINIDAD AND TOBAGO HOUSING DEVELOPMENT CORPORATION

Mr. Brent Lyons	-	Managing Director
Mr. Preston Mc Quilkin	-	Divisional Manager, Project Development and Oversight
Mr. Larry Mc Donald	-	Divisional Manager, Estate Management
Mr. Romel Ramarack	-	Divisional Manager, Construction Management and Operations
Mr. Dominique Devenish	-	Divisional Manager, Finance
Mr. Jeremy Campbell	-	Senior Manager, Allocations and Settlements
Mr. Nigel Barrow	-	Land Use Planner

5.3 The Vice-Chairman welcomed the officials, members of the media and the public.

5.4 The Vice-Chairman outlined the mandate of the Committee and the purpose of the hearing. Introductions were then exchanged.

5.5 The following issues arose from the examination of the Construction, Maintenance and Refurbishment of State-Owned or State-Funded Housing Projects and Units:

Construction of State-Owned or State-Funded Housing Projects and Units

i. The inability of the MHUD and HDC to fulfil the demand for housing;

ii. The initiatives being taken by the MHUD and HDC to address the high demand for housing;

iii. The status of HDC's compulsory acquisition of land;

iv. The manner in which land valuations done by the Valuation Division, Ministry of Finance and by prospective private sector clients are reconciled;

v. The length of tenure of HDC's officials;

vi. The cost of constructing the 300 units at Eden Gardens and the problems encountered in the scoping of the project;

vii. The initiatives being taken by the HDC to reduce the cost of constructing housing projects and units;

viii. The mechanisms put in place by the HDC to ensure value for money in the construction of housing projects and units;

ix. Initiatives undertaken by the Ministry to establish a Projects Department;

x. The formula for village selection under the Housing and Village Improvement Programme and the other areas considered for selection;

xi. Exclusion of Members of Parliament and Local Government representatives from the village selection process;

xii. The administration of the HDC's Public-Private Partnerships;

xiii. The status of HDC's Public-Private Partnerships;

xiv. The HDC's construction of 1358 units over 2-3 years under its Public Private Partnership initiative;

xv. Status of the Inter-American Development Bank funded housing grant;

xvi. The HDC's adherence of building codes;

xvii. The status of Bon Air North Construction of 398 mixed family units and the intention of the HDC to provide 306 units by 2018;

xviii. HDC's 22 point certification and other quality tools used by the Corporation in construction projects;

xix. The rationale used for determining that 5% of units would be allocated to the differently-abled;

xx. The reasons for the lack of a quota system for projects to ensure that there is no monopoly by any one contractor;

xxi. The HDC's plans to construct 8 housing towers in Curepe and the impact on residents and prime agricultural lands;

xxii. The composition and effectiveness of the MHUD's internal committee; and

xxiii. The status of the Aided Self-Help Programme.

Maintenance of State-Owned or State-Funded Housing Developments and Units

1. The HDC's maintenance policy;
2. The policy of the HDC with respect to waste water treatment plants;
3. The relationship between HDC and WASA with regard to waste water treatment plants;
4. The platforms available to tenants/homeowners to submit maintenance requests;
5. The time lag between the receipt of a request for maintenance and the HDC's response;
6. The existence of offices specifically assigned to deal with maintenance requests
7. The placement of contractors at maintenance offices to provide services to tenants;
8. The problems encountered when maintaining units; and
9. The intention to transfer maintenance from the HDC to tenants via a Home Owners Association or management companies.

Refurbishment of State-Owned or State-Funded Abandoned Housing Developments and Units

1. The status of abandoned units;
2. The problems encountered when refurbishing abandoned units and steps taken by the HDC to address these problems;
3. The abandoned housing developments where works have not restarted; and
4. The total number of abandoned/vandalised units.

General

1. The HDC's non-submission of Audited Financial Statements from the period 2007-2016;
2. PricewaterhouseCoopers' audit into the operations of the HDC;

3. The efforts made by the Ministry to establish a Projects Unit instead of a Monitoring and Evaluation Unit;
4. The discrepancies between the MHUD's and HDC's submissions;
5. The existence of HDC's Procurement Unit;
6. The current total liabilities of the HDC;
7. The total expenditure of the HDC from 2005-2018;
8. The total number of housing units built by the HDC from its inception to 2018;
9. The issue of gang infiltration with respect to HDC housing developments;
10. The displacement of legitimate HDC tenants due to gang infiltration;
11. The housing developments under the purview of SILWC;
12. The issues and recommendations that arose from the 9th Report of the Joint Select Committee on Ministries, Statutory Authorities (Group 1) on the Administration and Operations of the HDC;
13. Status of LSA's Squatter Regularisation Programme; and
14. The recommendations for improvement of the HDC and MHUD.

5.6 The Vice-Chairman thanked officials for attending and they were excused.

[Please see the verbatim notes for the detailed oral submission of the witnesses]

<u>SUSPENSION</u>

6.1 At 6:02 p.m., the Vice-Chairman suspended the *public* meeting to resume *in camera* for a post-hearing discussion *w*ith Members only.

<u>RESUMPTION</u>

7.1 At 6:07 p.m. the Vice-Chairman resumed the meeting *in camera*.

<u>POST-HEARING DISCUSSION</u>

8.1 The Committee agreed that additional questions would be sent to the entities which appeared. [**Please see Appendix 1**]

<u>ADJOURNMENT</u>

9.1 The Chairman indicated that the Committee's next meeting was scheduled for **Wednesday February 21, 2018 at 1:30 p.m.**, for an in camera session to consider draft reports. The meeting was then adjourned.

9.2 The adjournment was taken at 6:12 p.m.

We certify that these Minutes are true and correct.

CHAIRMAN

SECRETARY

February 20, 2018

APPENDIX 1

ADDITIONAL INFORMATION REQUESTED

RE THE CONSTRUCTION, MAINTENANCE AND REFURBISHMENT OF STATE-OWNED OR STATE-FUNDED HOUSING PROJECTS AND UNITS

Ministry of Housing and Urban Development

General

1. Provide information on the matter before the court involving the East Port of Spain Development Company.
2. Has the Ministry taken note and complied with the recommendations which arose from the Ninth Report of the Joint Select Committee on Ministries, Statutory Authorities and State Enterprises on the Administration and Operations of the Housing Development Corporation.

04/009/01 Trinidad and Tobago Housing Development Corporation - $672,100,000

3. What are the remaining balances on the loans?
4. What is the rationale for paying $55 M towards a $3.1 M loan?

09-004-08-E-235 Rural Housing and Village Improvement Programme $5,000,000

5. Provide a copy of the Comprehensive Social Survey for Merikins Village.
6. Provide a detailed list of the criteria for Village Selection.
7. Provide a list of the three hundred (300) villages considered for this programme.
8. What are the expected start dates for Phases 4 and 5?

Sugar Industry Labour Welfare Committee

9. What is the status of the housing developments under the purview of SILWC?
10. Does SILWC engage in maintenance of housing developments under its purview?
11. Since the establishment of the new board, has SILWC constructed new housing developments or units?

Land Settlement Agency

12. Provide a breakdown of the lots available throughout Trinidad for the Squatter Regularisation Programme.

13. Provide a copy of the Pricing Policy for persons in possessions of Certificates of Comfort.

Maintenance of Housing Developments and Units:

<u>Role of the Ministry of Housing and Urban Development in the Maintenance of Housing Projects and Units</u>

1. How has the current economic situation affected the Ministry's ability to maintain housing developments and units?

Refurbishment of State-Owned or State-Funded Abandoned Housing Developments and Units:

<u>Role of the Ministry of Housing and Urban Development in the Refurbishment of Housing Projects and Units</u>

1. How has the current economic situation affected the Ministry's ability to refurbish housing developments and units?

<u>Trinidad and Tobago Housing Development Corporation</u>

General

1. Provide copies of all of the HDC's Administrative Reports.
2. What was the cost of PricewaterhouseCoopers' audit into the operations of the HDC?
3. Provide a copy of the executed agreement between the HDC and PwC.

Construction of State-Owned or State-Funded Housing Projects and Units

<u>Determination of demand for housing</u>

14. With respect to the HDC's demand for housing data which is captured by the housing application process:
    a. When was this data last reviewed by the HDC?
    b. How often does the HDC review the data?
    c. Which Department is tasked with reviewing this substantial amount of data?
    d. What is the staff complement of this Department and is it sufficient?

<u>Determination of Designs for Units</u>

1. What are some of the challenges faced in the determination of design for units?

2. According HDC's written response, preliminary designs are presented to the stakeholders for feedback and cost confirmations. Who are the stakeholders involved in this process?

<u>Selection of Contractors</u>

3. Provide a copy of the HDC's Procurement Policy.
4. Are there any matters before the courts with respect to money owed to contractors? If yes, how many are there and what are the values involved in each instance?
5. Provide a list of the HDC contractors:
    a. who received the ten (10) highest number of contracts;
    b. who received the ten (10) least number of contracts; and
    c. who have been prequalified consistent with the Corporation's Procurement Policy.

<u>Ensuring HDC buildings meet the Regulatory Standards</u>

6. Have there been instances when HDC buildings did not meet the regulatory standards? If yes, how did such situations arise and how were they dealt with?

Maintenance of Housing Developments and Units:

<u>Policy for the Maintenance of Housing Developments and Units</u>

2. According to the HDC's response, maintenance is provided by a mix of in house and contracted service providers. What services are provided in house and what services are contracted?
3. Are roof repairs for Madoo Heights under the remit of HDC?
4. Do sewer problems for Madoo Heights fall under the remit of the HDC? If yes:
    a. Are there currently any sewer issues at Madoo Heights?
    b. Have the issues been rectified?

<u>Systems in Place to Monitor the Maintenance of Housing Developments and Units</u>

5. Are nine (9) offices sufficient to monitor the day to day functions of rental units throughout Trinidad and Tobago?
6. With respect to HDC's maintenance offices:
    a. How many contractors are stationed at each office?
    b. What are the names of the contractors?
    c. What are the values of the contracts?
7. How does the HDC protect itself from delinquent or destructive homeowners and tenants?
    a. Is the HDC pleased with this arrangement?
8. According to the HDC's written response, "criticality of issue" was one of the criteria for maintenance. How does the HDC determine the "criticality of issue"?

<u>Problems Encountered When Maintaining Housing Developments and Units</u>

9. How is the HDC dealing with the issue of ageing infrastructure?

Refurbishment of State-Owned or State-Funded Abandoned Housing Developments and Units:

The Process for the Refurbishment of Abandoned Housing Developments and Units

1. What is the status of the abandoned units at:
    a. Lakeview, Point Fortin;
    b. Pier Road, La Brea;
    c. Hubertstown, Guapo;
    d. Cypress Hills, San Fernando;
    e. Pine Ridge, Bon Air; and
    f. Phase 1, Malabar.

Appendix IV

Verbatim

VERBATIM NOTES OF THE NINETEENTH MEETING OF THE PUBLIC ADMINISTRATION AND APPROPRIATIONS COMMITTEE, HELD IN THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, (IN PUBLIC), OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, #1A WRIGHTSON ROAD, PORT OF SPAIN, ON WEDNESDAY, JANUARY 31, 2018, AT 2.36 P.M.

PRESENT

Dr. Lackram Bodoe	Vice-Chairman
Mrs. Ayanna Webster-Roy	Member
Mr. Clarence Rambharat	Member
Mr. Robert Huggins	Member
Brig. Gen. Ancil Antoine	Member
Mr. Wade Mark	Member
Mr. Daniel Dookie	Member
Miss Jennifer Raffoul	Member
Miss Sheranne Samuel	Assistant Secretary

ABSENT

Miss Nicole Olivierre	Member
Miss Melissa Ramkissoon	Member

MINISTRY OF HOUSING AND URBAN DEVELOPMENT

Mrs. Simone Thorne-Mora	Permanent Secretary
Mr. Hazar Hosein	Chief Executive Officer, Land Settlement Agency
Ms. Nina Antoine	Senior Economist - Ministry of Housing and Urban Development
Mr. Jeffrey Reyes	Programme Manager, Programme Monitoring and Co-ordinating Unit
Ms. Lydia M. Brown	Chief Executive Officer - Sugar Industry Labour Welfare Committee

HOUSING DEVELOPMENT CORPORATION

Mr. Brent Lyons	Managing Director
Mr. Preston Mc Quilkin	Divisional Manager, Project Development and Oversight
Mr. Larry Mc Donald	Divisional Manager, Estate Management
Mr. Romel Ramarack	Divisional Manager, Construction Management and Operations
Mr. Dominique Devenish	Divisional Manager, Finance
Mr. Jeremy Campbell	Senior Manager, Allocations and Settlements
Mr. Nigel Barrow	Land Use Planner

[Dr. Lackram Bodoe *in the Chair*]

Mr. Chairman: Good afternoon, I want to say a very special welcome to the officials of the Ministry of Housing and Urban Development and the officials of the Housing Development Corporation, to the members of the media and the public. My name is Lackram Bodoe, I am the Vice-Chairman of the Public Administration and Appropriations Committee.

The Committee on Public Administration and Appropriations, the PAAC, has a mandate to consider and report to the House on:

(a) The budgetary expenditure of Government agencies to ensure that expenditure is embarked upon in accordance with parliamentary approval;

(b) The budgetary expenditure of Government agencies as it occurs, and to keep Parliament informed of how the budget allocation is being implemented; and

(c) The administration of Government agencies to determine hindrances to their efficiency and to make recommendations to the Government for the improvement of public administration.

The purpose of this nineteenth public meeting of the Public Administration and Appropriations Committee of the Eleventh Parliament is to examine the construction, maintenance and refurbishment of state-owned or state-funded housing projects and units.

The Committee is desirous of hearing from the relevant agencies to discover the challenges being faced. The Committee hopes that the meeting would be fruitful and provide workable solutions to improve the construction, maintenance and refurbishment of state-owned or state-funded housing projects and units.

This meeting is being held in public and is being broadcast live on the Parliament's Channel 11, Radio 105.5 FM, and the Parliament's YouTube channel, *ParlView*. Viewers and listeners can send their comments related to today's enquiry via email at parl101@ttparliament.org, facebook.com/ttparliament, and twitter/ttparliament.

Again, I would want to say a very special welcome to the officials of the Ministry of Housing and Urban Development and the Trinidad and Tobago Housing Development Corporation, and if I can ask the officials to introduce themselves, starting with the Ministry of Housing and Urban Development.

Mrs. Thorne-Mora: Good morning—sorry, good afternoon, Deputy Chairman and Members of the PAAC. My name is Simone Thorne-Mora and I am the Permanent Secretary of the Ministry of Housing and Urban Development. To my right—sorry, I will introduce the members of the Ministry first.

[*Introductions made*]

Mr. Chairman: Thank you very much. I would ask the members of the Committee to now introduce themselves, and I would start on my far right.

[*Introductions made*]

Mr. Chairman: Thank you, members. I am Lackram Bodoe, Vice-Chairman. Again, I say a very special and warm welcome to you and thank you for being here this afternoon. Perhaps we could start this meeting by inviting you, Madam PS, to make an opening statement.

Mrs. Thorne-Mora: Again, good day, Mr. Deputy Chairman and members of the Public Administration and Appropriations Committee. Thank you for permitting us, the Ministry of Housing and Urban Development and its agencies to highlight the specific areas of construction, maintenance and refurbishment of state-owned or state-funded housing projects and units. I do believe that this appearance will give us the opportunity to apprise you and members of the listening and viewing public of some of the activities of the Ministry, its achievements, its challenges and its vision for the future, as well as to obtain recommendations from the members of this august body on how to improve our performance in the coming years.

The Ministry is mandated to provide affordable housing solutions for eligible citizens, namely, those within the low to middle income group, which we have determined to be those persons seeking housing and who earn a combined income of less than $25,000 per month. These solutions are mainly provided through both the Land Settlement Agency and the Housing Development Corporation. The LSA primarily focuses on squatter regularization while the HDC concentrates on construction under the Accelerated Housing Programme.

At this juncture, I must mention that, at present, the demand for public housing, according to the Ministry's Home Application Fulfilment System, otherwise known as HAFS, the database, it reflects approximately 176,000 applications for houses.

As a result of the changing financial vista reflecting low economic growth, the Ministry, through the HDC has been forced to implement strategic measures to become more cost effective and to further maximize value for money by exploring ways of reducing construction costs. Although the HDC continues to experience challenges in satisfying the demand for housing, it can boast that over the last three years it has had some significant achievements such as the commencement of housing start at seven developments, an allocation of 2,138 houses between 2015 and 2017.

