PARLIAMENT
REPUBLIC OF TRINIDAD AND TOBAGO

PARLIAMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

Fourth Session (2013/2014)
TENTH PARLIAMENT

NINTH REPORT

OF THE
JOINT SELECT COMMITTEE ON MINISTRIES, STATUTORY AUTHORITIES

ON THE
ADMINISTRATION AND OPERATIONS
OF THE
HOUSING DEVELOPMENT CORPORATION (HDC)

PAPER NO: /2014

PARL NO. 14/5/14

Ordered to be printed with the Minutes of the Proceedings and Notes of Evidence

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)

Date Laid: Senate: 24th June, 2014 HoR:25th June, 2014

An electronic copy of this report can be found on the Parliament website:
www.ttparliament.org

The Joint Select Committee on Ministries, Statutory Authorities and State Enterprises (Group 1)

Contact the Committee's Secretariat
Telephone: 624-7275 Extensions 2277/2288/2282, **Fax:** 625-4672
Email: jscgroup1@ttparliament.org

TABLE OF CONTENTS

ABBREVIATIONS

CMOD	Construction Management and Operation Division
HDC	Housing Development Corporation
MD	Managing Director
MOHUD	Ministry of Housing and Urban Development
T&D	Training and Development
TNA	Training Needs Analysis

TABLES & DIAGRAMS

EXECUTIVE SUMMARY

At its 16th Meeting held on January 30, 2013, the Committee agreed to conduct an inquiry into the Housing Development Corporation (HDC). This decision was reaffirmed by the Committee at its 22nd Meeting held on October 25th, 2013 in light of changes in its membership particularly in the Chairman and Vice-Chairman's posts.

In preparation for the inquiry, the Committee requested and reviewed written submissions pertaining to specific aspects of the administration and method of functioning of the Corporation, that in its opinion required examination. Subsequent to these preliminary deliberations, the Committee engaged the Ministry of Housing and Urban Development and the HDC in a public hearing on November 15, 2013, to further examine its administration and operations.

The Committee's inquiry focused on areas such as:

1. The processes by which a person can obtain housing.
2. Requirements for housing.
3. The amount of land available for housing.
4. The number of houses constructed since the HDC has been in operation 2005-2010.
5. The decision making process with regards to locating houses.
6. The percentage of housing units unoccupied.
7. The number of houses allocated and not allocated.
8. The number of housing units in need of repair.
9. The composition of the Board of the HDC and the no. of Board members sitting on the Tenders Committee.
10. The insurances provided to contractors by the HDC and HDCs relationship with Bankers.
11. The policy with regards to Caroni (1975) Ltd.
12. The number of audits outstanding and the reasons why the HDC was allowed to flaunt the regulations particularly financial regulations to Parliament.
13. The demand for housing and alternatives to housing.
14. Price range for HDC housing units.

15. HDC mortgages.
16. The HDCs Building code and Evacuation procedures.
17. Information regarding Ministerial Allocations.

The Committee was able to acquire useful insight into these matters and the operations and administration of the Corporation. The Committee was quite pleased with the HDC's continuous assessment of their organisational structure, their anti-fraud policy, their clear and transparent approach to allocation, their integration of information and communication technology in the collection of revenue and the established building codes and standards. Of concern for the Committee was the difficulty faced by the HDC to source land for housing, the amount of arrears owed to the HDC and the ability of the HDC to satisfy the demand for houses.

Relative to these and other issues outlined in this Report, the Committee has proffered a number of findings and recommendations that it anticipates will assist the HDC.

We expect that the Parliament, the HDC, its line Ministry and other stakeholders would take into consideration the findings and recommendations outlined in this Report, as we work towards ensuring proper and affordable housing is provided to the people of Trinidad and Tobago.

Chairman of the Committee

MEMBERS OF THE COMMITTEE

Mr. Elton Prescott, SC
Chairman

Dr. Dhanayshar Mahabir
Vice-Chairman

Mr. Emmanuel George

Mr. Jairam Seemungal, MP

Mrs. Carolyn Seepersad-Bachan, MP

Mr. Gerald Hadeed

Mr. Ganga Singh

Ms. Stacy Roopnarine, MP

Dr. Delmon Baker, MP

Mr. Faris Al Rawi

Dr. Amery Browne, MP

Mrs. Patricia McIntosh, MP

THE COMMITTEE

Establishment

1.1. Section 66 of the Constitution of Trinidad and Tobago declares, that not later than three months after the first meeting of the House of Representatives, the Parliament shall appoint Joint Select Committees to inquire into and report to both Houses in respect of Government Ministries, Municipal Corporations, Statutory Authorities, State Enterprises and Service Commissions, in relation to their administration, the manner of exercise of their powers, their methods of functioning and any criteria adopted by them in the exercise of their powers and functions.

1.2. Motions related to this purpose were passed in the House of Representatives and Senate on September 17, 2010 and October 12, 2010, respectively, and thereby established, inter alia, the ***Joint Select Committee to inquire into and report to Parliament on Ministries with responsibility for the business set out in the Schedule as Group 1, and on the Statutory Authorities and State Enterprises falling under their purview with regard to their administration, the manner of exercise of their powers, their methods of functioning and any criteria adopted by them in the exercise of their powers and functions.***

Powers

1.3. Standing Orders 71B of the Senate and 79B of the House of Representatives delineate the core powers of the Committee which include *inter alia*:

- to send for persons, papers and records;
- to adjourn from place to place;
- to appoint specialist advisers either to supply information which is not otherwise readily available or to elucidate matters of complexity within the Committee's order of reference; and
- to communicate with any other Committee of Parliament on matters of common interest.

1.4. The entities which fall under the purview of the Committee is attached as ***Appendix I***.

Members

1.5. The Committee comprises the following members:

1. Mr. Elton Prescott, SC[1]	-	Chairman
2. Dr. Dhanayshar Mahabir[2]	-	Vice Chairman
3. Mr. Jairam Seemungal, MP	-	Member
4. Mrs. Carolyn Seepersad-Bachan, MP	-	Member
5. Ms. Stacy Roopnarine, MP	-	Member
6. Dr. Amery Browne, MP	-	Member
7. Dr Delmon Baker, MP	-	Member
8. Mrs. Patricia Mc Intosh, MP	-	Member
9. Mr. Emmanuel George	-	Member
10. Mr. Ganga Singh[3]	-	Member
11. Mr. Faris Al Rawi	-	Member
12. Mr. Gerald Hadeed[4]	-	Member

Changes to Membership

1.6. **Mrs. Corinne Baptiste-McKnight** was appointed to the Committee on October 12, 2010 and served as the Committee's Chairperson from October 22, 2010 until the revocation of her Senatorial appointment on August 01, 2013. **Prof. Harold Ramkissoon** served as a Member of the Committee with effect from October 12, 2010 until the revocation of his Senatorial appointment on August 01, 2013. **Mrs. Christlyn Moore** served as a Member of the Committee with effect from October 16, 2012 until the revocation of her Senatorial appointment on September 06, 2013. Mrs. Baptiste-McKnight, Prof. Ramkissoon and Mrs. Moore were replaced by **Mr. Elton Prescott, SC,**

[1] Mr. Elton Prescott, SC replaced Mrs. Corrine Baptiste McKnight w.e.f.23.09.2013

[2] Dr. Dhanayshar Mahabir replaced Prof. Harold Ramkissoon w.e.f. 23.09.2013

[3] Mr. Ganga Singh replaced Mrs. Verna St. Rose-Greaves with effect from October 16, 2012.