However, in order to continue to achieve these successes, the HDC has had to implement measures to both control and reduce the overall cost to both the State and by extension the housing applicants. In this regard, the HDC has been effective in reducing the cost of building construction by more than 50 per cent per square foot, and has also launched the Public/Private Partnership Programme with a view to satisfying the demands for housing while reducing the strain on the Government's resources and encouraging private sector participation.

Also, there has been an increase in the flow of revenue to the HDC through concerted efforts to convert licence to own and rent-to-own arrangements to mortgage arrangements between the periods 2015 to 2017. This has translated into a total sum of over $769 million. HDC has also introduced a business strategy whereby beneficiaries are only issued keys on completion of the mortgage process.

With respect to maintenance, the HDC has introduced a pilot project whereby a compulsory maintenance fee is paid by all owners, tenants and licence to occupy beneficiaries of HDC constructed houses. This is used to defray annual maintenance expenses. Once proven to be successful, it will soon be rolled out to new HDC developments.

Refurbishment: As we are all aware, over the last few years, HDC has had to treat with incidents of vandalism in some of its housing developments. In an effort to mitigate this, the agency has reviewed the manner in which the properties are handled and has implemented systems to minimize its risk. For example, installing digital security systems in unoccupied units while also reinforcing an active security presence on many sites. The HDC has also recommenced stalled or incomplete projects to ensure an active HDC presence in some sites which once contained vandalized units.

Public/Private Partnership Programme: The HDC launched its PPP Programme in early 2016. To date, contracts for four projects giving a yield of 669 units, using a design-build-finance arrangement on HDC lands and contracts for four projects giving a yield of 689 units, using a design-build-finance arrangement on private lands. Overall, a combined yield of 1,358 units have been contracted. Naturally, the process is ongoing and several other projects are being evaluated for inclusion into this system.

Innovative strategies: While the HDC is actively involved in housing construction, the Ministry continues to set the strategic direction which provides the operational framework for its agencies to execute their mandate in accordance with Government's vision. However, as the country experiences financial challenges, the Ministry has reviewed its core mandate and has decided it must innovate in an effort to support citizens who require additional opportunities for housing.

To this end, the Ministry has been exploring various supplementary strategies to the Accelerated Housing Programme such as the Housing Incentive Programme, the Aided Self-Help Housing Programme, the Housing and Village Improvement Programme, its Public Education Awareness Campaign, its Homeownership 101 project and the provision of technical assistance to homeowners and potential homeowners.

Housing Incentive Programme: In an effort to mobilize resources from the private sector and to encourage private developers to construct houses to satisfy the current demand for affordable housing, while at the same time stimulating construction in the private sector, the MHUD is currently finalizing the implementation plan and process maps for its HIP. Any developer with a desire and a demonstrated ability to fully finance, build and sell high-quality housing units in accordance with specific guidelines will be eligible to register and participate in the programme and receive tax exemptions for the sale of housing units and cash incentives of up to $100,000 per unit.

Aided Self-Help Programme: The Government's Aided Self-Help Programme is a new concept which was launched in 2017 and is aimed at empowering persons to manage the construction of their own homes with financial and technical support from the State. This programme will complement the existing Accelerated Housing Programme and targets resident citizens without land as well as those with land. The first cycle of the programme will allow for the sale of 1,000 lots at 30 per cent of its market value.

Housing and Village Improvement Programme, HVIP: The Ministry will introduce the HVIP as part of an affordable and high-quality housing initiative which will ultimately preserve the country's existing housing stock, thus reducing the demand for Government's subsided houses. Targeted disadvantaged rural and peri-urban villages can access housing grants and improved infrastructure.

Public Education Awareness Programme: This programme incorporates traditional and digital media and it is primarily to empower citizens so that they can make informed housing-related decisions. The campaign is twofold. The public awareness component is expected to focus on the creation of a positive brand identity for the Ministry by clarifying its roles and responsibilities in relation to its agencies, while the education component is intended to provide as much information as possible to the citizenry so they can be guided appropriately in the conduct of all affairs related to housing.

H101—Homeownership 101 Housing Manual: A complete guide from home purchase to maintenance and everything in-between. The Ministry will introduce a publication manual geared towards educating citizens from the range of all options towards homeownership to the responsibilities one should have to being a proud homeowner. Through policy initiatives, it is evident that Government is determined to make affordable high-quality housing for all citizens. A driving force that brings citizens even closer to their dreams of homeownership is knowing all the options available to them. The manual which is also expected to be available in digital format also serves a dual role with not only a pre-ownership guide but covers post-ownership.

Finally, streamlining of the Ministry: The Ministry is cognizance of the need to become more flexible and responsive to the changing environment and, to this end, a Cabinet Note on the restructuring of the Ministry has been prepared. One of the key changes would be the revision of the mandate of the unit which is currently charged with the responsibility for the administration of its home improvement grants. This unit will, if Cabinet agrees, also provide technical assistance related to construction techniques and solutions, advice on the types of repairs and improvement that may be required by homeowners and assistance in the costing of materials and advice on the adequacy of the relevant construction materials. This level of assistance will empower citizens to make more informed choices as it pertains to housing construction and maintenance.

As I conclude, I wish to reassure this Committee that we at the Ministry and its agencies are dedicated towards becoming flexible and responsive to the changing socioeconomic environment while transitioning to a more customer-centric operating model.

Thank you again, for the opportunity to convey the Ministry of Housing and Urban Development strategic intent, its objectives, its challenges and its successes. I thank you.

Mr. Chairman: Thank you very much, Madam PS, for that comprehensive opening statement. Housing is a very basic need and sometimes some will regard it as a right, and it is a very highly emotional issue, and I am sure that the public will be looking on at this hearing very keenly.

What I would want you to tell us, Madam PS, before we go into the details of some of your submissions that you would have produced for us, you spoke about the Ministry's vision and so on, but from the opening statement you mentioned that there are 176,000 housing applications on the files right now, but that just over 2,000 houses were delivered in the period 2015 to 2017. So, immediately, one can say that in terms of citizens' expectations, there is a big gap in terms of the demand as opposed to the supply. How do you view that? In other words, what is the Ministry's vision and, perhaps, the mandate in terms of trying to bridge that gap?

Mrs. Thorne-Mora: The Ministry and well its agencies, we would love to be able to satisfy this demand, but the reality is there is a financial challenge. We just do not have the money and that is the reason—the Government itself just does not have the money—and that is why we have been changing our direction in an effort to remove some of the strain from the Government. You would have heard me speak about changing our mandate, empowering citizens to take control of their lives, because there are a lot of persons out there who have land, or they are living somewhere and they own the house. Okay, it may not be their house, but it is their family house, and the house is probably currently very small or not in the best of—it needs repairs. So while we would give things like grants and subsidies—let me use an example.

So someone is living, let us say, in this family house. It is a young man and he is getting married. He can come to the Ministry—they are living in the family house and the way the house is they can put a second storey or they could put a side apartment or if a mother wants to come and live, you can put your granny suite. So you could come to the Ministry, we would give you advice. The plan is, as I said, once we restructure, we will do site visits and advise—the best thing for you to here, based on the size of the land, you could do a split level, you could put in an apartment here or do a duplex. Of course, we will guide you to go by the Town and Country Planning Division to ensure that it is allowed, it is legal. All right. So that is kind of thing. Because there is that gap, we have recognized that.

Right now—maybe in the coming years things will be different—we will not be able to. We have to be real, we have to be realistic, but we are not going to just leave you out there and say we cannot help you. We will help you, and that is why the vision of the Ministry, apart from beginning with the PPP model, that is why we are looking at things like the homeownership manual so people can come, because there are a lot of single mothers out there. For example, I use myself as an example. When I had to do my repairs, I am sure that the contractor ripped me off. That is how the idea came into being. One of the housing development inspectors at the Ministry said: "PS, why you did not come to me. I would have spoken to, I would have helped you." And that is how the idea kind of germinated. We can help people out there. We are going to hold your hand, you could come to us. We will come out and do a site visit. We will tell you, look, you could put up a duplex here, you could put up an apartment here to house the children or whatever.

Mr. Chairman: Thank you PS. I get the idea. If I could just further ask, in terms of all of these initiatives, in terms of narrowing the gap—and, perhaps, I could draw Mr. Lyons into the discussion at this point—perhaps in terms of the projection for the number of houses you expect to deliver in 2018. I am just trying, in the public's mind, because there is big gap. You are talking about 176,000 applications, yet we are seeing that only 2,000 houses were delivered in the two-year period.

Mr. Lyons: Chairman and members, a couple things that we have been doing. Essentially, we are trying to get private sector participation because as the PS mentioned, funding is limited and so on, so the more private sector participation we get or encourage and empowering individuals to, I suppose, take charge of their own situation and participate in the Home Construction Incentive Programme, for instance, those are a couple initiatives we think that will assist in the whole housing drive.

In terms of delivery, we are projecting between 2,225 houses again for this year. That is straight on from the HDC's side. With respect to PPPs and the Housing Construction Incentive Programme, if we can add a further 2,000 to 3,000 houses will be great, and that is what we are trying to project actually.

Mr. Chairman: So you are looking at about 2,000 plus, another 3,000, maybe about 5,000.

Mr. Lyons: If we could get up to 5,000.

Mr. Chairman: If I can just further ask, with regard to this database of 176,000 housing applications, do you believe this is a true reflection of the housing needs of those people whom you are targeting? I am asking that in light of whether this database is reviewed, updated, the quality of it, whether it is interactive or a fairly regularly updated database and so on. What are your thoughts on that? Is it a higher figure or a lower figure?

Mr. Lyons: It is current. Even if we assume that a significant portion of that may be persons who probably one, cannot afford, and two, have already gotten houses and so on, and just very speculative and you said that that figure is 100,000, 100,000 is still a significant number of people. All right. So the demand is real. The challenge is for us to be able to bridge that gap.

Mr. Chairman: Thank you. This might just be a moot question, but in terms of the land that is available to supply this demand, you will probably agree that there is sufficient land in Trinidad and Tobago to supply that, and if the answer is yes, could you share with us challenges that you might face in terms of acquiring the land for housing?

Mr. Lyons: Let us just put it in context, the database and where persons have indicated where they would like to live. More than 50 per cent of the database have said, I would like to live in the East-West Corridor. Put that in context, you are talking about over 80,000 people or 80,000 applicants. There is limited land along the East-West Corridor as we all know. The further east you go, possibly there is some land there but anything heading west is very limited. So what we have been trying to do is one, locate any available land that we can that the State owns and maximize the use of that as well as two, again, encourage private sector participation—if you have the land come. This is what those PPP arrangements are for.

Mr. Chairman: Thank you. So can I then ask you—you may not be able to say offhand—but in terms of saying specifically what lands are available through the Office of the Commissioner of State Lands, is that something that you could provide to the Committee, the lands that are currently available?

Mr. Lyons: No, I do not have that information in terms of what is available. What I can say, based on the demands that we see on the database, what we do in terms of trying to source available land, we do approach the Commissioner of State Lands to see what is possible, what is available for us and so on, but in terms of the total amount, I cannot say.

Mr. Chairman: Is that something that could be provided in writing, perhaps to the Committee?

Mr. Lyons: I am sure we can.

Mr. Chairman: Thank you. Before I open up the floor to the other members of the Committee, I just wanted to touch a little bit on the issue of the compulsory acquisition of land. Has the HDC identified any lands that are to be acquired by compulsory acquisition?

Mr. Lyons: Not at this time, no.

Mr. Chairman: Thank you. I just wanted to clarify one thing as well with regard to the acquisition of private lands. I noted in the submission that the process involves two valuations. So in the process of acquiring the private lands, how are the valuations supplied by the Commissioner of Valuation and the one from the commission of independent valuation reconciled? Because I notice in the process there are two valuations that come in. How is that done?

Mr. Lyons: Okay. When you receive the valuation from the Commissioner of Valuations, you simply also get the one from the private valuator and you take a look at the both and you would hope that they are similar or close enough.

Mr. Chairman: What is the reality of this situation?

Mr. Lyons: There are times when there are differences.

Mr. Chairman: And how does one reconcile that? How does one make a decision?

Mr. Lyons: You can always go to a second or third independent valuator.

Mr. Chairman: Okay. Mr. Rambharat?

Mr. Rambharat: Thank you very much. The purpose of this enquiry is to deal with issues of construction, maintenance and refurbishment. In fairness to your team, Mr. Lyons, I just wanted to find out first, could you tell me how long the three officers have been employed with HDC? The Divisional Managers.

Mr. Lyons: Well, I would ask them to say for themselves.

Mr. Ramarack: Good day. Since September 2013.

Mr. Rambharat: Mr. Mc Quilkin?

Mr. Mc Quilkin: Good afternoon. Seven months.

Mr. Rambharat: And Mr. Mc Donald?

Mr. Mc Donald: Good afternoon, member, since July 2012, just a little bit over five years.

Mr. Rambharat: Okay, thank you very much. I just want to make sure that we might be able to get the answers now. When we talk about construction, maintenance and refurbishment, I think at the heart of what we want to discuss this afternoon are the issues to me of price, contracts and variations, and a good starting point for me is Eden Gardens. When you look at Eden Gardens, there are things in the public domain about the acquisition of the site, but we know that the price paid for Eden Gardens is $175 million.

We also know, based on information that was provided to the Committee, that the 300 units scheduled for Eden Gardens would cost $272 million. In fact, so that is Eden Gardens is broken up into three packages. Package one is for site preparation—that contract, as you know, that work is way behind schedule; package number two is for the construction of houses; package number three is for the construction of houses.

When you go to the valuation, the acquisition of the site—and other members will get into that issue—is a matter of public concern, $175 million. The first package, the information that is before me is that there are problems with the contractor's delivery of that package because of

problems in the scoping of the works, the contract. The original contract did not have a proper scope of works.
So what started off as a $39 million contract to be performed over two months—I could be wrong—we already have the contractor submitting a variation for $17 million and HDC is prepared to pay $10 million. So on the site preparation—I am taking you through the sequence and the way the public suffers—acquisition of land was a problem, developing the land appears to me to be a problem because your information, HDC's information, is that the contract was not properly scoped and we have a variation already, and then we get into the construction part of it, and we do not know if those two construction projects will land within the contracted price. What that adds up to, if we go to the current way in which things are unfolding, each unit at Eden Gardens will cost the taxpayer $1.5 million, each unit, a minimum and those units are in the normal cost of things should maybe sold between $600,000 to $750,000. Let us say, $600,000. It means that the taxpayers of this country, using Eden Gardens as the example, would have provided a subsidy of close to $1 million.
I know at least two persons here would have been involved in some way in Eden Gardens and maybe you could open the discussion on maintenance, construction and refurbishment by telling us how contracts could be improperly scoped, how variations could arise in almost every project and how these units end up costing taxpayers so much money and the subsidy is so significant.
Mr. Lyons: Members, just to say, some aspects of Eden Gardens are before the courts so I would be limited in terms of some of the comments I may make on that. With respect to some of the numbers that you mentioned, it is very possible that, yes, there will be a significant subsidy and so on, and there might have been some issues in the past with that. I would want to focus on what the current management at the HDC is doing, and how we are treating with issues of those to ensure that the country, at the end of the day, gets value for money.
And if to put this in some context, I think when—I am almost tempted to say when this management assumed office—we did a review and study of the cost of construction and so on, because we wanted to get a proper understanding of what we are dealing with and exactly what you say, how the contracts are set up and managed. What we were able to deduce is that the cost of construction was within a range of about $560 per square foot to $1,080 per square foot. And what we did, we did some value engineering with respect to existing projects and so on, and how we wanted to go forward with the types of designs of units that we have done and so on. And we can say, quite confidently, that we have been able to reduce the cost of construction down from $560 on to low end to about $440 per square foot and down from $1,080 on the high end to $650 per square foot. So we think we are now within a realistic range. We think now that we can achieve the public energy, value for money. We think that we are building at a realistic price range. There are some things that we have done with respect to the designs and so on to get us to where we are right now, but the long and short of it is that we think we have been able to get the cost of construction down.
With respect to the contract development, scoping and project management and so on, we now have a well-established project development and oversight unit headed by Mr. Mc Quilkin, and the role and purpose of that group really is to do exactly that. Well, first determine whether or not the project is feasible. Assuming it is, to develop all of the specifications around it and to have it properly scoped. When it is properly scoped, we have a well-established procurement process whereby we go through a rigid tendering process to select a contractor. Having selected someone, the project is then passed over to Mr. Ramarack, that is the construction management group, and they are now charged with the responsibility to ensure that the project comes in on time and on budget and so on.

As a matter of fact, what they have introduced—and we would have mentioned this before—is a 22-point quality certification programme. So at every step of the construction process you have to have your work signed off as having met some standards. So, for instance, the setting out of the house to start with on the land, once that is done, you actually have to get a certificate from Mr. Ramarack's group saying you can move on to doing excavation, to start the foundation. So those are some of the things that we have put in place to ensure that you get value for money, that the projects come in on time and on budget and so on and meet the specifications as scoped.

Mr. Dookie: Thank you, Mr. Chair. If I am to sum up some of the comments made by the PS and the Managing Director, I would say that you have told us that in your mandate to provide affordable housing for low and middle income earners that you are in the process of maybe reengineering the way you go about delivering your services to the public, and you would have identified a number of initiatives, some may be new, that you are using and implementing to provide this service such as the PPP, the Aided Self-Help Programme and your Village Improvement Programme. I just want to focus on one for a little bit. In terms of your PPP, I think Madam PS mentioned that it is expected to provide 1,358 units. Is that correct? Over what period of time are we are talking about?

Mr. Mc Quilkin: The 1,358 units are contracted currently and we expect construction to start within the next three months to six months and there is a construction time of, I would say, between two to three years. Those are a total of eight projects.

Mr. Dookie: And in terms of your vision for this programme, in terms of meeting the housing demand and, of course, we know what the demand is like, what is the vision for this programme going forward to increase this 1,358 to a figure that we would be happy with in terms of making a dent in the supply?

Mr. Lyons: Member, there are several other PPP projects that we have under review at various stages of development and so on for approximately 7,500 units. We expect that we will have those wrapped up in terms of the project development work being completed and being able to go to procurement and so on probably by the end of this year or so. It will take a lil while.

Mr. Chairman: Thank you. Before I invite member Webster-Roy, I just want to follow-up, and PS this is to you specifically. In a previous submission, previous enquiry in this Committee, it was noted that there was no monitoring and evaluation unit at the Ministry. Can you indicate whether the Ministry has made any progress in terms of establishing a monitoring and evaluation unit?

Mrs. Thorne-Mora: Thank you, Deputy Chair. The Ministry is not—there is not a monitoring and evaluation unit per se and there is a reason for that. When I assumed duty as PS and I looked at the job description—the approved job description of the monitoring and evaluation officers—this was something that was approved years ago—I observed that the qualifications were things like a degree in sociology, a degree in management, degree in economics and so on and I discussed it with the officers. We did not think that that sort of qualification was suitable for a Ministry such as the Ministry of Housing and Urban Development, because a large part of our core mandate is the construction of—it is a construction sector—houses. And, in our opinion, when you are talking about monitoring and value for money and safety, persons with a degree in management or sociology would not be able to adequately do the job. We felt we needed people with engineering skills, quantity surveying skills, those kinds of skills you would find in a construction sector.

So it was based on that analysis that we felt what we really needed was a project unit, a project unit that would be staffed with project officers, who would have engineering skills, those skills that I referred to earlier—the project management, the engineering, and quality surveying type of skills. So we have been having discussion with the Ministry of Public Administration to have that type of unit set up, to get the permission.

I was told, you know, well, because again of the financial constraints, we are at that stage of negotiating to see what is the best fit with limited resources, because we had a complete org. structure for this unit—with a project officer with responsibility for monitoring for each agency. The PMCD from Ministry of Public Administration and Communications, they are reviewing our proposal and they are to get back to us.

Mr. Chairman: So you are saying the concept is the same. You are calling it by a different name, essentially.

Mrs. Thorne-Mora: No, but the skills. It is not so much the name, but the skills.

Mr. Chairman: Sure, I understand that. But what is the constraint now? How long have these negotiations been taking place?

Mrs. Thorne-Mora: About over six months.

Mr. Chairman: All right.

Mrs. Thorne-Mora: But we do have on short-term—I did hire one officer on short-term contract to assist and he does as best as he can. He will make site visits for the Land Settlement Agency, but you know, it is one person.

Mr. Chairman: Thank you. Mrs. Webster-Roy?

Mrs. Webster-Roy: Thank you, Vice-Chairman. Mr. Lyons, you noted that in order to address the housing shortage you are looking towards the implementation of the PPP arrangement. I wanted to understand if your PPP was being managed through that same unit that is headed by Mr. Mc Quilkin and how is it administered.

Mr. Lyons: Yes it is. And really, I mean, that really is just a procurement and financing model. The project development work is pretty much the same. It just means you will go out or you are inviting private sector participation, but the project development work is really the same, and it is managed by Mr. Mc Quilkin and his group.

Mrs. Webster-Roy: So that unit will oversee from the call for proposals, everything?

Mr. Lyons: Yes. They take it up to the point of contract award and then it is handed over to the construction and management group.

Mr. Chairman: Thank you. Member Mark.

Mr. Mark: Yes. May I also welcome the team from both the HDC and the Ministry of Housing. Madam Permanent Secretary, you have said that you are in the process—that is the Ministry is in the process—of revising its mandate and, therefore, you are streamlining operations consistent with that particular objective. You would agree with me that the whole question of financial accountability is critical because you spend moneys that are allocated to you. You collect money as well and you engage in borrowing as well. Could you explain to this Committee why the Ministry of Housing and Urban Development and maybe Mr. Brent, HDC, have not submitted to the Parliament financial audited statements for the last 17 years? My data and research points me to 2000 to 2017. That is the first question.

And the second question I want to ask: Why are you in violation of the Constitution of this Republic by your failure to submit administrative reports annually to His Excellency as the Constitution of the Republic mandates you so to do? And what is being done with some degree of urgency to address both? Those are my initial questions. I have some follow-up but I would like to get some responses to those two, because we can talk about all kinds of things. At the end of the day, we need financial accountability and we get financial accountability through these submissions.

Mrs. Thorne-Mora: Thank you, member Mark. I would speak to the administrative reports and Mr. Lyons would speak to the financial reports from HDC. The Ministry has submitted up to 2014 and 2015 according to my records, the administrative reports. We are currently finalizing the 2015 and 2016 and 2016 and 2017 and that should be submitted shortly. Well, it has to go to Cabinet and once it goes to Cabinet—but as far as I am aware it is just those two years we have not submitted.
Mr. Mark: So you have copies of all those reports between 2000, because I think that came into effect in 1999, that constitutional amendment. So between 1999 and 2000 when it took effect, could you advise us when those reports were submitted? Is it from 2001 that you would have submitted to 2014? Have you done that?
Mrs. Thorne-Mora: I would have to do the research but I distinctly remember the last one that came to my office, my desk, was 2014/2015 and I know that was submitted.
Mr. Mark: It was submitted to whom?
Mrs. Thorne-Mora: To Parliament a few months ago.
Mr. Mark: No, you have to send it to His Excellency and then His Excellency will then submit it to the Parliament.
Mrs. Thorne-Mora: It was submitted to His Excellency, it would have been.
Mr. Mark: Would you be kind enough to submit to the Secretary of this Committee all those administrative reports that you have said have been submitted to His Excellency, and if you can send those reports to the Parliament because you would have sent them to him, but our records are showing that we have none.
Mrs. Thorne-Mora: But I know we are currently preparing 2015/2016. We are finalizing it and we also started 2016 to 2017.
Mr. Mark: So all previous reports would have been submitted. So we would like you to submit those to us.
Mrs. Thorne-Mora: I will, member.
Mr. Mark: And can we hear from Mr. Brent now about our financial audited statements?
Mr. Lyons: Yes, member. As previously stated—
Mr. Mark: Mr. Brent Lyons.
Mr. Lyons: That is fine, member. As previously mentioned to this Committee when we were last, the outstanding statements are from 2005 since the inception of the HDC, and what we stated then and we continue to work on it now is that the HDC has been in the process of, one, rebuilding accounts from since then and having them reviewed by the external auditors and so on. We are now currently up to 2009, and we continue to be on target. The last time we were here we did say that our target for getting current would be December 2019, and we are currently on target for that to happen.
Mr. Mark: Yes, but you have not answered my question. If you have completed 2009, this Parliament is yet to see 2006, 2007 and 2008. Where are those financial audited accounts that have been completed by your HDC?
Mr. Devenish: Chair, good afternoon, if I could interject. What the MD is referring to is the draft financial statements are completed up until 2017. Right now our auditors KPMG, they have finished the fieldwork on ’05, ’06, ’07, ’08 and they are finishing up ’09. We are expecting it this month. So we should get final audit opinions sometime in February or March. That is where we are with those right now.
Mr. Mark: Mr. Brent Lyons, when would we be able to get ’05, ’06, ’07, ’08 and ’09? Would you be able to give this Committee some clear undertaking as to when those reports will be formally submitted to the Minister and then through the Minister to this Parliament?

Mr. Lyons: Member, I am advised that by March this year we should be able to provide those signed off final accounts to the Parliament.
Mr. Mark: Just before—I have an area I would like to clear up with the Permanent Secretary and maybe your good self. This programme you call Rural Housing and Village Improvement Programme, could you tell us—I understand the phases that you have identified in your submission and that there is an allocation of $5 million towards the completion of that programme—what is the formula that is being used for village selection as it relates to this particular Rural Housing and Village Improvement Programme and has the Ministry considered other villages for this particular project and, if so, could you identify those villages?
Mrs. Thorne-Mora: Thank you, member. Well, the first thing, the project, although the line item on the books as we call it says "Rural Housing and Village Improvement Programme" it has been renamed the "Housing and Village Improvement Programme". The project was conceptualized, because one of our agencies, the Land Settlement Agency has been constantly doing social surveys of selected sites, over 300 sites. My colleague, Mr. Hosein, would be able to give a little more detail on those sites—as well as they have been using CSO data, and from these surveys we have identified that there are many villages—and the reason we removed "rural" was because some of the villages are urban, peri-urban. Some of the places were characterized by high degrees of poverty, unemployment, poor infrastructure, the state of the houses was very dilapidated and, generally, poor housing conditions. So that is one of the reasons where the project itself was conceptualized.
Now, based on the surveys, we would have—let me give you the exact. The criteria. I think I mentioned that already, the criteria for the selection. So the level of unemployment, the state of the infrastructure, per capita income and the number of persons below the poverty line. So that is the kind of criteria that was used. We are now in the village selection stage of the project. Okay? The area that has been earmarked is the Samuel Cooper Fifth Company Village in Moruga, and I would explain why that was one of the villages that was selected.
After Hurricane Bret, the Ministry gives out emergency shelter grants which are given out to persons whose houses have been damaged because of some natural disaster—well let me not say natural disaster because it applies to fire victims—but some disasters—fire, landslide and flooding. The majority of the applications we got—now the applications were open to everyone who was affected by flooding. It was not limited to any area—came from Moruga. When we visited the area to ascertain that the applicants were really in need, the Ministry would have observed the real dire situation that existed in that area together with the fact that it would have also been one of the areas that the Land Settlement Agency would have done one of their social surveys. So that is one of the reasons why the decision was taken to start with Moruga.
But also, apart from that, I would not say it was a major factor in determining, because the major factors would have been the conditions that existed, but a minor factor in selecting Samuel Cooper Village was because that area holds a historical significance. It is the location where you have the descendants of the Merikins and the Merikins were those African-American soldiers who would have fought for Britain in 1812. After Britain lost the war, of course, they could not stay in America so they had to find somewhere to put them and several groups where sent to Trinidad. So that was a minor factor, but it is still a factor because there is also that—you are trying to preserve your historical, cultural characteristics. So putting all of those reasons, all of those factors together, that village was selected as one of the first villages, but we are in the process of looking at others because we have the results of the social survey and we are still assessing, you know. Now, I think in my submission I may have said one location has been earmarked today, but it is not exhaustive.

Mr. Mark: Would you be kind enough to submit to this Committee copies of your survey as well as the outline of the criteria that you have given in writing?

3.35 p.m.

Mr. Mark: Would you be kind enough to submit to this Committee, copies of your survey, as well as the outline of the criteria that you have given in writing? And could the individual that you mentioned indicate to this Committee, after this particular location, are there any other locations that have been identified for similar treatment in fiscal 2018? Could you tell us? Or is that the only community that has been identified for the 2018 programme?

Mrs. Thorne-Mora: To date, right now it is only that, but I would not say that it is the only one, you know, we are still in the stage of looking at the options. It is, you know, we have not finalized—

Mr. Mark: Is there a particular amount of moneys or budget that has been allocated for this particular programme?—because we know that you have $5 million to utilize in this particular project. Is there a particular amount of moneys that have been allocated for it?

Mrs. Thorne-Mora: Right now it is $5 million, but depending on the success, then there is midterm review; we will go back at midterm review for more money.

Mr. Mark: And, finally, could Mr. Hosein provide this Committee with a list of the 300 villages or 300 areas that you all have identified that would be in need of support, and this programme is the ideal tool to really use in helping those particular areas that you would have identified?

Mr. Hosein: Chairman and members, good afternoon. PS mentioned that we have looked at a number of areas and the areas we have looked at for this particular programme are based on CSO data and social survey information that the LSA has. We have conducted social surveys in over 300 sites in Trinidad, and we have that data. Apart from the Samuel Cooper area that PS mentioned, we have looked at other areas, and you asked the question whether there are other areas; we have looked at Sea Trace, Bagatelle, L'Anse Mitan; Samuel Cooper is one of them, Blanchisseuse, Matelot, Gonzales, Port of Spain. Those are just some of the areas we have started preliminary works, and looking at the data that we have, looking at the income levels to make a determination what sort of intervention is required.

Mr. Chairman: Just a follow-up, in terms of doing this survey, do you actually interview the residents of the villages, and so on? How do you actually conduct the survey?

Mr. Hosein: Chairman, it is a comprehensive survey that is conducted. There is a questionnaire which covers all social data, income data, economic data. We look at the quality of housing that exists, the quality of the infrastructure; all of that is covered.

Mr. Chairman: Can you indicate whether it will be an ongoing project, or you think you have exhausted—

Mr. Hosein: It will be ongoing. Social surveys, it is an ongoing thing that we do, looking at the quality of life in general. There is a close correlation between squatter regularization on some of these sites, and, hence, we are constantly looking at these projects and areas.

Mr. Mark: Members of Parliament, elected MPs, are they involved in this exercise, because they would have an appreciation in their respective constituencies, depressed areas, underdeveloped area, and that sort of thing? So, are Members of Parliament elected by the people, are they directly involved in this exercise or are they left out completely?

Mr. Chairman: And councillors as well, the local government councillors.

Mr. Hosein: Chairman and members, what we have done so far is to look at the data that we have in-house, looking at the CSO data, looking at the data that the LSA has to make a determination. We have not gone out to Members of Parliament as at this point.

Mr. Chairman: That is all right, that is what I am trying to understand, the process. So, for example, if you are going into a particular area where you notify, for example, the sitting Member of Parliament or the councillor, is that normal or that has not been done?

Mr. Hosein: Well, that has not been done as yet, but, certainly, we will take your advice.

Mr. Chairman: Member Antoine.

Brig. Gen. Antoine: A good evening, again. In your response the Ministry and the HDC indicated that HDC has systems in place to deal with the maintenance of the housing development and units. I am looking into the area of sewer or wastewater treatment plants. Your contractors in some of your developments build wastewater plants, treatment plants, and at the end of the project it is handed over to HDC. I can speak for my constituency D'Abadie/O'Meara, we have some ageing swamplands that are problematic at this point in time. We even have a plant that is under threat in Signature Park from the Mausica River. In addition, in some of your high-rise apartments we know for a fact that residents complain about problems in terms of sewer and wastewater.

I want to know what is HDC's policy in terms of these treatment plants? What is your relationship with WASA? Have some of these plants been handed over to WASA? Are some of them still being maintained by HDC? What is the situation in terms of the entire wastewater sewer treatment plant, both in terms of your housing development, the old ones, those new ones that are coming on stream? Because I am told that in River Runs Through, a housing scheme that is being built in the Arima area, there is no sewer plant being built for that particular housing scheme. So I want to know, what is the policy of HDC and WASA in terms of wastewater treatment, in terms of housing development?

Mr. Lyons: Yes, Chairman and members, the HDC has been working closely with WASA over the past year in an attempt to have WASA actually take over all the plants. In the interim, and what has been happening, HDC has been paying to have those plants maintained. It is a challenge, yes, and some of the plants are old, and the infrastructure and the machinery, the pumps and so on, are ageing. We change out as much as we can and do as much maintenance as we can, but the plan really is to have WASA take over all those plants eventually, and we are in the process, and they have taken over some, and there are several more that are earmarked to be taken over. As it relates specifically to River Runs Through, there are two scenarios happening there, approval has been granted for on-lot disposal for some of the units, and we are in fact going to be putting in a treatment plant at River Runs Through for the other units.