[4] Mr. Gerald Hadeed replaced Mrs. Christlyn Moore on w.e.f. 23.09.2013 who had replaced Mr. Danny Maharaj w.e.f October 16, 2012.

Dr. Dhanayshar Mahabir and **Mr. Gerald Hadeed** respectively**,** who were all appointed to serve on the Committee with effect from September 23rd, 2013.

Secretarial Support

1.7. The following officers were assigned to provide secretarial and procedural support to the Committee:

- Mr. Julien Ogilvie - Secretary
- Ms. Candice Skerrette - Assistant Secretary
- Ms. Katharina Gokool - Graduate Research Assistant
- Mr. Indar Sieunarine - Parliamentary Intern

2. INTRODUCTION

Background of Inquiry

2.1 The Housing Development Corporation (HDC) falls under the ambit of the Ministry of Housing and Urban Development (MoHUD) and is mandated to:

- Provide affordable shelter and associated community facilities for low and middle income persons; and
- Carry out the broad policy of the Government in relation to housing.

2.2 The Corporation was inaugurated in 2005 by Act No. 24 of 2005 replacing the former National Housing Authority (NHA).

2.3 The HDC's vision is to provide every citizen with access to an adequate and affordable level of housing by the year 2020.[5]

2.5 Given that there is a considerable short fall in the supply of houses and the important role played by the HDC in meeting this demand, the Committee agreed that an investigation into the administration and operations of the Housing Development Corporation would be of significant interest to the people of Trinidad and Tobago.

Objectives

2.7 The Committee identified the following as the main objectives of this inquiry:-

A. Construction and Maintenance

i. To examine the process used to identify the acquisition of land in Trinidad for the purpose of constructing houses.

ii. To examine the structures in the HDC to ensure value for money in procurement.

[5] http://www.mphe.gov.tt/vision-and-mission-hdc.html

iii. To examine the structures in the HDC to ensure timely payments to contractors and service providers.

iv. To determine the mechanisms in place, if any, to treat with delinquent contractors.

v. To examine the process for collection of revenues due to the HDC.

vi. To ascertain whether internationally accepted building codes and standards are applied to the construction of Houses by the HDC.

vii. To determine whether the HDC adheres to Occupational Health and Safety standards in the construction of houses.

viii. To examine the processes in place to ensure the proper maintenance of HDC housing stock.

ix. To understand how complaints by homeowners regarding inferior work of HDC Houses are dealt with.

B. Allocation

x. To examine the process used to allocate housing Units in Trinidad and Tobago[6].

xi. To inquire into the measures in place, if any, to reduce the allocation waiting list.

xii. To gain insight into the HDCs emergency assistance plan[7] and to determine what is considered an emergency.

xiii. To be informed of the status of unallocated housing units under construction and those in need of repair.

[6] http://www.ttconnect.gov.tt/gortt/portal/ttconnect/CitizenDetail/?WCM_GLOBAL_CONTEXT=/gortt/wcm/connect/GorTT%20Web%20Content/ttconnect/citizen/role/apersonwithadisability/generalinformation/applying+to+buy+a+government+house

[7] http://www.hdc.gov.tt/News/TabId/91/ArtMID/577/ArticleID/3/Flood-victims-relocated.aspx

xiv. To examine the processes concerned with the vesting of titles to beneficiaries of HDC housing.

xv. To examine the relationship between the HDC and the Home Mortgage Bank.

xvi. To acquire information on the number of housing units required to meet the needs of all applicants.

xvii. To acquire an understanding of mechanisms exists to treat with applicants who may not qualify using the traditional assessment e.g. self-employed persons.

C. Human Resources

xviii. To examine the adequacy of manpower at the HDC and for its projects.

xix. To gain insight into the staff employed at the HDC and the level of training and skills set required and possessed by HDC employees.

xx. To determine the procedures for dealing with corrupt/delinquent employees at the HDC.

CONDUCT OF THE INQUIRY

2.8 The Committee held one (1) public hearing with representatives of the Ministry of Housing and Urban Development (MoHUD) and the Housing Development Corporation (HDC) on Friday November 15, 2013.

2.9 In preparation for the hearings, the Committee communicated with the Ministry and the HDC to solicit pre-hearing information. This information was used as the basis for supplementary questions pursued at the public hearing.

2.10 A Table that identifies the Ministry and HDC representatives who attended the hearing is attached at ***Appendix II.***

2.11 Several issues raised at the hearing warranted detailed responses. These responses were submitted in writing to the Committee on December 20th, 2013.

2.12 The draft of this Report was considered and approved without amendment at the meeting of the Committee held on **June 06, 2014.**

2.13 The Minutes of the meeting during which the public hearing was held are attached as ***Appendix III*** and the Verbatim Notes of Evidence of the hearing are attached as ***Appendix IV.***

3. THE EVIDENCE

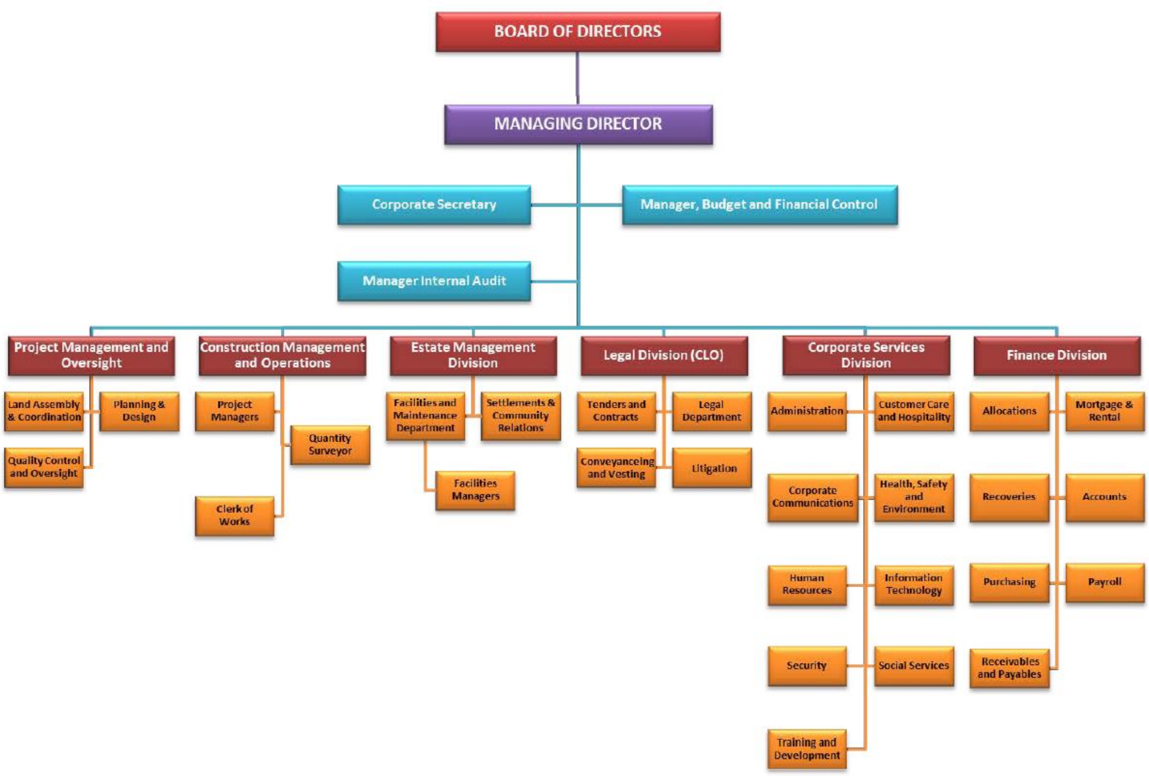
MANAGEMENT OF THE HDC

3.1.1 Given its written submission, the Committee learned that the Human Resources Department of the HDC together with the management and Board of the HDC continues to review its organization structure to assess whether it is adequately staffed with the competence and experience required to meet the Corporations mandate.