Brig. Gen. Antoine: Could you give a time frame in terms of this MOU, or this handover between yourself and WASA in terms of the treatment plants?

Mr. Lyons: We are anticipating that will happen this year, within 2018. There is a lot of work to be done. I have to acknowledge that it is not a simple process to just simply handing it over; there is a lot of work to be done, and WASA has asked that the plants be upgraded to a certain level first before they could take over entirely. It is a very costly exercise, but we are working towards doing it, and we anticipate that most, if not all, will be done this year.

Brig. Gen. Antoine: So you are giving us an undertaking that it will be completed by—

Mr. Lyons: Well, I am not in this alone, there is WASA too, so I do not want to say here that it will be done definitely this year. We are targeting to have it done this year.

Mr. Chairman: Thank you. If I may just follow up— sorry. Okay, go ahead.

Miss Raffoul: Thank you, Chair. Thank you to everyone who is present and answering questions. I wanted to ask a few questions. Mr. Ramarack, you had said that since the economic declines the HDC has been looking at cost-savings mechanisms, and has been able to successfully reduce the cost per square foot from approximately $600 to $1,000 per square foot to between

$450 to $600 per square foot, and that some of the developments behind that were structural changes and design changes. Can you elaborate a bit upon how the agency has been able to reduce the cost per square foot so drastically?

Mr. Ramarack: Good day, everyone. Just for an instance, on one particular project a single-family unit was actually costing $660,000, we got it down to $540,000 by doing some design efficiencies. So these design efficiencies would have been relooking the design for the foundation. In that particular instance the design for that foundation was a strip footing. Looking at the soils data we realized that it could have been completed as a raft foundation, which is less concrete, less steel, and less volume on the whole.

The next efficiency was in terms of the roof members, the steel members. It was a design-build contract, so we asked the design contractor to review the steel members in terms of the span, in terms of the depth, and dimensions of the beams itself. They got it to be reduced and still be functional structurally. We also looked at the electrical layout in the particular unit. The electrical layout, for instance, in the master bedroom had outlets on every wall, which we realized was a bit of an overkill, so we reduced that as well throughout the entire unit. We have certain instances where the entire unit was tiled, so we restricted that to the wet areas only.

Other instances would be the bathroom area itself will have full vanity set up, so we reduced that to just what is necessary to get the completion certificate. In terms of the walls, the structural element of the walls, in that particular instance we had the walls fully loaded and steel members in every core. A redesign was also done in terms of the design efficiency, and we realized that the steel could have been in one core and loaded, so that also reduced in terms of the concrete and steel. And, also, in the kitchen areas we have lower and upper kitchen cabinetry, so we just reduced it to the lower which is necessary with the kitchen sink. And those are some of the elements, or most of the elements we would have considered in reducing the cost and still getting it to be functional.

Miss Raffoul: Thank you. Do you think that you can get the cost down even further?

Mr. Ramarack: I think it could be done, but it would be a collaborative effort. It would be reaching out to different stakeholders. For instance, recently we had conversations with the National Quarries, which is another state enterprise; if we could forge stronger bonds with these other state enterprises, probably the private sector as well, in terms of hardwares and suppliers, we could probably set something up in terms of HDC contractors possibly could get a discount on materials, quality materials with a certification, and could also have a reduction in terms of the raw cost of materials.

Miss Raffoul: Thank you. I am curious to learn more about the public-private partnership initiative that is happening, has that already started? There were two that were referred to in the documents and the opening remarks. There is the one that is happening with HDC and private-sector contractors—private sector financiers, specifically—and then there is also the IDB subsidy programme, can you discuss both of them? You said that the private sector contracting one started in 2016; the IDB one, I did not see much elaboration on the documents.

Mrs. Thorne-Mora: Thank you, member. Under the IDB Neighbourhood Upgrading Programme, subsidies were given for the construction of houses, as well as to the repair of houses. So, subsidies of up to $50,000 were given for the construction of houses not valued at more than $200,000; that is in Trinidad, and in Tobago houses were valued a little higher, $250,000, because, you know, the cost of construction is higher in Tobago. So 1,223 housing construction subsidies were given out under this programme. Okay? And of that figure, 183 were given out to persons in Tobago.

Miss Raffoul: Okay. When did this start?

Mrs. Thorne-Mora: The loans were signed in 2011, but the majority of subsidies were given in 2016—2017. But with your permission, with the Chair's permission, if I could invite Dr. Reyes, to my right, who is the Programme Coordinator to give some—you know, he would have the intimate details of the programme.
Miss Raffoul: Thank you.
Dr. Reyes: Vice-Chairman, members, good afternoon. The loan is a $40 million loan that was taken from the Inter-American Development Bank. The Government of Trinidad and Tobago provided a counterpart funding of $10 million. Subsidies are up to a maximum of $50,000 if your salary is under $48,000 per year; and $35,000 if your salary is above $48,000 and under $54,000. The home improvement subsidy is $20,000 for anyone, once your salary is under $84,000 per year. We have been able, over the period of the loan, to actually disburse 4,424 of these subsidies to citizens of Trinidad and Tobago. In Tobago we disbursed over the period 185 of these subsidies.
Miss Raffoul: Is there a project document evaluating the effectiveness of the programme, and is that public information?
Dr. Reyes: Well, the Inter-American Development Bank is now in the process of conducting the final evaluation. We have hired a consultant and that should be completed by the end of March when the loan is totally closed off, and that would be public information when that is completed.
Miss Raffoul: I have a few more questions. Regarding the two different Excel spreadsheets that were submitted to us, one was submitted by the Ministry, the other one was submitted by HDC, and they were regarding the ongoing projects and the number of housing units, name of the contractor, and overall costs. I noticed that there were some discrepancies between the two documents. The document that is from the Ministry of Housing and Urban Development has the initial estimated cost of the contracts, as well as the current estimated costs, so it includes potential variations. The one that is from the HDC only has the contract value and it does not have the variation in that. I also noticed that the total number of houses that are in the pipeline is different on the two documents; one lists 5,585 and the other one lists 6,412, and I am curious as to why there are discrepancies between the two documents.
Mrs. Thorne-Mora: Member, we would go with the HDC's document. It is possible the one we submitted—we would have gotten it from HDC, but we would have gotten it like a week or two before, so it is possible that it is the more updated figures, so we would go with the HDC's document as the true and correct one.
Miss Raffoul: Okay. So then it is just an issue of timing?
Mrs. Thorne-Mora: Yeah.
Miss Raffoul: Okay, so one might be more current.
Mrs. Thorne-Mora: Yeah, we would go with the HDC's document.
Miss Raffoul: Thank you. I have a few more, but I will—
Mr. Chairman: Thank you. I just wanted to take us back to the issue of the designs and the reduction in cost, and so on, and just to indicate whether you can give the public the assurance that these cost-cutting measures—because this is what you are saying—where they nowhere impact in term of the structure, the structural safety of the homes. And, furthermore, the second question would be whether HDC homes are constructed to meet the standards in terms of hurricane and earthquakes, and so on. What sort of international standards the homes would meet?
Mr. Lyons: Vice-Chair, let me ask Mr. Ramarack to treat with the first question and Mr. Mc Quilkin to treat with the second question.

Mr. Ramarack: Good day, again. Concerning the first question in terms of the design efficiency, yes, it is done according to the building codes, and these reductions, it is not really a reduction in terms of the design being inefficient, or the design not working, it is still within the optimal use of a design that would be able to allow the building to function structurally in accordance to the codes. What is determining this is actually soils data. When the foundation was reduced, the design itself, the soils data determined that it could have been reduced from strip footing to raft foundation, using less concrete and less steel; design calculations were done, and the engineers responsible for it actually stamped off on those drawings as well. It is a design-build contract, so the contractor actually did the designs and we reviewed it in-house.
Mr. Mc Quilkin: Chairman, members, I wish to state that all designs are done in accordance with the current codes and the designs are vetted by the Town and Country Planning. They ensure that we go through places like WASA, T&TEC, Drainage, Designs Branch, and all of these designs are certified and stamped off. Thank you.
Mr. Chairman: Thank you. Member Mark.
Mr. Mark: Yes, but I do not think you have adequately answered that question. I think what members are interested in knowing is that what are the acceptable standards as it relates to building codes for the construction of HDC homes that would recognize that we are in an earthquake zone, and that because of climate change we have very powerful hurricanes visiting our shores and our lands. We would like to know when you build homes, HDC, on the seismic scale, what kind of earthquake can these homes withstand in terms of international standards that you have accepted? That is what we are trying to find out, if we are designing our homes to withstand, you know, reasonably big earthquakes so that people's homes can have limited destruction at the end of the day, a 7.5, as an example, or a 6.5?
Mr. Mc Quilkin: Well, I could say, yes, that it is designed to suit the biggest, the largest that will be zoned for the location, and those guidelines are policed by the Designs Branch. So we go to them and we ensure that we meet what they tell us to meet. Thank you.
Mr. Mark: All right. Mr. Chairman, if I may ask a follow-up question, and you could put it in writing, and this is to the Permanent Secretary and Mr. Hosein. I have already asked for a copy to be made available to this Committee, of the comprehensive social survey; that is the first thing. Could you tell us what are the expected dates for the commencement of phase four and phase five of this particular programme that we have discussed? And, also, the tendering process, has the tendering process commenced for this particular—or those phases for the houses, and so on, to even start? And if it has, has a contractor been selected? I do not know if you have any responses to those or you want to put all in writing.
Mrs. Thorne-Mora: I think I will put that in writing because I need to do some research. However, could you clarify the last part of the question where you talk about a contractor?
Mr. Mark: No, I am saying that remember you are going to be building houses from what I am seeing here—
Mrs. Thorne-Mora: This is the housing and Village Improvement Programme you are speaking about.
Mr. Mark: Yes. One of the components is that you are not going to deal with housing?
Mrs. Thorne-Mora: Yes, but the Ministry will not be—we would not be selecting the contractors, the homeowners will be selecting their own contractors. We will be giving them the subsidy.
Mr. Mark: Just the subsidy, okay.
Mrs. Thorne-Mora: Yes.

Mr. Mark: Okay. All right, I am guided. All right. May I also go to a very critical matter, and that has to do with the selection of contractors. Mr. Lyons, is there a procurement policy at the level of the HDC that would guide the HDC when it comes to the issue of identifying contractors for projects of the HDC? And if there is, could you make a copy of that available to this Committee?

Mr. Lyons: Member, there is such a document, they have the tender rules, and a copy can be made available to this Committee.

Mr. Mark: Could you also tell us, in terms of contractors, could you tell us what is the total amount owed to contractors of the HDC at this current time?

Mr. Lyons: Member, let me invite Mr. Devenish to provide that information.

Mr. Devenish: Member, as of the end of December 2017, the HDC has debts of $814 million owed to contractors.

Mr. Mark: Are there any matters before the courts? How many are there and what are the values involved?

Mr. Lyons: Member, I would ask that I provide that to you in writing.

Mr. Mark: Could you indicate whether the $814 million have been properly audited, verified, and, therefore, there can be no query or question about their authenticity?

Mr. Lyons: Member, there can always be questions, but the $814 million are certified invoices.

Mr. Mark: Certified invoices. Okay. Could you also share with us whether you are aware of any auditing of the HDC operations in the last two years? And if there is, could you identify the firm that was involved, and, further, the costs of this audited exercise?

Mr. Lyons: Member, PricewaterhouseCoopers was involved in an audit at the HDC; I will have to provide the exact cost for you in writing, if you will. I have an approximate figure, but that I do not want to—

Mr. Mark: You have any idea what this auditing was about?

Mr. Lyons: Into the operations of the HDC.

Mr. Mark: And you do not have an idea of the cost?

Mr. Lyons: It is around $1 million. I do not have the exact figure, I could provide that for you in writing.

Mr. Mark: Okay. Could you also indicate to us the 10 top big contractors by name at the HDC, and the top 10 petty or small contractors at the HDC and their names, the names of the organizations?

Mr. Lyons: Certainly, but I will ask to provide that in writing to you, to the Committee.

Mr. Mark: And could you also provide this Committee with a detailed number of contractors, both large and small and medium, who have been prequalified consistent with your procurement policy?

Mr. Lyons: Certainly.

Mr. Chairman: Before I allow member Rambharat, I just want to come back to the issue of the building codes and the standards, and I am sure the public would be interested in finding out the status of the Las Alturas project, Mr. Lyons, in terms of when the demolition will take place and the expected cost; can you shed some light on that issue?

Mr. Lyons: No decision has been taken at this time in terms of doing the demolition, and we have not determined a cost at this point in time.

Mr. Chairman: Member Rambharat.

Mr. Rambharat: Thank you, Chairman. To the Permanent Secretary, I just want to get into, in the context of construction, the current construction programme and the future—I just want to get some clarity on the policy. So the context is—I just refreshed by memory earlier today, in September 2014, when I was writing for the *Express*, I wrote—I think the article was titled, "Surveying the housing horrors", and I was making the point, I was reflecting on HDC's appearance before the Joint Select Committee in 2013, and that report was laid in Parliament in 2014. And at that time there were 176,000 applicants on the HDC database, I believe; the first question is, when we have a number like that, applicants, I want to know if those are qualified applicants or just people who fill out an application form? That is the first question.

But even if we work with—let us work with 176,000—I was making the point that at the construction rate or the distribution rate at that time it would take 70 years to clear the list, but at the same time we were adding 14,000 new applications every year, and that seemed to me to be an impossible task from a policy point of view. How could we ever reduce that list if we were distributing fewer than the applicants who were being added, and I think, currently, I understand the Minister of Housing and Urban Development to be dealing with the issue of housing and the Government in a different way in terms of providing land, continuing the HDC programme in its current form to finish what has been started, going into the PPPs, and various things; various ways of refurbishment, grants and maintenance, support, and all of that, but we are still dealing with big numbers.

So my second question has to do with, are we creating an expectation, or fuelling an expectation in the country that we will have difficulties to satisfy? You have so many people keep talking about wanting an HDC house, waiting on an HDC house, expecting an HDC house, and from a policy point of view how do we make the shift, not only in the way we allocate taxpayers' funds, but how do we make the shift in the minds of the population that in a certain percentage of those cases, those expectations will never be realized?

Mrs. Thorne-Mora: Thank you, member. I think we all agree that we will not be able to supply a house for everyone who desires a house. The list of 176,000 is people applying. You pick that up at the assessment stage when persons, through the selection process, persons that might be allocated, so they come in and then you realize that they already have a house, or many times they cannot afford to pay for a house; they cannot afford a mortgage. So that is one of the reasons why—because we cannot produce an HDC house for anyone, that is why, as I explained in my opening statement, we need to educate people, right?

That is one of the reasons why we have introduced our—and it will be introduced by next week, because we already have a contract signed, through our education programme where we would be letting persons know, look, you need to start taking control of—some people may not agree with my choice of words, but you need to start taking, you know, taking charge of your life. We will help you, okay, so you could come to us—well, through the education programme, through digital means, the Internet, all the different digital—social media—sorry—all the different social media, we would be educating persons on how they could get to a solution by themselves, you know, which it means, you know, repairing their houses, building annexes, whatever. I mean, I said it already, right, so I think I am just repeating myself, okay?

So, the mandate of the Ministry is to provide a housing solution, it is not to provide an HDC house, and that is what members of the public need to understand, it is a housing solution. And that is why we are also introducing the other programmes, such as the Aided Self-Help Programme where persons without land, as well as those with land—those without land we are giving them developed housing lots. They would have access to the subsidized mortgage loans from TTMF. They would get preapproved house plans at a peppercorn rate. They will get technical assistance.

So that, citizens of Trinidad and Tobago need to have a shift in thinking. They do not have to get an HDC house, but a house is a constitutional right, we will help you get that house, it is does not have to be an HDC. So I said it could be through the Aided Self-Help Programme, you know, even all the other programmes we talked about, the Village Improvement Programme, all these other programmes is to help people get a housing solution, not necessarily an HDC house.

Mr. Rambharat: I just have a question for HDC, in looking at some of your big projects HDC seems to have been beset with this problem of wastewater treatment plants, and even in the new project, Trestrail, there are two issues that I picked up, and it really troubled me that even at this stage—so in Trestrail, after designs and "lotification" and the numbers, you had an idea of how many houses. Somewhere later down the road, WASA indicated that you needed a wastewater treatment plant, which meant going back and, you know, scoping or re-scoping part of the project, and incurring a $32 million capital contribution cost first, and, secondly, having to vary the contract that was awarded to Seereeram Brothers for $85 million, or thereabout. And the variation to Seereeram was an account of the requirement of the wastewater treatment plant, and that came after the contract.

So it tells me that there would have been problems in scoping the project in the first place, and it does not stop there. Later on now, T&TEC comes along, the discussions with T&TEC took place, and in December 2017, T&TEC is saying the substation does not have the carrying capacity to service that project, and it will require upgrades, but the upgrades in this case would most likely be upgrades to be funded by T&TEC. So now we are asking a different entity to commit to capital works that they would not have budgeted for. And what these things do, the knock-on effect of that is, of course, delays in the project itself, increased costs, increased cost per unit, and a higher subsidy that the taxpayers must provide.

So I come back to where I started, and a common theme throughout all documents has been proper or improper, or inadequate scoping, inadequate contract documents, and, you know, a failure to pay attention to the management of these variations, and it is something that carries through all the projects. We have projects here from 2006, that is 12 years now, 2006, with a promise to deliver 400-and-whatever units, and 12 years it is still happening, still unfolding, and at the heart of it to me seems to be inadequate attention being paid up front. As they call it in contracts, front-loading the project, and trying, and, you know, when we do not have that attention paid we would run into problems which always ends up being on the backs of the taxpayers.

Mr. Lyons: Member, let me treat with the issue of the projects that date back to 2006. For whatever reason those projects would have been stalled and were abandoned sometime a few years ago, and I do not know the reason. I cannot tell you the reason why they would have stopped. What I can say is that HDC has taken a very deliberate approach and plan to restart and complete all those projects, and we have actually started that—Lake View in Point Fortin is one, Cashew Gardens in Carlsen Field is another, and we have a few more. The HDC, like I said, has taken a very deliberate decision to restart and complete all those projects.

So what you would be seeing there are projects going back to 2006, may or may not have been because of any poor planning or poor management, they were stalled at some point in time, and we are committed to completing them. With respect to Trestrail, and as far as I am aware we were aware of the treatment plant and what was required prior. It is at this stage of the infrastructure work that those plants are now going, and which is planned, as far as I am aware. With respect to T&TEC, T&TEC did come back to us and say there are some issues with respect to the capacity, that matter has been resolved. Again, as far as I am aware, I know we had a meeting with T&TEC and that matter has been resolved, so that is no longer an issue. I would ask Mr. Ramarack to add, if I may have gone off.

Mr. Rambharat: But in the Trestrail project there was a variation to Seereeram's contract for the construction of a lift station which falls into the requirements of the wastewater treatment plant, and if that was part of the initial project then it ought to have been included in Seereeram's original scope.

Mr. Lyons: I will ask Mr. Ramarack to treat with that.

Mr. Ramarack: Concerning the Trestrail projects, Seereeram Brothers, the infrastructure contract, the initial WASA outline approval that we received, before that contract was engaged had a different route for the wastewater disposal. Subsequent to the contract being signed, we were still in the process finalizing with WASA in terms of the final route. The final route is actually one that took it from the Trestrail project straight to the Malabar treatment plant, and which is a longer route. As I said before, this was only finalized between WASA and HDC after the contract was signed, so it was a statutory requirement that was adjusted and then the contractor on site already, in terms of incurring additional costs, in terms of preliminaries it was added as a valued variation to that contract.

Mr. Chairman: Member Webster-Roy.

Mrs. Webster-Roy: Thank you, Chair. Mr. Lyons, in the list of current projects under construction that you submitted, the first project on the list is the Bon Air North Construction, what is the total yield for that project?

Mr. Lyons: I will ask Mr. Ramarack to provide the details.

Mr. Ramarack: Good day, again. The total yield for that project is 398 units, so far we would have delivered 92 units, and then there is the remainder of 306 units.

Mrs. Webster-Roy: So you have an error at the bottom, because the reason why I asked the question, you said 92 units have been delivered to date, 48 expected in 2018, right, and then you said that at the end of 2019 you are expecting to deliver 388, so that is an error?

Mr. Ramarack: Yeah, that is an error.

Mrs. Webster-Roy: Okay. If you are only able to deliver 92 units between 2014 and to date, how can you reassure me that you will be able to deliver the 48 units, and then deliver the total by the new deadline date, which is 2019?

Mr. Lyons: Okay. This is one of those projects that was a stalled project, it was started back in 2016. Yeah. We have re-baselined the project and we are fairly confident, funding being available, we can complete it in 2019.

Mrs. Webster-Roy: So when the project was restarted what per cent, how far had it gone?

Mr. Ramarack: When the project had restarted most of the infrastructure was already laid in the first phase, which was the 92 units. So we concentrated to complete the 92 units there first. The project has been further progressed in terms of the infrastructure into the other phases, and we intend to deliver in a phase basis from phase one, which was already completed, going to phase two, which has more infrastructure already on the ground, and then phase three is the least progressed, which would be concentrated at a later time when the money is available.

Mrs. Webster-Roy: So in terms of your ability to deliver on time is it linked to financial resources? What strategies you are going to use to ensure that you actually deliver these units according to the time frame?

Mr. Lyons: That is correct, it is linked to financial resources being available. The strategy that we have adopted in the first phase, and more of the projects; the first phase we will sell those units as best as we can and use the funding from that to roll over until the completion of the project.

Mr. Chairman: Member Antoine.

Brig. Gen. Antoine: Good afternoon, once again. I want to ask some questions in terms of the abandoned housing units, but before that I just want to add to what member Rambharat was saying, and he was speaking about Trestrail, but I am also seeing a problem with your Bon Air North housing development as well, where WASA has asked for $10 million capital in contribution in terms of the wastewater treatment plants again. So in support of what member Rambharat was saying, it seems that you all have problems in terms of your scope of works and the completion of projects dealing with wastewater and WASA, as the case may be. That was just a statement.

In terms of the abandoned houses project, in your response you said that when you are dealing with abandoned projects, if there is an existing contractor you renegotiate the start of the project, if there are no contractor in place you invite tenders, and you gave a list of projects restarted in Point Fortin, in La Brea, in Guapo, San Fernando, Bon Air, and also in Malabar. I want to know, are there currently contractors for all these abandoned housing developments? What is the status of the abandoned units, and what problems are you encountering in dealing with these projects that were abandoned in the past and now you have restarted to get them back on stream?

Mr. Lyons: There are contracts and contractors in place for all those projects listed there. In fact, I think a couple of them might have been completed since then. Member, can you repeat the question?

Brig. Gen. Antoine: What problems are you encountering, are you encountering significant problems when you are refurbishing the abandoned projects?

Mr. Lyons: No, member, we would not call them significant problems, they are what we consider to be routine construction issues that the project development group and the construction management group have re-scoped, and so on, and we have advised the contractors that this is what is required to bring them to completion. We cannot say that we have been experiencing any significant problems per se with respect to that.

Mr. Chairman: Member Webster-Roy.

Mrs. Webster-Roy: Thanks. Just following on the same issue of the abandoned housing unit. In your written submission you noted that project managers from HDC's staff are assigned to project-manage the refurbishment work taking place on restarted projects. The project managers use a series of quality tools, including HDC's 22-point certification programme to ensure a quality product, could you outline the quality tools for me, please?

Mr. Lyons: Certainly. I would ask Mr. Ramarack to take us through that.

Mr. Ramarack: It is more concern, with reference to the 20-point certification quality programme that we have, I could go through the actual listing here. It would actually start being a phase basis just in the same manner in which a unit is being constructed. So you would start off with the earthworks, go into setting out afterwards, excavation of the building works, reinforcement, pre-concrete pour, block work, back filling and compaction, form work, ring beam and lintel beam, doors and door frames, windows, glazing roof, fixtures, finishes, asphalt and other pavings, piles and flowable fills, plumbing for property, plumbing for infrastructure, electrical infrastructure, electrical common services, electrical building works. What I have called out here is actually the head, or the heads of each inspection form, which are 22 inspection forms, so for the various stages that we would receive the units in, or the units would progress into, they will have to be signed off by the site inspectors or the project managers, and only when it is signed off then they could go on to the next stage. And what is also important with this, it is actually tied to the contractor's payments. Only when the inspection forms are signed off it must accompany their application for payment, for payments to be certified.

Mrs. Webster-Roy: So apart from the inspection forms, what other quality tools, because you said quality tools included in the 22-point certification? I am assuming that the forms and the different areas you called out would be linked to the 22-point certification, right, so what other tools are utilized?

Mr. Ramarack: Well, the other tools would be like the soft skills in terms of the techniques being utilized. The tools would be the physical tools on site, which would be measuring tapes, the project managers doing their inspection, visual inspection using the drawings, using the specifications under the contract. The other techniques what I mentioned before is the soft skills would be utilizing international project management techniques. We utilize the body of knowledge from PMBOK. The author of that is the Project Management Institute from the USA. But project management techniques are not utilized or cannot be enforced without proper contract management, so we have proper contract management documents, and that is what gives us the strength to enforce these techniques on site. For instance, if a contractor is not adhering to the quality specifications under the contract, we would write him under the particular contract clause referencing the infractions and give him a particular time to rectify the issues. If that does not happen within the particular time, another notice is given and then it could escalate into a notice to correct, and, finally, if it is still elaborated it could be termination to the contract.

Mrs. Webster-Roy: Thank you.

Mr. Chairman: If I may just follow up with regard to the abandoned projects, and just to ask if there are any abandoned housing developments which have not been restarted, and if the answer is yes, could you identify those developments and provide the reasons for those not being restarted?

Mr. Lyons: There are three projects that come to mind: there is Oasis in Chaguanas, there is Almond Court in Morvant—and Ed Towers in Chaguanas, sorry. The reason is simply funding. There are scheduled to be completed though.

Mr. Chairman: Any indication of a time frame, or you cannot say at this point?

Mr. Lyons: It is difficult to say, but we are hoping that we could have sufficient funds that we could, if not complete, certainly start them this year.

Mr. Chairman: I just wanted to ask another aspect, you know, recently on the news I would have seen the issue of a handicapped, or a differently-abled person being carried in the news with regard to be assigned a unit, and the allegation was that the unit was on a higher floor, which I find difficult to believe, but the point I am making is that in terms of the provision of units for the handicapped or differently-abled, or physically challenged applicants, you indicated that you had a 5 per cent of allocation of units, can you explain or indicate what formula was used to come up with that 5 per cent? How long has this been the policy, and are you giving any consideration to revising the policy?

Mr. Lyons: There is a Cabinet-approved allocation policy that says 5 per cent of housing units are to be allocated to the disabled and elderly; that is the rationale in which we came up with the 5 per cent. There is an international benchmark that says one in every 100 houses should be provided—one disabled unit for every 100 units should be provided; we are saying we are going beyond that.

Mr. Chairman: In your experience has this been an adequate allocation or do you face challenges? I am just trying to get a feel of what happens with this.

Mr. Lyons: Right, so, we can talk about a couple of developments where we have a significant number of units that have been allocated for the disabled, Green Vale up in the east, and Carlsen Field in Cashew Gardens, where entire sections of the community were designated for handicapped units. There is now a concerted effort in all the developments that we are doing, all new construction to certainly put handicapped units in all of those units.

Mr. Chairman: And in terms of the other facilities in all of your developments, are they already handicapped accessible, or in those where they are not, are you looking at making improvements to facilitate these residents?

Mr. Lyons: Yes. In the older developments there are some invitations, and we are looking at making those improvements.

Mr. Chairman: Member Mark.

Mr. Mark: Yes, thank you. Madam Permanent Secretary and Mr. Lyons, we had asked a question to the effect whether there was a quota that each contractor can secure as it relates to projects by the HDC, or issued by the HDC, and your response was, no. Could you explain in an effort to ensure that there is no monopoly of projects by any one particular grouping of contractors? Why it is that the HDC is prepared to give one contractor, according to your answer, maybe 10 or 15 projects, or maybe less, what is the reason for that? Because that is what we asked, whether there is a quota, or whether, for instance, persons are allocated a certain number of projects so there will be equity and evenness among the contractors. Could you try to clarify that for us?

4.35 p.m.

Mr. Lyons: Member, you are correct. I mean, we are saying there is no quota. We are also saying that there is no intent or objective to have it heavily weighted in any one contractor. The selection for instance, would be based on capacity and ability to perform and so on, and experience and all of that, so it is not designed to treat with any particular set of people, it is open.

Mr. Mark: Do you have any experience where one contractor, you know, has been provided with maybe, let us say, a disproportionate of amount of projects at the expense of other contractors who would have been properly qualified to access those contracts? Has there been any such experience under your watch?

Mr. Lyons: Certainly not under my watch, member Mark.

Mr. Mark: Okay. May I also ask, Mr. Lyons, I saw in the newspapers, Tuesday the 2nd of January, 2018, and I think that you were at a prayer meeting I think? Some Pentecostal church I think? If I am not mistaken, I think that you gave an address, an address was given by you, and you did give an indication to the country that the HDC plans, the headline is or was, the HDC plans to build eight towers in Curepe. You want to explain to us what are the implications of the construction of these eight towers, the value of those eight towers, and how will these towers impact on prime agriculture lands and whether for instance the HDC has a policy on that issue?

Mr. Lyons: Member Mark, let me first clarify, I was at a public consultation; it was held at the Presbyterian church, I think.

Mr. Mark: Oh, I—well, I beg your pardon, I beg your pardon. I thought you were—

Mr. Lyons: It was a public consultation.

Mr. Mark:—administering some prayers

Mr. Lyons: No. No. No.

Mr. Mark: Okay. No problem at all.

Mr. Lyons: And the consultation, member Mark, was really to invite members of the public and stakeholders to comment and give feedback on how they think the HDC constructing eight towers thereabouts in that area will impact on them. That is really what it was about.

Coming out of comments and so on that we got there and with other sessions we had with stakeholders and so on, statutory authorities and so on, and that information will be fed into the final designs that we come up with. All right? Including there were some young members—we raised an issue there about the agricultural lands and so on and they had a suggestion. They asked us about, on our designs, take into consideration, urban farming, or urban agriculture and it is something that we are looking at.

Mr. Mark: Are these lands—when you said state lands, I know the state land, but is it owned or under the control of the University of the West Indies or is it something separate from what UWI has control over that is properly fenced, because I normally traverse the Southern Main Road and I know that that area is properly fenced. Is that the area that is being earmarked by you or by the HDC?

Mr. Lyons: I am not sure that we are talking about the same area, but it is off of Farm Road there, and as far as I am aware, it is or was under the control of Ministry of Agriculture, Land and Fisheries.

Mr. Mark: Okay, so it is not UWI's land?

Mr. Lyons: As far as I know, no.

Mr. Mark: All right. I just wanted to go back to an earlier point that I had raised. You did indicate to us, and tell me if I am wrong, that the HDC has expended—is it $1.3 million for some audit that was conducted by PricewaterhouseCoopers? Is it $ 1.3 million?

Mr. Lyons: I said I was not sure of the exact figure and I would provide it to the Committee.

Mr. Mark: All right. Now, was there an executed agreement between the parties?

Mr. Lyons: Yes, there was.

Mr. Mark: Is that agreement private, public? Can you make that document available to this Committee?

Mr. Lyons: I would have to consult with my legal folks. I am assuming if it is, then certainly.

Mr. Mark: Well, I must advise you, if you are not aware, that, you know, the power of this Committee deals with asking for records and papers, so I do not want you to be under the false impression that if you consult with your legal counsel, and they tell you no, that you will come and tell us no. So I want you to be aware of that. If you would like to advise this Committee because of the nature of the document you would prefer to have a private meeting or a meeting in camera, that is an option available. So, I just want you to be guided accordingly as it relates to matters of that nature.

Mr. Lyons: So noted, member Mark.

Mr. Mark: Yeah. Those are some initial areas and so on I wanted to deal with, but I just want to follow up on what the Chairman had asked. Could you tell us then, Mr. Brent Lyons, whether there has been some redesigning of HDC properties in order to facilitate the physically challenged or, is it something futuristic?—meaning that as you construct new homes, new housing settlements, whether private or public or a combination of both, the redesigning of these homes would take into account the needs of the physically challenged, or is that being taken into account now by the HDC?

Mr. Lyons: Both, member Mark. There is some retrofitting that we are doing with new units, as well as all new projects that we are having designs in place for the physically challenged.

Mr. Mark: Is there any document that you have available that can guide this Committee and by extension the population of this country as to that thrust on the part of the HDC?

Mr. Lyons: I am sure we have, because we have our architects, they do a lot of work with respect to that, so I am sure we can provide something.

Mr. Mark: No. No. No. You are guessing. What I am saying is, is there a policy document that the HDC has designed to address the challenges of the physically disabled, and is that policy available that can be provided in those circumstances to this Committee? Is there a specific policy in that area, written document, on this matter?