3.1.2 It was noted that the current human resources of the Corporation is sufficient to achieve the mandate of the various projects. The Committee also learned that the Corporation has introduced a Staff Plan that outlines the current manpower resources. Based on the latest analysis of the Corporation's human resource requirements, the ensuing organizational structure was formulated:

DIAGRAM 1

Organizational structure of the HDC



3.1.3 It was also noted that, notwithstanding the fact that all Departments within the HDC have an input in its projects, the Departments mainly charged with the responsibility of the execution of HDC's projects are:-

- Construction Management and Operations Division;
- Project Management and Oversight Division;
- Estate Management Division; and
- Tender/Contracts Department.

3.1.4 A detailed breakdown of HDC staff is attached at ***Appendix V.***

BOARD OF DIRECTORS AT THE HDC

3.2.1 There are seven (7) Board members on the HDC Board of Directors, three (3) of whom comprise the Tenders Committee.

HUMAN RESOURCES CHALLENGES

3.3.1 The Committee was informed that despite aggressive internal advertisement, external advertisement via newspapers, the use of online recruitment agencies and conventional recruitment agencies to hire required personnel, the HDC is challenged with attracting suitably qualified and experienced personnel. However, the Corporation has been performing the tasks necessary to successfully execute its projects with its current staff complement.

3.3.2 It was also noted that all contract employment is authorized by the Managing Director based on the needs of the Corporation through the Human Resource Department. In addition, all positions are identified based on the organizational structures and filled through the recruitment and selection process with the best available candidates who satisfy the necessary competencies to carry out their respective functions.

HDC's ANTI-FRAUD POLICY

3.4.1 With regards to treating with corrupt/delinquent employees, the Committee acknowledges the efforts of the HDC in preventing fraudulent and unethical practices. The Corporation instituted an anti-fraud policy, which serves to monitor, identify and mitigate monetary losses by the Corporation and encourages employees to freely report any suspicion of fraudulent or unethical activity without fear of being harassed or victimized.

3.4.2 The policy applies to any irregularities, or suspected irregularities involving employees of the HDC, consultants, vendors, contractors, suppliers and/or any other parties with a business relationship with the Corporation.

3.4.3 The decision on whether an investigation should be referred to the Police or any external Body is made by the Managing Director and/or the Board of Directors.

3.4.4 The Manger, Internal Audit is responsible for:

- developing audit plans based on risk assessment in order to assess and evaluate the effectiveness of internal controls;
- testing for compliance with policies and procedures; and
- reporting weaknesses and making recommendations for improvement.

3.4.5 The Manager, Internal Audit is also responsible for investigating any suspicions, which are reported to him; as well as preparing a report with recommendations to the Audit Committee and the Managing Director.

3.4.6 Additionally, there is a Security Manager, who is responsible for investigating any suspicions reported to him and is also responsible for reporting to the Managing Director.

3.4.7 All managers are cautioned to be aware of the different facets of fraud and identify red flags. Managers are also responsible for ensuring that policies and procedures and the internal control systems within their purview is strictly complied with and any suspicion of fraud or irregularities must be reported to the Managing Director or the Manager, Internal Audit or the Manager, Security.

3.4.8 All staff members are admonished to act with the highest standard of honesty, propriety and integrity. Staff must also comply with the Corporation's policies and procedures and internal control systems. Any suspicion of fraudulent or other irregular activity must be reported to the respective Manager or the Managing Director or the Manager, Internal Audit or the Manager, Security, and all reports are treated with utmost confidentiality.

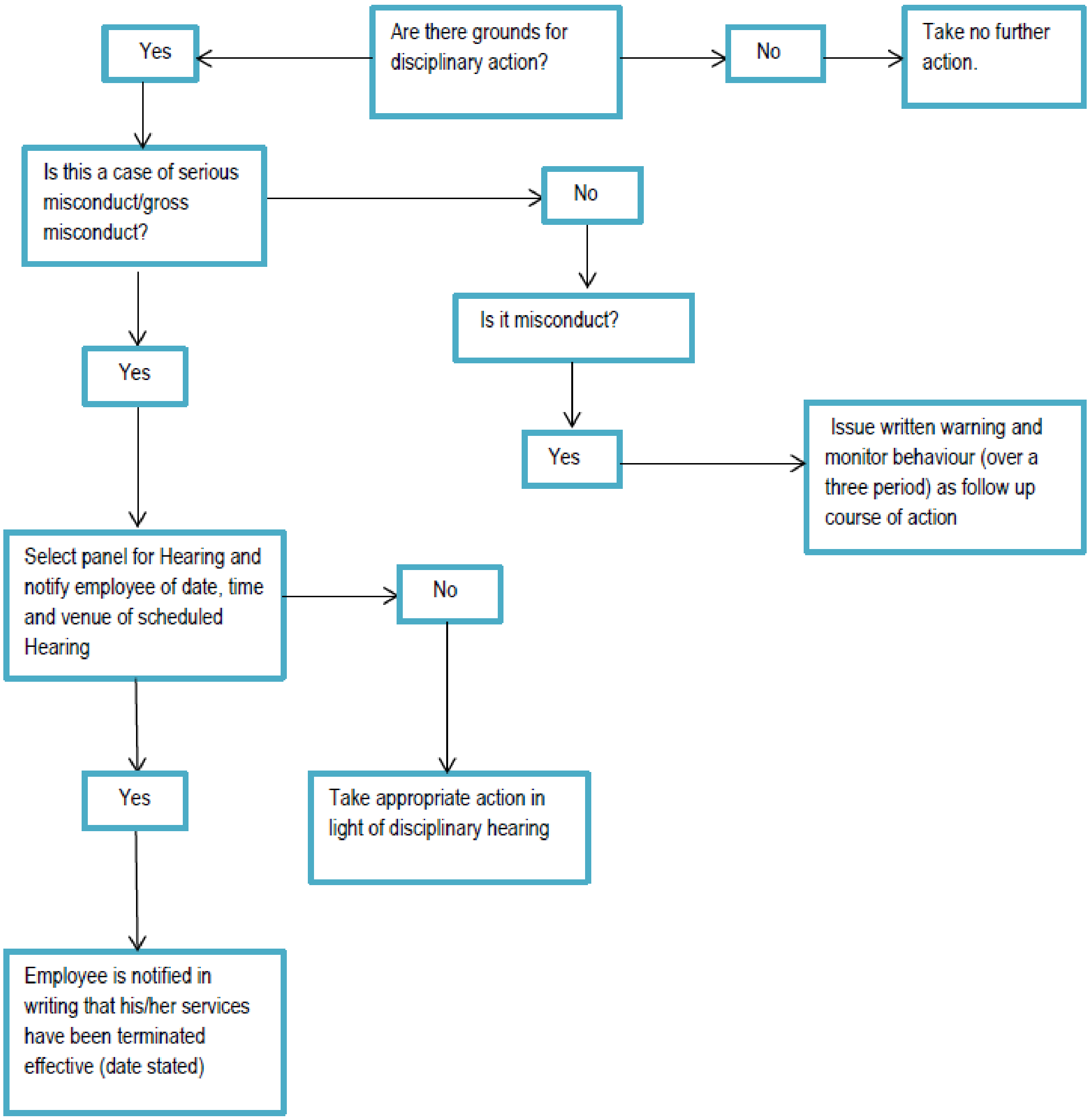
3.4.9 The Human Resource department is responsible for promoting the awareness of this policy and taking appropriate action, when necessary, to suspend a suspected employee while an investigation is pending. Appropriate action is taken at the conclusion of the investigation on instructions from the Managing Director.