Mr. Lyons: Member Mark, the written document is the allocation policy which says 5 per cent of housing units are to be provided to the disabled and the elderly. We are guided by that.
Mr. Mark: No. I think you think we—I understand that, I have seen that in the document. But what I am asking, is whether if we want to educate the public on this whole question, I am asking whether you have a physical document that you will make available to physically challenged community, so that they will know that apart from you being able to allocate a 5 per cent, there is a document which represents a policy indicating to them that the HDC has committed itself to redesigning its operations, its buildings, its settlements, to ensure that those physically challenged people are taken care of?. That is what I am trying to find out. Is there a policy to that effect?
Mr. Lyons: Member Mark, so, okay. There are a couple issues. We are guided by the allocation policy—
Mr. Mark: Right.
Mr. Lyons:—and from an operations standpoint, we have the project development unit, staff with architects and so on who were saying—in our designs based on that policy, we have been catering for the physically challenged both in terms of new designs, as well as having retrofitted some existing buildings.
Mr. Mark: Okay. All right. Continue, Mr. Chairman.
Mr. Chairman: Member Raffoul.
Miss Raffoul: Thank you. In going through the documents that were provided, it was shown that the HDC was allocated $672 million this year, and in the question about the breakdown of that expenditure, the information was provided on the loan payments and the bond payments. In total it is showing about $2 billion in loans and about $2.5 billion in bonds. It was also mentioned that there is about $850 million owing to contractors. My question is, what is the total current liabilities of HDC?
Mr. Lyons: Member, I will invite Mr. Devenish to provide us with that information.
Miss Raffoul: Thank you.
Mr. Devenish: Sorry, I will have to provide that in writing, but it will be a combination of those two.
Miss Raffoul: Do you have a rough estimate?
Mr. Devenish: Well the loans, the $840 million, those are current outstanding debts to contracts. The loans, I do not think become payable until as early as 2019 or 2021, but I will have to check those figures. So total debt would be the combination of the eight and the two point—sorry. It is the loans and the bonds. Yeah.
Miss Raffoul: In terms of value for money we have had—the HDC was created in 1999, correct?
Mr. Lyons: 2005.
Miss Raffoul: 2005, my apologies, 2005. Do you have a rough estimate of the total expenditure between 2005 to the present?
Mr. Lyons: Yes. That can be provided to you.
Miss Raffoul: Okay. And how many houses have been built in that time between 2005 to the present?
Mr. Lyons: That can also be provided.
Miss Raffoul: Okay, thank you.
Mr. Chairman: Mr. Lyons, I just want to address the issue of maintenance of HDC units. As you would appreciate, you know, there is quite a bit of valuable stock, housing stock, under the control of the HDC. Can you indicate to us, what is the HDC's process for the receipt and the resolution

of complaints regarding maintenance services for which it is liable?—perhaps you can preface that by giving an overview as to what policy you have towards maintenance in general.

Mr. Lyons: Vice-Chair, the policy of the HDC is to provide maintenance to—primarily it is to rental communities and to some extent some common spaces in its mortgage communities. The HDC adopts a proactive preventative maintenance programme, we have maintenance, inspections, for instance, daily, weekly, monthly, annually and so on, and there are some things that we do at those times.

With respect to the collection or the receipt of complaints, we do have a system, we have nine area offices that persons within those communities can go and report a complaint. Folks can also call into our estate management division and they also walk into our head office to provide any concerns or complaints that they have. When those complaints are received, they are prioritized and dealt with as required.

Mr. Chairman: Would you be in a position to provide, perhaps in writing, maybe not at this time, but perhaps in writing, or if you can, the average time lag between a complaint and the resolution and especially in the areas of perhaps plumbing, masonry and roof repairs.

Mr. Lyons: Right. So let me just say that the HDC treats with plumbing, electrical and sewer issues as emergency-type things, we try, but we have a schedule to respond to those within a 28 to 48 hour period. Just to give you a sense, we have some categories here, a priority matrix. So if we consider a complaint or some issue to be an emergency, we say that we have to respond within one to 12 hours, and a definition of that will be some injury, or loss of life, or damage to property and so on.

We have another category called High where we will respond within one to 24 hours and that would be flood, flood waters, sewer, pumps out of service or power outage or some unsafe conditions or so.

If we have something that is imminent, garbage pile-up for instance, broken window panes, 24 to 48 hours and normal requests, a defective component or some fixture or fitting in the unit, we say between one to 14 days and low, which is cosmetic work, some unsightly appearance within that three-week period.

Mr. Chairman: Now, you mentioned that there are nine areas where residents can file a complaint at. Is there currently something like a hotline or, you know, social media platform residents can utilize to bring to the attention of the HDC on a more immediate basis, problems?

Mr. Lyons: There is a line at the estate management office that persons can—the call centre that persons can call into. There is also our Facebook page that persons have been submitting complaints online and we have been responding.

Mr. Chairman: Thank you. Member Mark.

Mr. Mark: Yes. This directed at the Permanent Secretary. In your submission you did indicate that the Ministry of Housing and Urban Development in order to ensure and to maintain that guidelines and proper procedures are adhered to in the construction of housing projects and units, that you have established what you call an internal committee, and this internal committee carries out a number of functions, again to deal with consistency and to ensure that procedures are adhered to. Could you help this Committee in identifying who are the members of this internal committee established to review board meeting Minutes of the agencies and what are their designations? Agencies as you know, WASA would be involved in that I would imagine. How often does this committee meet?

4.50 p.m.

When last did that particular committee meet? And how does the Ministry keep abreast of what is happening at HDC outside of board meetings? And does the Ministry have representation on the board of HDC?

Mrs. Thorne-Mora: Thank you member Mark. Okay, I will start off, the internal committee reviews the board minutes of our agencies which will be LSA, UDeCOTT, SILWC, East Side, New City and East Port of Spain. Staff members form this committee, so we have like different—we have the Head of Legal; we have one of our Senior Planning Officers, is on the committee; we have our Legal Officer I is on the committee; the former Deputy Permanent Secretary—the Deputy Permanent Secretary is supposed to head the committee but, unfortunately, currently we are without a Deputy Permanent Secretary for the past four months, so the committee has not formally met for four months. However, the individuals—when I receive the Minutes I send it to the individuals that I would have outlined and they would go through it, and they would identify any issues, and they would send it to me, and I would in turn bring it to the attention of the Minister.

I have to admit, in the absence of a DPS—just because I do not have the time because I am handling the portfolio of a DPS and the PS, but the individuals are looking at, they peruse it and they identify anything that looks a bit suspicious, and they would bring it to my attention, and I in turn bring it to the attention of the Minister.

Mr. Mark: But have you discovered any activities that you consider to be irregular in terms of proper guidelines and procedures?

Mrs. Thorne-Mora: Actually no.

Mr. Mark: So things have been going smoothly as far as you are concerned?

Mrs. Thorne-Mora: From the—

Mr. Mark: From the perspective of that internal committee monitoring and ensuring that guidelines and procedures are properly adhered to.

Mrs. Thorne-Mora: Well, the Minutes would have indicated a particular issue, which I cannot—

Mr. Mark: Deal with.

Mrs. Thorne-Mora:—comment on, because it is before the courts.

Mr. Mark: Okay.

Mrs. Thorne-Mora: That is an issue in East Port of Spain, but I cannot comment on it because I know it is a court matter right now.

Mr. Mark: Yeah, but you can put it in writing to us.

Mrs. Thorne-Mora: Okay.

Mr. Mark: The court does not prevent you or any person coming before this Committee from writing us, because this is a confidential Committee as well as you know.

Mrs. Thorne-Mora: Yes.

Mr. Mark: So, you can put it in writing.

Mrs. Thorne-Mora: Okay.

Mr. Mark: I just wanted to follow up and ask you, in terms of systems in place to monitor the maintenance of housing developments and units, you advanced that maintenance workers are stationed at nine strategic area offices which are placed within close proximity to HDC developments, in order to monitor the day-to-day operations and functions of units, rental units in particular, and that would deal with allocation needs, age and development of buildings, criticality of issue, natural disasters, et cetera. Would you share with us whether these nine offices are sufficient to monitor the day-to-day functions of rental units throughout Trinidad and Tobago?

Could you also tell us where these offices are located? Could you tell us also how does the HDC protect itself from delinquent or destructive homeowners as well as tenants? I have three more. You can take notes. Is the HDC pleased with this arrangement, Madam Permanent Secretary? And is there a prescribed time frame for response to maintenance requests? And is this time frame adhered to? These are some of the areas that we would like to have to some clarification on.
Mrs. Thorne-Mora: Member Mark, sorry, Minister Lyons will address.
Mr. Lyons: Mister.
Mrs. Thorne-Mora: No, Mr. Lyons. [*Laughter*] Maybe I am proclaiming.
Mr. Mark: Mr. Lyons, if you want I can repeat; I do not know if you were taking notes. Or that you can give us a summary and we will send the questions to you and you can elaborate a little more.
Mr. Lyons: I would appreciate that. Thanks, member Mark. But just to give a sense, we are satisfied member Mark that the nine areas are strategically placed and sufficient to be able to reach to each community of the HDC. With respect to the specific locations, I will ask Mr. Mc Donald to take me through that in a little bit. With respect to the prescribed time frames, I think I called that out earlier on, and it is based on the nature of the complaint, we respond accordingly. And you were asking whether we are satisfied with the—
Mr. Mark: That arrangement.
Mr. Lyons: In general I would say, yes. Yes, we are. I would ask Mr. Mc Donald to list out the areas for me now.
Mr. Mc Donald: Good afternoon, member. The area offices that currently exist are: Princes Town, San Fernando, Couva, Maloney, Morvant and Port of Spain. Port of Spain is divided into three areas though, which would be: Port of Spain East which is Beetham, Port of Spain West which is in Cocorite, and Port of Spain Central which actually has two offices, one on Duncan Street and one at Charford Court. Those offices are all staffed by facility manager, facility supervisors and various levels of tradesmen and administrative support, and they respond to maintenance requests on a daily basis to treat with maintenance-type issues. They also provide oversight for monthly contracted services which would include; garbage collection, grass cutting, and so on.
Mr. Lyons: Pest control.
Mr. Mc Donald: Pest control, yes.
Mr. Mark: Mr. Lyons, do you have dedicated contractors at your various HDC settlements or sites that would be responsible through these offices for maintenance purposes, or is that done by the unionized workforce, or do you have private engaged contractors to carry out those activities in those settlements that you have under your purview and/or control?
Mr. Lyons: Member Mark, it is a combination of both. In some areas we have contracted services for grass cutting, and garbage collection, and so on, and pest control, and in other areas we have our maintenance workers who would do more of the trades.
Mr. Mark: And these private contractors you would engage them through your tendering procedure and so on?
Mr. Lyons: Yes.
Mr. Mark: Would you want to identify for us how many contractors you would have on board at your various sites at this time, and the names of these contractors, and what are the values of their contracts, or would you want to supply that in writing?
Mr. Lyons: I would have to supply that in writing, member Mark.
Mr. Mark: All right. Mr. Chairman, if you would allow me, I want to go to abandoned homes just to further elaborate on matters to edify my own understanding of the challenges. HDC has

indicated that they do encounter significant challenges or problems when refurbishing abandoned housing development projects, would you want to share with this Committee what are those significant challenges or problems you encounter when refurbishing abandoned housing development projects? If you could clarify for us what are those significant problems, and how have you been able to overcome those significant problems?

And as I am on that, let us deal with gangs who invade the private spaces of legitimate citizens and tenants under HDC control. And we have read in the papers, Mr. Lyons, where gangs in different parts of the country have been engaged in that kind of activity, striking terror and fear into tenants. So as I am on that subject matter as well, could you tell us how the HDC has been treating with that question of gangs and how do you guarantee your tenants safety and security in terms of occupation and sleeping properly at nights without any invasion of their private spaces? Could you share with us as well on that? So I have two areas: The abandonment; and secondly, gang invasion of HDC property dislocated in the process, legitimate tenants

Mr. Lyons: Member Mark, I cannot recall saying that we have had significant difficulties in the refurbishment of abandoned units and so on. There would be issues of funding, there would be issues of having to re-scope and so on. Issues that we would experience there would be, I would call it, normal routine construction-type issues. The issue of gangs or criminal activities in some of our communities is real, it is a real issue, and in the same newspapers you mentioned you would also see that we have been working very closely with the Trinidad and Tobago Police Service, who has been providing tremendous support to us with respect to HDC identifying and doing evictions and so on, and we have had to do it repeatedly in some areas. The TTPS has in fact been taking a leading role in that. They have arrested some persons and taken them before the court and so on, and it is a challenge. It is a real significant challenge.

Mr. Mark: Could you give us the status report, what is the current situation? Do you have any challenges, as we speak, where legitimate tenants have been dislocated and their premises overtaken by members of gangs, or would you say at this material point in time the police and the defence force, through your arrangement with them, have that matter completely under control?

Mr. Lyons: I would describe it as a work in progress, member Mark. We have had some significant successes I say, but there are a few communities that we still have some challenges with, and we have a targeted programme to treat with that.

Mr. Mark: Well remember, on the matter of abandoned properties, I may have said that you said you did not encounter—and that is what I read—you did not encounter, not you encountered.

Mr. Lyons: Oh, sorry.

Mr. Mark: You did not encounter significant challenges or problems, and I just wanted you to clarify for our Committee, when you said you did not encounter significant challenges or problems what did you mean by significant in the context that you used the term? What you had in mind? Or what is the real situation that you are faced with that caused you to say, "Well, look, I do not encounter significant problems when dealing with refurbishment of abandoned properties"?

Mr. Lyons: Member Mark I think the question to me was, did I encounter problems? And my response was, no I did not encounter significant problems. On any refurbishment project there is the issue of you have to scope the thing and have work start and so on. Invariably, throughout the process you may come up on some issue that you probably either did not expect, or maybe have some challenge, but it would be, what I deem to be, routine construction issue. I really do not see it as anything significant. There is always an engineering solution, for instance, so it really is not significant.

I would like to make the point, however, we have been talking quite a lot and not only now about HDC having abandoned properties and so on, almost to give out the impression that there is a strategy to have abandoned properties or policy. I want to make it abundantly clear, there is no policy or strategy to have abandoned properties. The opposite is quite true.

5.05 p.m.

I want to make it abundantly clear, there is no policy or strategy to have abandoned properties. The opposite is quite true. The HDC does not want to have any abandoned properties. We have inherited some projects that were left stalled or abandoned that we are now treating with and we are saying that we will complete all, provided funds are available and so on. So we want to make the point. We are not in the business of having abandoned properties or treating with it like that. That is in nobody's interest. It is to have the units completed and allocated, which is what we are about.

Mr. Chairman: Thank you, Mr. Lyons. Before I allow member Raffoul, I just want to, on the issue of the abandoned properties. Can you indicate, do you have an idea of the number of units that would have been involved in—if you were to sum up all of these abandon units, what are we talking about?

Mr. Lyons: Okay. And to put in some context, abandoned and/or vandalized or stalled projects and so on. In January 2012, we would have done an assessment and identified about 1,200 units that you can consider abandoned/vandalized. Over the past two years we have been working really hard to refurbish those units and allocate them. We are now down to under 200 of those units that remain to be repaired.

Mr. Chairman: So you are saying that you have brought back on almost 1,000 of those units available for residents.

Mr. Lyons: And we have actually allocated them.

Mr. Chairman: I just wanted to follow-up with a question and just to quote from your submission. The resources required to maintain a vast amount of units can be reduced by transferring this responsibility to the homeowners and tenants by establishment and implementation of homeowners association or management companies.

This is a common practice in developments abroad and so on. Can you perhaps update us as to, what are the HDC's thoughts on this and how far forward you may be in terms of implementing such a policy and such an initiative?

Mr. Lyons: Sure, Vice-Chair. The PS in her opening remarks did talk about a pilot project by the HDC where we are doing just that. We have now introduced a maintenance fee along with either your rent or your mortgage payment and that is used to defray cost of maintenance. It is the way that the HDC plans to go for the future. It may be a challenge in some of the older communities, particularly where they are, based on what the rent is and so on, but it is the way that we are proposing to go. We will be looking at the results that we get from the pilot project that we have started. We anticipate that it will go well and we will be able to transfer this into future projects.

Mr. Chairman: Can I ask you just to share the initial responses so far, because you know there is a culture shift here that we are talking about. I am just curious as to how the HDC residents are treating with this initiative.