3.4.10 Any decision to prosecute or refer findings to the Trinidad and Tobago Protective Services (law enforcement or regulatory agencies) for independent investigation or criminal prosecution is made by the Managing Director and/ or the Board of Directors upon the advice of the Legal Department.

3.4.11 The Committee also noted that in keeping with good industrial relations practices, the disciplinary procedure for treating with misconduct by an employee is illustrated in the Figure below:

DIAGRAM 2

Disciplinary procedure for dealing with misconduct



TRAINING AND DEVELOPMENT OF HDC EMPLOYEES

3.5.1 A **Training and development Philosophy** approved by the Board was developed, and this guides the development and implementation of initiatives to develop the required competencies within HDC.

3.5.2 Additionally, a **Training and Development (T & D) Unit** was established in June 2012 to ensure the Corporation has employees with requisite knowledge, skills and attitude to meet its mandate. The unit operates currently with (2) members of Staff, the Manager, Training and Development, and a Senior Human Resource Officer. The unit is responsible for:-

- Developing and implementing T & D philosophy, policy and procedures;
- Performance management;
- Identifying competency requirements;
- Conducting/Facilitating Training Needs Analysis (TNA);
- Training and Development initiatives;
- Employee Orientation;
- Talent Management;
- Coaching and Mentoring Programmes;
- Succession Planning; and
- Internship.

3.5.3 The T&D Department collaborates with the Human Resources Department and respective Team Leaders to identify the manpower and competency requirements for the respective departments at the Corporation. The competencies are currently categorized into the following four (4) main categories:-

1. Managerial/Leadership;
2. Information Technology (software applications, etc.);
3. Functional (specialized competencies for respective positions); and
4. Health, Safety and Environment.

3.5.4 All Departments are required to identify the requisite competencies and the Training and Development Department ensures that matrices are completed and reviewed for each department.

3.5.5 The T&D Department ensures that the needs of each employee are identified and mapped on the competency matrix. A copy of a completed matrix is attached at ***Appendix VI***. In addition, the Corporation adopted several approaches to ensure that employees possess the requisite competencies as follows:

- Orientation;
- Training;
- Coaching and Mentoring;
- Awareness meetings;
- Assignments;
- Rotation;
- Projects;
- Presentations;
- Professional Memberships; and
- Conferences.

3.5.6 In terms of ensuring **quality assurance**, the Corporation achieves this by means of the following approaches:

- **Programme Development**- Certified staff of the T&D unit, possess the required competencies and can therefore develop course outlines where needed. The programmes are created to specifically address the gaps identified in the TNA. External providers are charged with developing programmes that meet the developed criteria.

- **Provider selection –** providers are selected from:
  a. The Ministry of Public Administration's, Public Service Academy;
  b. Competitive Bidding; and
  c. Sole Tender Selection.

- **Training Standards** – Training providers must not only satisfy the selection criteria but must also possess evidence of their ability to deliver the programme satisfactorily.

- **Facilities** – the Corporation utilizes the Agostini Building to facilitate full time training. Additionally, the Corporation is working on converting a building in Couva to facilitate a state of the art training and development facility that would include workshops for Technical and Vocational training and conference room facilities.

- **Documentation** – the Corporation currently maintains records both in hard and soft copy format but is currently seeking to purchase a robust software application to manage this function effectively.

- **Partnerships/MOU**- the Corporation collaborates with other organizations to ensure the delivery of effective training and certification of its workforce.

LAND ACQUISITION

3.6.1 The Committee was informed that there is no land available for housing as attainable land has been distributed to farmers as well as land located at Pineapple Smith was allocated to squatters.

3.6.2 Consequently, land is acquired when and where available. It therefore does not take much to determine where a site would be located**.**

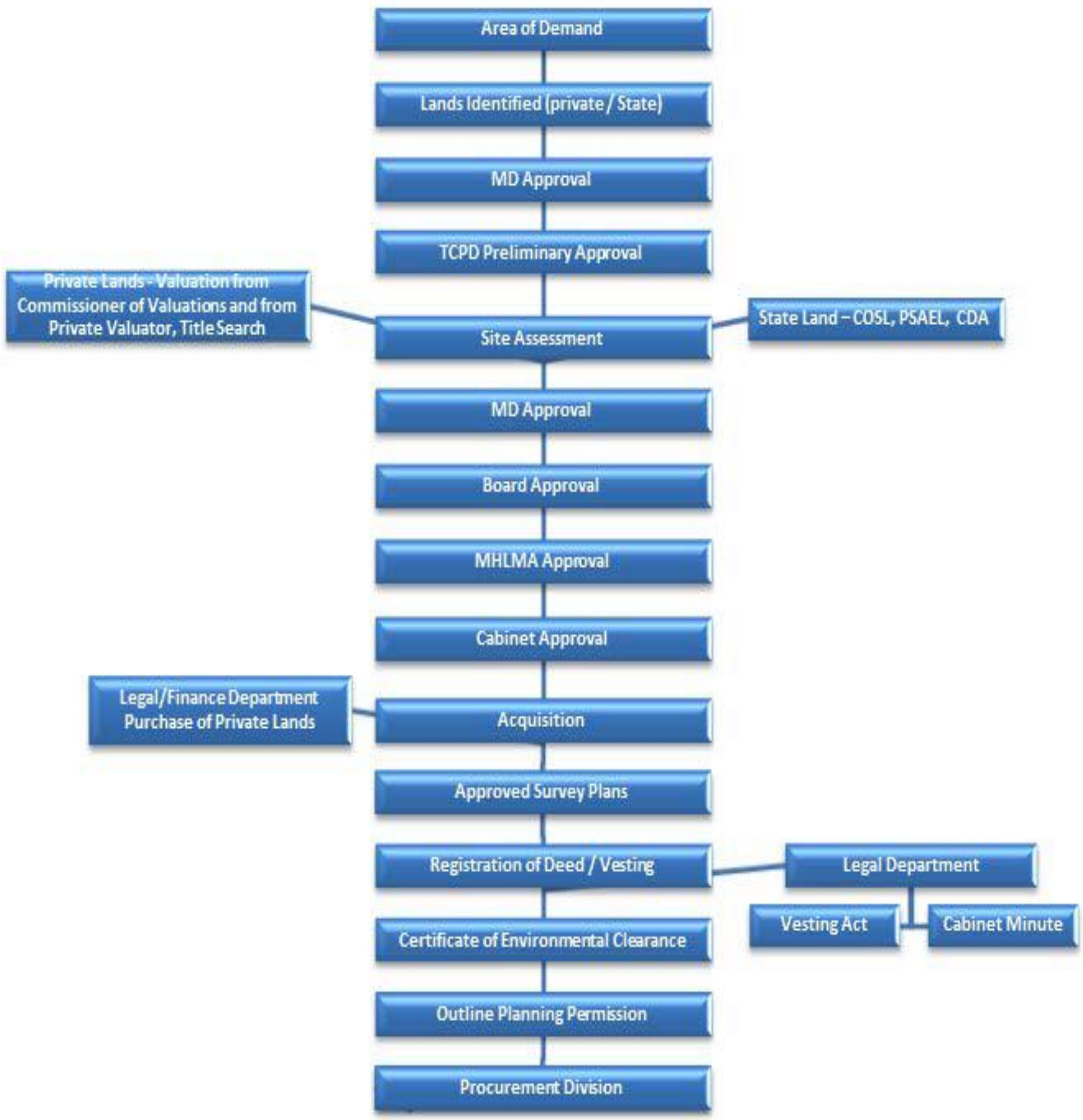
3.6.3 The HDC acquires land through the following:-

- **Vesting of State Lands;**
- **Pursuant to the Vesting Act 2004;**
- **By Head Lease; and**
- **Private Treaty Acquisition.**

3.6.4 The process used to identify the acquisition of both private and state land in Trinidad for the construction of housing is as follows:

DIAGRAM 3

Process used to identify the acquisition of private and state land for the construction of housing



3.6.5 In an attempt to meet the housing demand, the HDC proposes to uses a combined strategy of private treaty acquisition, acquisition of State Lands, and joint venture partnerships to acquire land on which to construct housing developments.

3.6.6 The HDC has also engaged in constructing more multifamily units to increase the density of housing sites and has been working closely with the Commissioner of State Lands, Caroni 1975 Limited and the Estate Management Business Development Company (EMBD), to identify lands for development by HDC to accommodate housing.

3.6.7 Numerous meetings were held with the Commissioner of State Lands as well as site visits were conducted in 2012. As a result, four (4) sites were identified as potentially suitable for housing. These were:-

1. **Wellington, Debe Extension,**
2. **Orange Valley/Perseverance,**
3. **Felicity 2; and**
4. **Indian Trail, Couva.**

3.6.8 However, lands at Orange Valley/Perseverance were needed by Caroni (1975) Ltd. for cultivation of its *Green Initiative Programme*, while lands at Felicity 2 were allocated to the Land Settlement Agency for its Land for the Landless Programme. As such, the remaining Indian Trail, Couva site comprising 35 hectares, despite being allocated to former Caroni Workers, the HDC with the assistance of the Office of the Commissioner of State Lands, is in the process of offering compensation to the workers in order to acquire the land and thereafter vest the lands in the HDC. Meanwhile, the Wellington Extension site comprising of 15 hectares was identified as immediately available for construction of houses. Therefore, the HDC is in the process of preparing tender documents for the development.

3.6.9 Additionally, another site was sourced by the Commissioner of State Lands in Central Trinidad, bordering the Balmain Main Road and Clifford Drive, in the vicinity of the Ato Boldon Stadium but it was indicated that there were springs within the parcel.

3.6.10 The Committee was informed that under its governing Act, the HDC has the power to acquire land by Private Treaty, which is utilized when state lands are not available.

3.6.11 Furthermore, the HDC has unwritten guidelines regarding the acquisition of private lands, which involves the following process:

1. a <u>due diligence exercise</u> is conducted by the Corporation's personnel relative to the suitability of land for development for housing having regard inter alia to the policy of the Corporation at the relevant time, the extant needs of applicants and government policy;
2. a Valuation Report is obtained for the land from the private sector and from the Commissioner of Valuations. The HDC would inquire into the certification and qualification of valuators and relies heavily upon the services of the Commissioner of Valuations to accomplish this task;
3. approval is obtained from the Board of Directors to enter into negotiations for purchase of the lands;
4. approval is obtained from the Board of Directors to purchase the lands;
5. approval is obtained from Ministry of Housing to purchase the lands; and
6. approval is obtained from Cabinet to purchase the lands.

3.6.12 This process was also utilized in the acquisition of land at Trestrail Lands, D'Abadie in 2011 and at Calcutta Settlement Road No. 2 also known as Eden Gardens in 2012.

ALLOCATIONS

3.7.1 The Committee was informed that any member of the public who satisfies the criteria for housing as approved by Cabinet Minute 675-2004/03/11, amended by minute 2889-2006/11/09 and further amended by minute 2730-2008/09/25, could apply for home ownership. The Criteria used is set out in Diagram 4.

3.7.2 Applicants must:

- be citizens of Trinidad and Tobago and have been residing here for the last five (5) years preceding the date of signing a Statutory Declaration;
- be twenty-one (21) years and over;
- not be owner/part owner of property/land in Trinidad and Tobago;
- be first time homeowners; and
- have a monthly (combined) income of the applicant (applicants) must not exceed twenty-five thousand dollars ($25,000.00).

3.7.3 The Cabinet also approved an allocation regime, which dictates that housing, Units be distributed as follows:

- 60% via a Modified Random Selection process;
- 25% on the recommendation of the Minister with responsibility for housing to deal with special emergencies (persons selected by the Minister are subject to the same financial obligations as clients allocated units by other means);
- 10% for the Protective Services; and
- 5% for senior citizens and physically challenged persons.

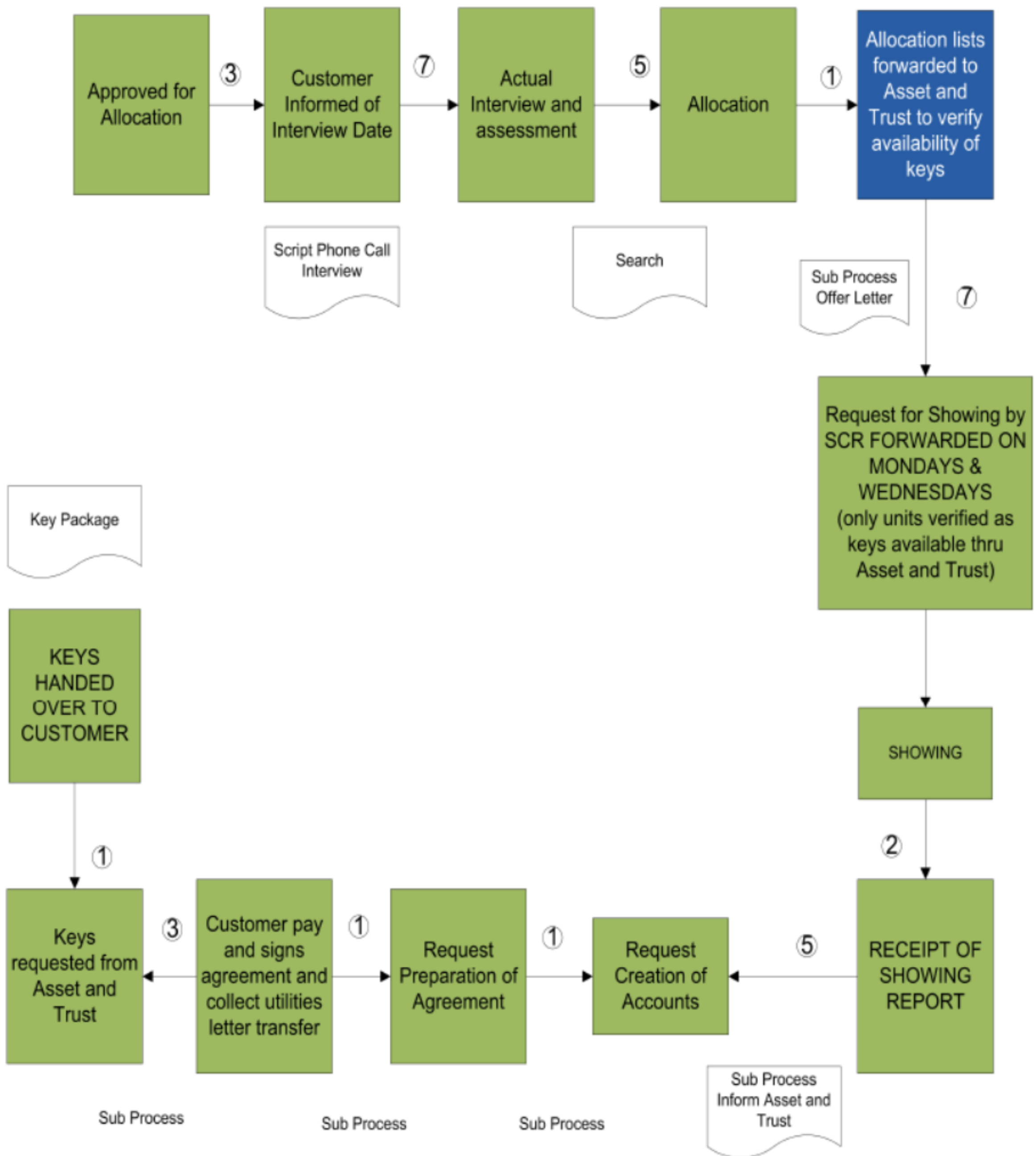
With regards to the **Random Selection process or lottery system**, the HDC utilizes a programme called the **Home Application Fulfillment System (HAFS)** which registers applicants for housing and collates statistics on home applicants.