Mr. Lyons: So, Vice-Chair, what we have done we have put it at the point of allocation. So when we say to you your total payment is X, it includes the—let us call it the rental fee of Y plus some maintenance fee of S to get to this new figure. So you see one new figure now, which is what you accept, but part of it is used to pay the maintenance fee.

Mr. Chairman: These associations also require some degree of leadership within the community in terms of residents taking ownership, not only of the properties, but, of course, the organization and being able to lead and chair these organizations and so on. What has been your experience so far with this?

Mr. Lyons: There has been some reluctance and the HDC is holding the hands of those management companies. It is an education process. We are working with the communities and we think overtime they would recognize—people would recognize the benefit of it, as well as, the autonomy which it gives them, to be able to take charge of their circumstance.

Mr. Chairman: Are there any initiatives or measures that you take to instill some sense of pride and ownership in these communities?

Mr. Lyons: So, what we have been attempting to do through the neighbourhood groups and beautification projects, to have the residents recognize it. I mean, if you take ownership and you basically manage your community, it will be to your benefit. We have seen some willingness, if I could describe it like that, with a couple of them.

Mr. Chairman: Member Raffoul.

Miss Raffoul: Thank you. I had a follow-up question from what I asked earlier about PPPs. The question I had asked was for an elaboration on the PPPs, the Public/Private Partnerships. The answer I received was not answering my question because I think I did not ask quite clearly. What I am wondering about is the model of PPPs that are either in the pipeline or being looked at. There are different models and I am curious to see exactly what models are being looked at by the HDC.

Mr. Lyons: Member, we actually did not answer that part of your question and I will invite Mr. Mc Quilkin to take us through that.

Miss Raffoul: Thank you.

Mr. Mc Quilkin: Member, the model that we are using is a simple design-build- finance one. We have two parts, we have the one where on the HDC lands we ask the contractors to come and bid on a specified scope, asking them to design-build and bring their funding. We have a second one where we ask them to do that plus they bring their lands as well. So the figures that we gave you before we actually have a 50 per cent split, half of it is design-build-finance and half of it is designed—

Mr. Lyons: HDC lands.

Mr. Mc Quilkin: Yes, on the HDC lands and half of it is with the contractors bringing their own lands. Does that answer your question?

Miss Raffoul: A little bit. Can you just expand on that?

Mr. Mc Quilkin: I am not clear in what direction you would like me to go.

Miss Raffoul: To recap, you are saying that it is 50 per cent, design-build-finance—

Mr. Mc Quilkin: No, I just said it is a half and half between if two types. One with the HDC lands and one with the contractor's lands.

Mr. Lyons: Member, just to clarify. Mr. Mc Quilkin is referring to the existing PPP projects that we have already contracted. There are eight projects, four are design-build-finance, using HDC lands and four are design-build-finance, using private lands, the contractor brought his own lands. That I think was just pure coincidence. It was nothing deliberate really.

Miss Raffoul: Okay. So the finance component is still done be HDC?

Mr. Lyons: No, no. All the financing is brought by the contractor.

Miss Raffoul: So the contractor would design-build-finance and the HDC just buys it afterwards.

Mr. Mc Quilkin: Yes.

Miss Raffoul: So the only difference then is that part is on public lands; well, half and half, half were on public lands, half were on private lands.

Mr. Lyons: Yes, and that is just purely coincidence, eh

Miss Raffoul: So there is no PPP for the operation/maintenance? It is just for the construction?

Mr. Mc Quilkin: That is correct.

Mr. Lyons: It is correct. Just for construction.

Miss Raffoul: Okay. I had another question about the Aided Self-Help Programme. I really appreciated hearing about it. I think it is really quite innovative and I really appreciated hearing what the Permanent Secretary said about revising the Ministry's mandate to provide housing solutions but not necessarily provide housing. And I am curious to hear a little bit more about the programme. When did it start its roll out? What are the metrics looking at the objectives and the impacts of it? And then I have some more follow-up questions, but I would start with those before I add too many. So, what is the timeline, when did it start? How is it being—what are the objectives of it and what are the metrics being used to assess the objectives and the achievement of them?

Mrs. Thorne-Mora: Thank you, member. So I would start and then I will hand over to Mr. Hosein to give more details. So it is a—what I like about this programme, it is a programme involving the Ministry itself, the HDC and the LSA. So I think this might be the only programme we have such close, you know, three agencies being involved in it. Mr. Hosein, because the LSA is the most heavily involved in it and he would give you the background, the history and that sort of thing.

Mr. Hosein: Member, the programme was launched last year. The initial phase of collecting applications started around October/November last year. So far we have passed that phase. We are now in the processing phase of applications. But a little background into the programme. The programme intends to provide fully developed lots. The state is developing fully developed lots, LSA is part of that, the agency who is developing lots. These lots are being made available to persons, qualified persons under the programme who will construct homes on their own. Of course, they will be aided, will be given technical assistance by the agencies, the HDC, the LSA and the Ministry itself for construction of these homes. They would also be provided with plans, fully approved plans and as PS mentioned before, there is also financing available through the TTMF, the 2 per cent and 5 per cent loans available for financing.

It is an Aided Self-Help Programme, the name itself spells out that, in that the construction of the home is being managed by the individuals and not by the Ministry or any one of the agencies. The individual enters into contracts with the preferred contractor that he chooses. There is a list of contractors that is available from the HDC, they can choose one of those or you can come with your own contractor. You can come with your own house plan if you so desire or you can choose one of the plans that is available at the Ministry.

Apart from that, the LSA and the HDC will be supervising home construction using HDC's 22-point plan. And that is significant because we want to ensure that at the end of the day that we have quality housing. This programme is not one where you get land from the Ministry and you keep the land. There is a period of time of two years in which you must construct your home because you are provided with all the facilities to make sure that that happens. If there are any further questions or any clarity that you need—

Miss Raffoul: What are the objectives and the metrics for assessing those?

Mr. Hosein: Okay. In the first phase of the programme there are 1,000 lots that are available, fully developed lots that are available for construction of homes. So the first objective, our first target is to distribute those 1,000 lots to qualified citizens and to start construction of homes by June of this year and to complete the first phase of construction by one year from June. At this time we are looking to make available further developed lots so we can have the second phase of the programme roll out.

Miss Raffoul: So in a nutshell the objectives are linked to the amount of available land and units and making sure that everything is done according to the quality control set out by the HDC's 22point plan.

Mr. Hosein: Yes.

Miss Raffoul: So it is numbers and quality.

Mr. Hosein: That is it.

Miss Raffoul: What about cost?

Mr. Hosein: Okay, cost. Development cost. Let us talk about development cost of land. So we are trying to keep the development cost of the land as low as possible. The average development cost per lot is around $100,000 to $120,000 per lot, a fully developed lot with full infrastructure: paved roads, drains, electricity, water; all the facilities. It is a fully approved lot as well with all the approvals from the regulatory agencies: Town and Country, WASA, the regional corporations. That is our intention.

With respect to the housing units as I said before, these would be contracted by the individuals, but again because of the parameters that we have put in place we will ensure that quality housing is constructed.

Miss Raffoul: Great. Thank you.

Mr. Chairman: Member Dookie, follow-up question.

Mr. Dookie: Just to—[*Interruption*]

Mrs. Thorne-Mora: Just to add, sorry, can I just add one thing. Just for the information of the Committee, at the close of registration we had 118applicants with land, who had land and we had 5,018 persons without land. So there was a considerable interest in the programme.

5.20 p.m.

But we just want to assure the Committee, however, that the process of selection, you know, would be very transparent. We will be employing the services of an auditing firm. I do not have the name of the firm as yet, but that is to assure the members that it would be a transparent process and we have set criteria. For example, 70 per cent of the applicants will be selected via a modified weighting system, 30 per cent will be selected on recommendation of the Minister with responsibility for housing which again is similar to our national allocation policy which always gives the Minister some ministerial discretion.

Miss Raffoul: I have a follow-up question about that. So the CEO of the LSA—Land Settlement Agency—he said that it was for qualified persons, meaning eligible persons. So that I know normally the LSA only really works with squatter regularization. So this is persons who are under the $84,000 income bracket per year, or the $44,000 income bracket per year? What is the eligibility of that?

Mr. Hosein: In fact, the qualifying income, it is a maximum of $25,000 household income per month.

Miss Raffoul: And if you are above that threshold?

Mr. Hosein: No, you are not. Your income must be below $25,000. Up to $25,000 per month and that is household income.

Miss Raffoul: Okay. Thank you.

Mr. Dookie: Thank you, Mr. Chair. For clarification to Mr. Hosein. The two-year period, is it to complete construction of the house?

Mr. Hosein: The intention is to distribute and complete construction for the first phase by June of next year.

Mr. Dookie: No, I am talking about an applicant under the Aided Self-help Programme who receives land at a subsidized cost has two years, is it to complete construction?
Mr. Hosein: Yes. Member, the intention is to have a complete unit by the end of that period.
Mr. Dookie: Okay, that is good. And you refer to the $25,000 limit, does that include allowances? Salary, $25,000, does it include allowances?
Mr. Hosein: It is total gross income.
Brig. Gen. Antoine: Thank you very much. I have two questions involving maintenance at your development at Mado Heights. One is concerning the roof repairs, is that under the remit of the HDC; and the other is with regard to your sewer problems, does this fall under the HDC for units at Mado Heights?
Mr. Lyons: Member, let me invite Mr. Mc Donald to treat with those questions.
Mr. Mc Donald: Member, with respect to road repairs, I need to check. Some of our—
Mr. Lyons: The roof repairs at Mado Heights.
Mr. Mc Donald: Roof repairs at Mado Heights. Okay, I did not hear the question clearly. Sorry about that. The roof repairs is something that would fall under our remit, and I can have someone look at that in short order. Right? The other question, the sewer. We are still managing about 72 wastewater treatment facilities. I will check with the building services manager to determine whether it is one of the facilities that we are dealing with and, if not, he is someone that liaises with WASA on a daily basis to try to bring redress to communities that are affected by sewer, and I just want to reiterate that we treat sewer complaints as emergencies. Sometimes work is extensive so it takes a couple days to get done.

WASA also has limited resources to respond to some of these issues as well, but the MD has given support to my department to treat with these things immediately. I am called at all hours of the day and night. As soon as he gets it, or it comes from wherever, we try to get either the O&M contractors on it which would be operation and maintenance contractors, or engage the WASA services where necessary.
Brig. Gen. Antoine: And how soon can we expect the response from your—
Mr. Mc Donald: I would say by tomorrow morning. I will look into it.
Mr. Rambharat: Just my final question. The Minister of Finance last year in the budget announced a new housing incentive for persons involved in construction, what has been the impact of that announcement on your PPP projects and projects in general?
Mr. Lyons: The housing construction incentive programme is yet to be formally rolled out. A lot, if not all the work has been done; it is ready and once it is announced persons will be able to come on. What I can say, however, is the request and response and enquiries that we have had with respect to that programme have been tremendous. I think quite a number of people are just waiting for it to be rolled out and to be able to take advantage of it.
Mr. Rambharat: Just a follow-up question. When I looked at the way the projects are being handled in Moruga where you are allocating to several contractors fewer units for construction, and based on the contracts which were awarded for Moruga, on average, construction cost is estimated to be about $600,000 for per unit year. Is that the more appropriate model for HDC when it is doing its own contracting to use more contractors constructing fewer units, or is there still a preference for single contactors with large number of units?
Mr. Lyons: Member, just to clarify, those units are actually coming in under $600,000 and what we have attempted to do in Moruga, in particular, is to spread it to as many contractors as possible because of the economic situation. We think that is a fairer, more equitable distribution of work and projects.

Mr. Chairman: If I may just go back to the issue of maintenance, Mr. Lyons. With regard to garbage collection, can you say what the process is in terms of garbage collections in communities? Specifically I am referring to a situation in one particular community where large bins have been placed which obviously will be emptied by the contractor, and there is a concern by some residents the bins are being placed in front of their homes instead of a designated area and that can pose both a health and crime hazard, can you address that?

Mr. Lyons: The bins are generally placed in designated areas just away from units. If there is a report of a bin being placed inappropriately or too close to someone's unit, we will definitely take a look at it and treat with it.

Mr. Chairman: So you are saying that it should not be placed in front of a residents' home per se?

Mr. Lyons: Well, there are designated areas where I would not necessarily say in front or behind, but sufficiently away from, not to be a nuisance and to cause issues and so on.

Mr. Chairman: Thank you. Before I allow member Mark, I just wanted to ask a question with regard to the SILWC and the HDC, and the question would be: What is the status of the housing developments under the purview of the SILWC; and does the SILWC engage in maintenance of housing developments under its purview?

Ms. Brown: Good afternoon, Vice-Chairman. SILWC has under its purview about 25 housing developments and we are charged with maintaining all of our housing developments. SILWC was without a board for approximately two years. So there was very little maintenance taking place during that period because of the Sugar Industry Labour Welfare Committee Act. Only the board can instruct works to be done within the developments. A new board was installed in August of last year. Unfortunately, the financial year came to an end in September, so there was very little that we could have done during that period.

However, at the start of the new financial year the board has been actively working and doing maintenance works within the housing development. For example, in Orange Field, WASA has started a sewer treatment plant, but because of the lack of a board, work had to stop. Now that a board is in place we have restarted the project because those lands in Orange Field were allotted to the VSEP recipients from Caroni (1975) Limited, and as soon as that work is finished then we will resurvey the lots and hand them over to the recipients so that they can build their homes.

Mr. Mark: Yes, Madam Permanent Secretary, I do not know if you are aware of the Ninth Report of a Joint Select Committee on Ministries, Statutory Authorities, and it is for the 2013/2014 Fourth Session of the Tenth Parliament and it was laid on the 24th of June in the Senate and 25th of June, 2014 respectively in the House of Representatives. I want to bring to your attention the following, and these were recommendations that were sent to the Ministry of Housing and Urban Development. On page 66 of this report it gives the following formula that has been the practice at the HDC and the Ministry of Housing and Urban Development as it relates to the allocation of housing units: 60 per cent via a modified random selection process, 25 per cent on the recommendation of the Minister for special emergencies, 10 per cent for the protective services, 5 per cent for senior citizens and physically challenged people or persons.

You have just told this Committee that that has been unilaterally changed, meaning that that area that you have mentioned in terms of the new policy in terms of lots being distributed to citizens. If I heard you correctly, you said 70 per cent will be done by the LSA through a proper system that you are going to establish to ensure that there is transparency, and you said 30 per cent will be allocated consistent with what the policy of the HDC and the Ministry would have been. I am just letting you know what the policy has been or the practice—the Minister never had 30 per cent. The Minister always had 25 per cent. But I want to go further, Madam

Permanent Secretary, to page 67, because you see we live in a world where the sun shines every day and in some places, of course, it is dark, but in most parts of the world there is sunshine and the rays of the sun really penetrate deeply to ensure transparency and accountability.

I want to read for you a recommendation which was sent to your Ministry in the year that I have just read for you. It dealt with this Minister, any Minister, having this power to allocate 25 per cent. They said:

"In order to introduce greater transparency and accountability in the process used by the Minister to allocate houses in his own discretion,"—the Committee—"recommend, that the Ministry of Housing and Urban Development document the process and criteria used by the Minister to justify his allocations. A list of names and the location of the houses allocated by the Minister's and the rationale for his decision should be subjected to public scrutiny."

5.35 p.m.

I want to refer you to this report and to ask you whether you have received this report and, since there has been no objection to this recommendation, whether this recommendation has been implemented by the Ministry of Housing and Urban Development?

Mrs. Thorne-Mora: Thank you, member. Because that was before my time, I personally have not seen the document and I could probably say the same for the Minister because he is new to the Ministry. However, I just wanted to point out a difference. The policy you alluded to in that report is the allocation policy for HDC-provided houses. Okay? That is your 60 per cent via modified random selection; 25 ministerial discretion; 10 protective services; 5 for senior citizens. What I was referring today, this is the allocation policy for the Aided Self-Help Programme and this specific allocation policy is Cabinet-approved. It was last year, Cabinet gave a special allocation policy for the aided self-help project. So it is two different policies, two different programmes.

Mr. Mark: Yeah, but I am very consistent. I am saying the Parliament of the Republic of Trinidad and Tobago, which is an independent arm of Government and the State and we do not take orders or instructions from any Cabinet. This Parliament approved this and sent it to your Ministry, and your Ministry must take cognizance of this recommendation and you must inform the Cabinet of the decision of the Parliament on this matter. That is the point I am making to you, Madam Permanent Secretary. So please be guided accordingly. That is the first point I would like to make to you.