The HAFS:

- allows applicants to make changes to their application online.
- allows applicants to view the status of their application online.
- a more efficient and effective system for processing Home Applications.
- transparent and fair allocation of housing solutions based on Government approved Housing Allocation Policies.
- allocation of alternative housing options (rental accommodation) to applicants who do not qualify for new home mortgages.
- communication between the applicants and the Ministry's Agencies through the use of messaging and email facilities via the Internet.
- provides accurate statistics on the effective demand for housing in Trinidad and Tobago.
- provides statistics on the types of units and preferred housing locations.

ALLOCATIONS & DISTRIBUTION
Process Map

DIAGRAM 4



3.7.4 The HDC is informed by the MoHUD when a random draw is to be conducted and the results of the draw are then communicated in writing to the HDC by the Ministry.

3.7.5 Noteworthy, is the fact that a person allocated under the lottery system is subject to the same process and procedure as any other person allocated under any of the other Cabinet approved criteria.

3.7.6 The Minster of Housing and Urban Development approves all allocations including random selections via the computerized lottery draw. The Minister's approval entails a written document affixed with his signature.

3.7.7 Clients approved for allocation are contacted via telephone and invited to collect an interview package at the Allocations Department of the HDC. An interview date is scheduled and the Client is expected to produce the documents requested in the package at the interview. The purpose of the interview is to determine whether or not the client satisfactorily meets the allocations requirements and is financially capable of meeting the monetary commitments in purchasing a housing unit. At the interview, customer's areas of preference are also identified.

3.7.8 The Client who is successful at the interview is then allocated a unit and their allocation is entered on the Allocation and Verification form, which is signed by the Allocations and Distribution Manager and the Managing Director. This vital form tracks the entire allocations process from the interview to the key handover.

3.7.9 The client is given the opportunity to view his/her allocated unit where a final quality control check on the unit is performed. During the walkthrough, the client is asked to identify to the accompanying HDC staff, any obvious defects in the unit. Such defects are noted on the Property Viewing and Acceptance Form.

3.7.10 To complete the walkthrough, the client is required to indicate on the Property Viewing and Acceptance Form whether or not he/she accepts the unit or requests a transfer. Both Client and HDC staff representative are required to sign the form upon completion. Clients who indicate their acceptance of the unit are given an offer letter detailing their financial assessment, the cost of the accepted unit, the arrangement of the unit offered (rental, rent to own or purchase) in addition to the scheduled date for collection of Utility Transfer Documents (T&TEC and WASA) as well as the required deposit amount (where applicable) and the date of the first payment.

3.7.11 Subsequent to the return of proof of the utility transfers and payments, clients are required to sign the requisite Agreements and collect the keys to their new home.

3.7.12 Upon the collection of keys, the client receives copies of:

1. the executed agreement;
2. a License to Occupy Agreement or where applicable a Sales Agreement or a Rent to Own Agreement;
3. a Key Acceptance Letter to confirm receipt of the keys and to acknowledge the requirement to occupy within a one month period; and
4. a defects form to be completed by listing any defects in the unit and returned within three (3) months.

3.7.13 The Rent to Own Agreement is particularly applied in cases where applicants do not qualify for a mortgage as may occur in cases where persons are self-employed. There is also a Rental Program that operates within the New Way Home Developments, which affords clients the opportunity to convert their rental agreement into a mortgage arrangement once their financial situation improves. Rental rates within New Way Home Developments average between eight hundred dollars to twelve hundred dollars ($800-$1200.).

MEASURES TO REDUCE THE ALLOCATION WAITING LIST

3.8.1 The HDC has long recognized that greater collaboration with the private sector and other public sector agencies is needed in order to address the issue of housing shortages. For the period 2013-2015, the HDC intends to implement a number of initiatives to improve efficiency and productivity. These initiatives include training, workshops and symposiums, as well as asset based financing arrangements and partnerships with the private sector.

3.8.2 The HDC also intends to complete and close off its on-going projects, resume and complete all suspended projects, and start new projects on sites where available, as well as acquire land from the public and private sector for future developments.

3.8.3 The HDC has an implementation strategy that falls under 5 main areas:

- on-going projects;
- new projects;
- incomplete and suspended projects;
- infill projects; and
- refurbishment and retrofitting of tenanted buildings.

3.8.4 It must however, be noted that the HDC's ability to providing more housing is very dependent upon the receipt of requisite funding.

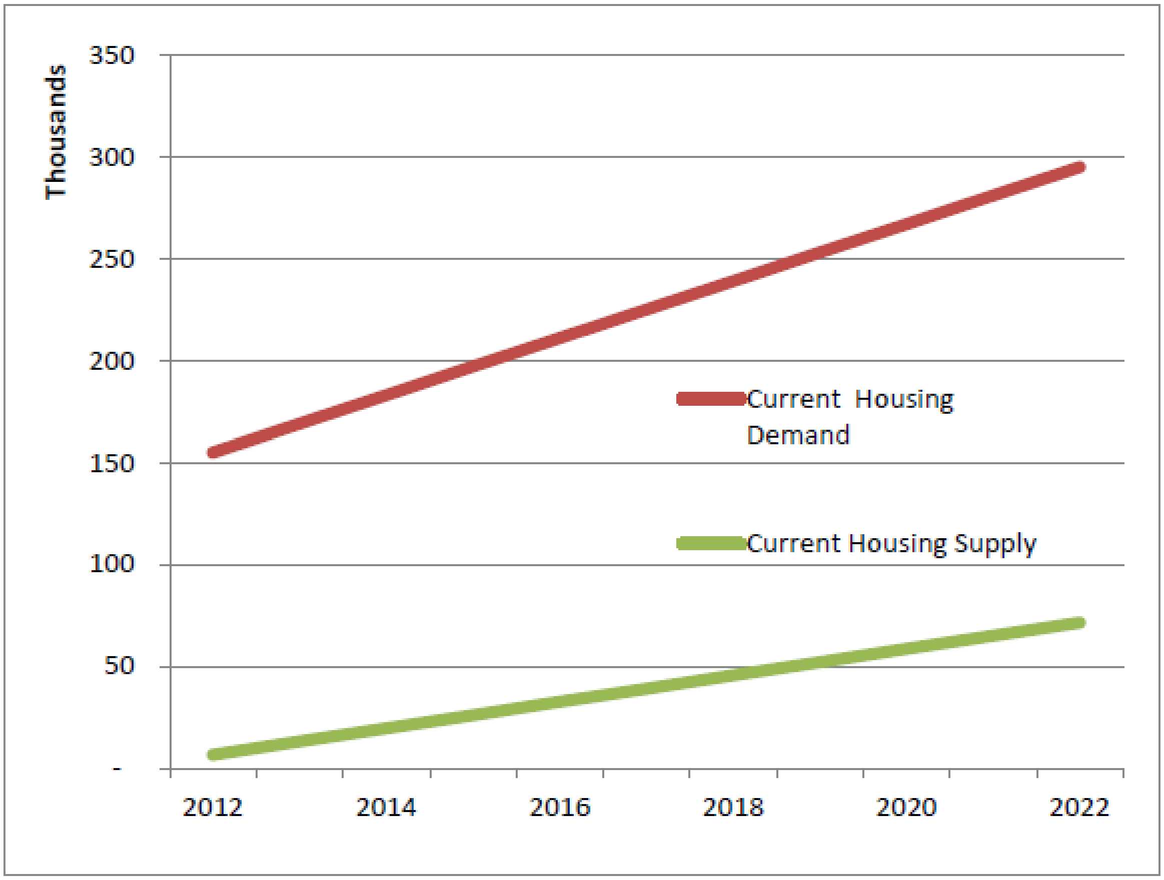
DEMAND FOR HOUSING

3.9.1 The Committee was informed that the current demand for housing is 214,000. Historical trends suggest that the number of applicants is increasing by approximately 14,000 per annum. Over the next three years ending 2015, the HDC envisions the construction of 9,000-plus housing units. Therefore, there is an acute shortfall in comparison to the demand. The demand for housing is essentially in the East-West Corridor and along the western coast of Trinidad, in the urban and suburban areas and these are the areas where there is a significant shortage of land to construct housing developments.

3.9.2 Diagram 5 illustrates the fact that the demand for housing continues to increase while the supply of housing lags behind in relation to the demand. As such, it is estimated that the annual housing deficit would increase to approximately 225,000 housing units in the next ten years unless there is a major intervention. Approximately 2100 houses will become available during the period 2013-2014.

DIAGRAM 5

THE DEMAND FOR HOUSING VERSUS SUPPLY OF HOUSING



3.9.3 The HDC's current housing target is 6,500 new housing units per year. However, this target is restrained by the capacity of local construction, the availability of funding and the availability of suitable land.

3.9.4 The HDC recognizes that greater collaboration with the private sector and other public sector agencies is required to address the housing deficit. In this regard, in its submission, the HDC made mention of plans to actively engage all stakeholders in pursuit of its targets and general mandate.

3.9.5 Also, for the period 2013-2015 the HDC proposes to implement several initiatives with the aim of improving the efficiency and productivity of its programmes ranging from training, workshops and symposiums; as well as asset-based financing arrangements and partnerships with the private sector.

3.9.10 Additionally, the HDC proposes to aggressively pursue the completion and closure of its on-going projects, resume and complete projects that were suspended, initiate new projects on available sites and seek to acquire new land from the private sector and public sector for future housing developments.

3.9.11 By sub-dividing certain projects into contract packages, the HDC believes that optimum results can be obtained and faster delivery of houses would be facilitated, allowing greater participation of contractors and other stakeholders, however in so doing, more coordination by the HDC is required.

3.9.12 As such, the expected yield from the HDC's implementation strategy for the period 2013-2015 is stated in **Table 1.**

TABLE 1

HDC's PROPOSED IMPLEMENTATION STRATEGY FOR THE PERIOD 2013-2015

Project Type	No. of Housing Units
ON-GOING PROJECTS	5,704
NEW PROJECTS	4,176
INCOMPLETE AND SUSPENDED PROJECTS	245
INFILL PROJECTS	590
REFURBISHMENT & RETROFITTING OF TENANTED BUILDINGS	106
TOTAL	10,821

UNITS NEAR TO COMPLETION

3.9.13 The Committee learned that as at mid-year 2010, approximately 4,768 units had relatively achieved substantial completion however, these units could not be allocated because they lacked a certain required amenities such as a wastewater plant.

3.9.14 Furthermore, the Corporation explained that of 19 outstanding projects, 17 did not have the wastewater treatment plants. Therefore, the Corporation issued Requests for Proposals for ten (10) wastewater plants and approximately seven (7) more are to be upgraded to the tune of $112 million. However, thereafter remedial works was necessary because the buildings were subjected to deterioration. Hence the units could not be occupied. Additionally, apart from the lack of proper utilities other factors such as vandalism caused by a lack of security contributed to non-occupancy. Consequently, the Security Department in conjunction with the Construction and Project Management oversight team re-scoped the issues and thereafter some contractual issues arose. However, all the issues have since been resolved.

3.9.15 As at November, 2013, 2,030 units were estimated to be between 80 to 90 per cent complete.

UNOCCUPIED BUT ALLOCATED UNITS

3.10.1 The Committee was informed that there is a misconception that there are a number of unoccupied housing units that the HDC has not allocated. During the public hearing the committee learnt that there were 704 units, which were already allocated but were unoccupied pending the completion of outstanding work.

INCOMPLETE AND SUSPENDED UNITS

3.11.1 The Committee noted that the HDC was required to suspend projects comprising a total of 465 units as a result of the absence of a general contractor to manage the projects. This caused some inconveniences and the projects were identified as "troubled projects".

3.12.2 The Committee was informed that these projects are currently being re-scoped. As such, the Corporation has completed the conditions surveys and a Request for Proposal has been forwarded. It was expected that by the start of 2014, the projects would be retendered.

3.12.3 The Committee was informed that the Corporation is in the process of preparing the requests for proposals for both the Victoria Keys projects as well as for the Chaconia Crescent project.

3.12.4 The contract for Phase Three of the Victoria Keys project was awarded in February/March, 2012 to provide for amenities in the development. As at November 2013, the Corporation was engaged in preparing evaluations for the infrastructure of the projects, which was expected to be completed within by February, 2014.

3.12.5 The Committee was informed that the Chaconia Crescent project was initiated in 2006, however, coordination issues arose because instead of having one main contractor, a number of contractors were assigned to the project, which resulted in the suspension of the project. Additionally, there was no contract for infrastructure works.

3.12.6 Nonetheless, the Committee was informed that the request for proposal for the infrastructure work is being prepared, as such the Corporation is in consultation with the Ministry of Works and Infrastructure with regards to the effects of work being done to widen the Diego Martin highway which has negatively impacted on the construction of the project. This occurred as a result of the loss of land space which was initially allocated for car parks, being given to the Ministry of Works and Infrastructure to complete their works.

3.12.7 It was estimated that both projects, will take approximately 12-15 months to complete.

3.12.8 The Corporation also informed the committee that it was presently engaged in 105 housing projects. The departments administering these projects are identified in Table 2.

TABLE 2

DEPARTMENTS RESPONSIBLE FOR ADMINISTERING PROJECTS

DIVISION	NO. OF PROJECTS
Estate Management Division (EMD)	84
Construction Management Operations Division (CMO)	21
Total	105

COST OF HOUSING UNITS

3.13.1 The cost of housing units range from $350,000 to $450,000 generally and $764,000 to $880,000 for units located in areas like Fidelis Heights and Maracas as these units were constructed at a higher cost than usual.