The second point I would like to make to you: Could you tell this Committee how is the allocation and selection process going to be executed?—and I think I recall you saying that no firm has been selected as yet, you are going to select a firm. Is that so?

Mrs. Thorne-Mora: Yes.

Mr. Mark: And when do you expect this process to commence, Madam Permanent Secretary?

Mr. Hosein: Member, the allocation process presently, the applications are being inputted into the system. The allocation process is expected—the evaluation and the allocation process is expected to start within the next month, and there is an allocation criteria which is being used where points are being allocated in different categories and I will give you examples. Dependants, there is a maximum of three points; there are the persons who are on the HDC database for certain periods of time, up to more than eight years, a maximum of five points; there are points for disability; and that is how it is being done. So there is a strict allocation process which is being used and the applicants will be evaluated on that basis. Madam PS referred to the overseeing by an auditing firm, that firm will oversee the whole process and the evaluation.

Mr. Mark: When is that firm going to be selected or identified and what process is expected to be followed by the Ministry in this regard?

Mr. Hosein: Okay, the process for selection of that firm has not yet started but that will be done within a short period of time.
Mr. Mark: Could you tell us, for instance, where these lots are being—where are they located? Is it in the east, the west, the south? Where are these lots going to be allocated? Where are they located rather?
Mr. Hosein: Okay, I will give you examples of where some of the lots are. Most of the lots are in central Trinidad. They are fully developed lots. We have Beaucarro in central Trinidad; we have Balmain; we have Orange Field Road, Waterloo, Carlsen Field, Milton Village. Those are some of the areas where lots are available. Factory Road, Chaguanas, as well.
Mr. Mark: Do you have any idea where the other lots are going to be—where are you projecting to have other lots developed fully at 120,000 fully loaded?
Mr. Hosein: Okay, as mentioned before, the LSA is developing lands under its Squatter Regularisation Programme and while developing lands on its Squatter Regularisation Programme, we get additional lots or available lots. Some of the lots that are becoming available would be in Guayaguayare: Leservan, Nurse Trace. There are some lots in Moruga. There is in Picton, San Fernando. Those are the areas that have been earmarked at this time. Petit Morne, San Fernando; as well in Ste Madeleine.
Mr. Mark: How have these areas been identified? What criteria have been used to identify these areas?
Mr. Hosein: Okay. The lots that are available under the LSA Squatter Regularisation Programme from the Development Programme that we have, where you have identified sites for development and what we do when we are developing these lands, we try to take as much of the state lands that is available. So you have squatters who may be existing on part of the lands and we maximize the use of the available state lands and you get the additional lots.
Mr. Mark: All right. Would you be kind enough to provide this Committee with a detailed breakdown of the information that you have provided and a projection as it relates to future allocation of lots throughout the Republic of Trinidad? Because Tobago I think will be doing their own thing because they have their own Tobago House of Assembly in that regard.
I want to ask you about tenure of security. You said that these lots would be fully loaded, meaning infrastructurally—the water, lights, whatever. Are you going to be issuing a lease to each tenant that is going to occupy these lands or lots to construct their properties ultimately and if you are going to do that, are you going to use the law to accomplish that mission and would that be a 99-year lease or a 30-year lease?
Mr. Hosein: Each successful beneficiary will get a 30-year lease. Those leases would be—at this time, those leases would be provided through the Office of the Commissioner of State Lands. The leases will be processed by the Chief Solicitor's Department.
Mr. Mark: Well, I am very happy to hear this because I am coming to another question. You are from the LSA, there are thousands and thousands of persons who have what are called letters of comfort in this country. This is highly discriminatory because they have been there for decades awaiting what is called their leases so that they can be able to go to the bank and get money borrowed so that they can construct proper homes. What efforts are being made by the LSA in order to regularize those citizens who have letters of comfort for decades and they need to get what are called leases so that they can have what is called security of tenure on their property that they are in possession of? Could you tell us what is the policy that you are pursuing on behalf of the Government through the LSA to regularize those persons with legitimate letters of comfort?

Mr. Hosein: Member, you are right and the Squatter Regularisation Programme involves both infrastructure development and provision of tenure for persons who are so eligible. Part of the tenure process is what we call certificates of comfort in accordance with the law. It is a three-stage process. A certificate of comfort is followed by what you call a statutory lease and finally by a deed of lease for 199 years, and that is provided under the Act.

The LSA has been developing sites over the years and for the first time in the history of the LSA, we now have a pricing policy that is being approved for persons who are so qualified to move from one stage to the next. That pricing policy was approved in the year 2017. Further to that, the Cabinet has also agreed and approved the use of the statutory lease. A statutory lease format has been agreed upon. A statutory lease for 30 years for persons who are so eligible will be given 30 years to pay for the price for the deed and then acquire that deed of lease for 199 years.

Presently, we are processing persons who have certificates of comfort and over the next few months, you will see that a number of persons will be moving to the statutory lease stage and this is for the first time in the history of this country that will be happening. Persons moving from the certificate of comfort stage to the statutory lease stage. That has not happened before but it is happening now. During 2018, we estimate that we will be giving more than 1,000 statutory leases for persons who already possess certificates of comfort.

Mr. Mark: How many people in Trinidad have legitimate certificates of comfort?

Mr. Hosein: There are approximately 8,000 persons who have received certificates of comfort from the Land Settlement Agency. That is out of a total application base of approximately 23,000 families or persons who have applied for certificates of comfort.

Mr. Mark: Could you further tell this Committee what is the pricing policy for the statutory leases that the Cabinet has agreed to for persons and so on who are going to be securing through what you have said, statutory leases?

Mr. Hosein: The approved pricing policy to acquire a deed of lease for 199 years, it is 25 per cent of the open market value of the fully developed plot of land.

Mr. Mark: You want to explain to this Committee and to the population what does that translate into? This open market policy. And could you give us a concrete example of what that means?

Mr. Hosein: Certainly. So I will give you an example. We have developed lands in Cashew Gardens, Carlsen Field, fully developed lots with all the amenities. The open market value that is being assessed by the Commissioner of Valuations ranges around $200,000 for a plot of land. The individual, the beneficiary, we will pay 25 per cent of the open market value. That is $50,000 for a fully developed plot of land and that is the approved policy. But that is just an example of one area. The open market value will fluctuate from area to area depending on where it is located.

Mr. Mark: And I am very happy to hear that and I hope that for instance the LSA would be able to share more and more information with the population on this matter. Can I ask you, Mr. Hosein, there has been talk going around and I think it was in the newspapers recently that the Government, through the LSA, wants to dislocate hundreds of residents occupying a place in St. Joseph by the name of Bangladesh. Is that reality or is that fantasy?

Mr. Hosein: The LSA has no such intention and we have no intention to dislocate anybody in Bangladesh.

Mr. Mark: So that is fake news? [*Crosstalk*] Well, no, I am just clearing the area on these matters.

Mr. Hosein: Bangladesh is one of the squatting sites identified, member.

Mr. Mark: No, no, that was in the newspapers, eh. So I am just saying that I am happy that you are now putting on the record that the LSA has no such policy nor the Government of Trinidad and Tobago has directed the LSA to pursue any such policy. Is that a fact, Sir?

Mr. Hosein: Member, we have no such direction. Bangladesh is one of the squatting sites listed in the LSA Act. It is one of the 251 sites. In order to develop any squatting sites, the LSA seeks the approval of the regulatory agencies, being the EMA, WASA, Town and Country, et cetera, and any site will only be developed when we get those approvals.
Mr. Mark: And finally, could you give us an understanding of the current situation as it relates to the PPP that is currently on its way in the Mount Lambert, Mount Hope area involving NHIC and the HDC? I do not know if Mr. Brent Lyons could probably help us there. Where are we with that and is there any other model similar along the lines throughout Trinidad that you are aware of?
Mr. Lyons: Member, that specific PPP project you referred to is currently under negotiations with the contractor.
Mr. Mark: Any idea as to when we will consume or that would be consummated so that the project would be proceeded with?
Mr. Lyons: We are hoping in the shortest order.
Mr. Mark: How long this matter has been outstanding, Mr. Brent Lyons?
Mr. Lyons: A few months, member.
Mr. Mark: And do you anticipate before the end of this 2018 that would be addressed?
Mr. Lyons: Certainly.
5.50 p.m.
Mrs. Webster-Roy: Thank you, Mr. Vice-Chairman. My question is to both Madam PS and Mr. Lyons. I am going back to the report that member Mark spoke to. It was laid in the Senate on the 24th of June, 2014, and in the House of Representatives on the 25th of June, 2014. Now my question is, your time at the Ministry and at HDC, have you found documentation anywhere to suggest that the recommendations in this document were implemented during 2014 and 2015?
Mrs. Thorne-Mora: Member, I was not aware of the document.
Mr. Lyons: Same here.
Mrs. Thorne-Mora: We have taken note of it, so we would check our notes.
Mrs. Webster-Roy: And note taking. I want you to go back and look and report to me if the recommendations were implemented in 2014 and 2015. Thanks.
Mr. Chairman: Report to the Committee. Member Raffoul.
Miss Raffoul: I have a brief follow-up question to what member Mark was asking. The CEO of the LSA, Mr. Hosein, said that the cost to land development for persons receiving tenure of land would be $50,000 but earlier you had said that the cost to the agency would be about $120,000. So is the difference a subsidy absorbed by the State?
Mr. Hosein: Well, member, I gave one example of Carlsen Field, Chaguanas, for a lot of land, and based on the calculations and based on the example that I gave of $200,000, 25 per cent works out to be $50,000. Now, there are other sites that the LSA has developed that the Commissioner of Valuations has valued at much higher values as much as $300,000 and $400,000. So 25 per cent of the value in that case would be—let us take a lot of land that is valued at $400,000—$100,000.
The LSA development cost, average development cost, under the squatter right programme is between $100,000 to $125,000. The Government has decided that the infrastructure cost would be waived and persons would just be paying the premium. So there is some level of subsidy, but if you look at the example that I have just given where a plot of land could be sold for as much as $100,000, it means that the subsidy would be much less than where the lands are valued less.

Miss Raffoul: So the figure you referred to before, the $50,000, was 25 per cent of the market rate with that particular example. So using—in answer to Sen. Mark's question, member Mark's question, you are saying that the 25 per cent was written in law. I am not familiar with this.
Mr. Hosein: No. Member, no. It is not written in law. It is a Cabinet approved policy.
Miss Raffoul: Okay. And it is 25 per cent or is it $50,000?
Mr. Hosein: It is 25 per cent of the open-market value. There were previous Cabinet-approved policies which took it to a much higher amount with 30 per cent. The present Cabinet has approved 25 per cent.
Miss Raffoul: What year was that?
Mr. Hosein: Previous approved policy?
Miss Raffoul: No, the 25 per cent.
Mr. Hosein: The 25 per cent is 2017.
Miss Raffoul: Okay. Thank you.
Mr. Mark: I just wanted to ask Mr. Hosein if he could put in writing for the consumption of this Committee, the entire pricing policy that you have outlined as it relates to the regularization of persons who have what you called legitimate Certificates of Comfort, as well as what you have outlined in terms of the issuing of lots. So if you could make that available.
And Madam Permanent Secretary and Mr. Brent Lyons, this is my final question. We could go until about eight o'clock because I have several others, but I would not detain you that long. I would want to ask if it is possible—because remember our responsibility is to see how we can help your organizations, both the HDC and the Ministry of Housing and Urban Development meet the housing needs and improve the quality of life and the standard of living of the citizenry of our country. Would you want to share with this Committee some of your recommendations that you would like this Committee to consider to take to the Parliament to help the HDC and the Ministry of Housing and Urban Development better carry out its responsibility and, particularly, given the revised mandate that you have outlined, how can this Committee assist both the HDC and the Ministry of Housing and Urban Development in seeking to achieve your objectives in the future?
Mrs. Thorne-Mora: I would like to get back to the office and we will convene and we will put that in writing. I think that that is an excellent question, and I would want to seek the opinion and input from our managers at both the Ministry and the HDC. So I thank you for that question.
Mr. Mark: And maybe you could probably—within what period of time would be good for you, for your Ministry to get back to us in writing?
Mrs. Thorne-Mora: Two weeks.
Mr. Mark: Two weeks.
Mrs. Thorne-Mora: Two to three weeks.
Mr. Mark: Okay.
Mrs. Thorne-Mora: Three weeks. It is Carnival.
Mr. Mark: Yeah, but Carnival and so on should not stop us from getting things done. [*Laughter*] So could we be a little more generous or reasonable, I should say, and could we kind of compromise and say within 14 days?
Mrs. Thorne-Mora: Sure.
Mr. Mark: Thank you.
Mr. Chairman: Thank you, member Mark. Member Raffoul?
Miss Raffoul: Thank you. A quick follow-up question on what I was asking before. So the difference in subsidy between the 25 per cent of the open-market value—the difference in value

is between the 25 per cent of the open-market value and the cost by the LSA to develop that land for tenure, that cost, that difference, is absorbed by the State? That is the subsidy?
Mr. Hosein: That is correct.
Miss Raffoul: Thank you.
Mr. Chairman: Officials, I want to thank you as we come to a close, but before we close I know it is a very important issue, it is an issue that is very dear to the hearts of citizens of Trinidad and Tobago. So before I ask you, Madam PS, to make a closing statement, perhaps, I could invite Mr. Lyons to make a closing statement in terms of any suggestions or remarks going forward.
Mr. Lyons: Vice-Chair, thank you very much. Let me take the opportunity, Vice-Chair and members, to thank this Committee for having us here to go through issues in the construction programme—construction and maintenance programme. I think we have been able to air quite a lot. I hope we provided sufficient information and responses and so on. The responses we said we would provide in writing we would follow up with that.

I would want to take the opportunity to always talk to my HDC communities and to remind all residents and so on: one, of course, continue to pay your rents and the mortgages on time. Two, be a good neighbour. If you are having challenges with neighbours and so on, we do have a social department where we can provide some conflict resolution issues and so on. So I invite them to do that. Three, take care of your community. It is yours. Be your neighbour's keeper, be your eyes and ears on the ground. Those are the things that I would want to share.
Mr. Chairman: Thank you. Madam PS?
Mrs. Thorne-Mora: Deputy Chair and members, I found this meeting to be very thought provoking, very fruitful. It is forcing us at the Ministry and agencies to review our processes, review our activities and the way we do business. We thank you for the questions that you have raised here, that you have asked here today. As I said, it forces us to think as to how we could better serve our customers, our clients.

I just want to reiterate what Mr. Lyons here just said about—because even though it is one Ministry. It is the Ministry of Housing and the HDC—where he said he wanted to tell the clients pay your mortgage, be good neighbours, because actually I would have alluded to an education programme that would be launched within the next two weeks and the theme of it is "Aye E Neighbour". So I want you to look out, I want members of the public who are listening to look out for it. It is a first in the Ministry where we actually have this sort of education programme where—using digital, in the media and then after that I would have spoken about the H101, that is manual. Okay. So your recommendations, your instructions, member Mark that I am to find—and member Webster-Roy, she is not here—what report it was? The 2014 what? The Ninth Report—
Mr. Mark: Let me read it for you. [*Laughter*] It is the Ninth Report of the Joint Select Committee on Ministries, Statutory Authorities. It is the Fourth Session, 2013/2014, Tenth Parliament. It is on the Administration and Operations of the HDC, and it was laid on the 24th of June, 2014, in the Senate and June 25, 2014, in the House of Representatives.
Mr. Chairman: Just to advise you, Madam PS, it is also available on the Parliament's website.
Mrs. Thorne-Mora: So we will be having a looking at it. Thank you for bringing it to our attention. I can assure that when we go back to office we will take into consideration your recommendations.
Mr. Chairman: Thank you, Madam PS. And I would also want to reemphasize the invitation by member Mark from the entire Committee that you give consideration to whatever recommendations you may want to forward to us and to enquire whether the period of two weeks

is sufficient. Are you comfortable with that time frame, 14 days? [*Crosstalk*] We want to make sure the recommendations that you bring forward would be useful.

Mrs. Thorne-Mora: Yes.

Mr. Chairman: Yes. Okay. So I want to thank all the members, all the officials who have taken the time to be with us this afternoon: the officials from the HDC, Mr. Lyons, Mr. Mc Quilkin, Mr. Mc Donald, Mr. Ramarack, Mr. Devenish, Mr. Campbell and Mr. Barrow and, of course, the officials from the Ministry, your good self, PS, Mr. Hosein, Ms. Antoine, Mr. Noel and Ms. Brown. So I want to wish you all a very safe journey back to your homes and to say that you are now excused from this meeting. This meeting is now adjourned.

6.02 p.m.: *Meeting adjourned.*