CONTRACTORS PROVIDING SERVICES TO THE HDC

3.14.1 The Corporation uses a cadre of Contractors, however the top ten (10) contractors (in terms of dollar value of the contract(s) received) hired by the HDC from the inception of its Accelerated Housing Programme are as follows:-

1. NH International (Caribbean) Limited;
2. T N Ramnauth Co. Ltd.;
3. Mootilal Ramhit and Sons Ltd.;
4. H. Lewis Construction Ltd.;
5. PACE Construction Services Ltd.;
6. Trinity Housing Ltd;
7. Syne's Contracting and Ind. (1988) Ltd.;
8. China Jiangu Ltd.;
9. Rainbow Construction Limited; and
10. Home Construction Ltd/HCL.

PROPOSALS FOR SATISFYING THE GROWING DEMAND FOR HOUSING

3.15.1 According to the Corporation's submission, suitable and available land is required for housing however, lands that are available for housing have already been utilized for housing, or have been allocated to State agencies for other uses including leases to former workers of Caroni (1975) Limited. As such, the Corporation seeks the acquisition of private lands in accordance with its powers and duties under Section 13 of the Act. Another avenue was to pursue squatter regularisation.

3.15.2 Additionally, the Inter-American Development Bank granted a loan in the sum of $60 million to assist persons who have land but cannot access mortgages. The Inter-American Development Bank subsidy is granted to assist these persons to build their homes.

3.15.3 Additionally, the Ministry of Housing and Urban Development expends home improvement grants to needy persons to aid persons to undertake minor upgrade to their house. E.g. adding a room or repairing their roof.

3.15.4 The Estate Management and Business Development Company Limited received part of the lands that were once under Caroni (1975) Limited, and recipients of the voluntary separation of employment packages from Caroni (1975) Limited have been receiving deeds for those lands and can now benefit from the 2 per cent interest mortgages.

3.15.5 The Land Settlement Agency has also been granted approval to establish a fully staffed *Housing Support Center* at the HDC, to assist low income persons who are constructing homes, to acquire house plans at a lower cost as well as any technical support they need in terms of getting statutory approvals.

3.15.6 The Corporation also explained that although the construction of High Density Housing can assist in satisfying the demand for housing, the stigma associated with this type of housing in certain areas and its correlation with incidents of serious crime can stir a range of emotions from potential beneficiaries as well as from residents proximate to a proposed project, as it is often assumed that this type of development will have a negative impact on their neighborhood. On the other hand, young professionals find higher density housing appealing and the recent "I Live Here" campaign has tremendously aided in this regard. As a consequence, the Corporation will pay particular attention to high quality community facilities and social amenities.

HOUSING UNITS REQIRED TO MEET THE NEEDS OF APPLICANTS

3.16.1 The HDC submitted information regarding the number of applicants on the Home Application Fulfillment System (HAFS), which is attached at ***Appendix VII***.

STATUS OF UNALLOCATED HOUSING UNITS UNDER CONSTRUCTION AND THOSE IN NEED OF REPAIR

3.16.1 The HDC has a number of units that are under construction and in need of repair. The following represents the status of the Corporation's unallocated housing units under construction and in need of repair.

3.16.2 The Greenvale, La Horquetta Housing Development is under construction, with three (3) phases. The first phase consists of the construction of (194) housing units consisting of, 38 duplex units, 126 single-family units, 8 two storied bungalows, 14 two storied units and 8 two storied residential-commercial units.

3.16.3 The second phase comprises the construction of (191) housing units, consisting of 44 duplex units, 108 single family units, 33 two storied bungalows, and 6 two storied residential commercial units (however 41 units cannot be constructed at this time due to lands occupied by squatter/tenants and have been excised). And the third stage comprises the construction of two hundred and forty (240) housing units, consisting of 76 townhouses, 64 apartment units, and 100 single family units.

3.16.4 The Malabar Housing Development consists of forty-four (44) townhouse units and six (6) duplex units and all associated civil and electrical infrastructure. However, the contractor for this site was terminated and units are in varying degrees of completion and disrepair.

3.16.5 The Maracas Housing Development comprises the construction of forty-one (41) townhouse units and associated infrastructure works. Forty-one (41) townhouse units were handed over to the HDC on 16 December 2011, and the units are undergoing remedial works.

3.16.6 The Oasis Housing Development, Egypt Village, Chaguanas (The Oasis) is a major project being implemented by the HDC to meet its mandate. This project involves the design and construction of more than eight hundred (800) housing units and related infrastructure within a 3-year period. Although the HDC awarded a contract for the design and construction of this project for 800 housing units, the site has the potential to yield more than 50 additional housing units.

3.16.7 As at June 2013 the infrastructure works of this project were estimated at 40% complete while housing works were estimated at 50%.

3.16.8 The Carlsen Field Housing Development project will lead to the construction of seven hundred and one (701) housing units, consisting of one hundred and sixty (160) Townhouses, one hundred and twenty-four (124) Apartment Units, and four hundred and seventeen (417) Single Family Units. This project is for the construction of a fully integrated sustainable development.

3.16.9 The Lionsgate, Enterprise Housing Development located at Egypt Trace, in Enterprise, Chaguanas and is a project that encompasses the construction of two hundred and thirty one (231) housing units consists of 160 Townhouse units, and 71 Single Family Units.

3.16.10 The Exchange Housing Development located at Exchange Village, Couva, currently has three hundred and sixteen units (316) under construction, but has the potential yield of approximately six hundred (600) units if all the available land is utilized.

The Hubertstown Housing Project is located on a previously existing developed housing site. It consists of fifty (50) Single Family Units on scattered plots on the existing housing development with infrastructural work excluded.

3.16.11 The La Fortune Housing Project consists of four hundred and twenty two (422) units and all associated infrastructure works. The site is divided into five phases with phase three consisting of ninety-eight units expected to be delivered in March. A temporary sewerage treatment system will be used in this phase as the construction of the permanent plant has not yet begun.

3.16.12 The Cypress Gardens Housing Development is located near Union Hall Road, off Connector Road, Union Hall and San Fernando. Two main contracts have been awarded for the execution of this project:
- Design and construction of infrastructure works for one thousand, two hundred and forty (1240) housing units, which was executed on 10 August 2011; and
- Design and construction of seven hundred and forty (740) housing units, which was executed on 24 May 2012.

3.16.13 As at June 2013 the overall status of the project was estimated at approximately 60% complete; with infrastructure works estimated completion at 74% and housing works estimated at 58% completed.

3.16.14 The Fairfield Housing project is located at Fairfield and Broomage Estates, Princes Town and has an expected housing yield of two thousand, five hundred (2,500) units.
As at June 2013, the overall status of the project was estimated at approximately 26% complete.

3.16.15 The Gomez Trace Housing Project consists of ninety seven (97) SFU units of mixed type and all associated civil works. It is an 'In fill' type project where building contracts were awarded to approximately seven contractors to carry out building works. There are fifty six (56) units that are in need of rehabilitation and permission was sought from the board to procure contractors to rehabilitate same.

3.16.16 The Mora Heights Housing project consists of one hundred and thirty three (133) SFU units and all associated civil and electrical infrastructure. There are three building contractors on this site two civil, one electrical contractor and a firm with responsibility for constructing three lift stations. Due to the number of topographical issues with the development, the total number of units was reduced to 132.

3.16.17 The Chaconia Crescent, Diego Martin Housing Development project is located next to the Four Roads Police Station, between the Diego Martin Main Road and Diego Martin Highway, and comprises the construction of one (1) eight storey apartment building, site infrastructure (civil mechanical and electrical) works and other infrastructure works external to the site. Each floor level contained 12Nr. Apartments, which consisted of three bedrooms, kitchen/dining, living and dining area and two bathrooms making up a grand total of no. 96 apartments.

3.16.18 The Vieux Fort Housing Development is located at St. James and originally consisted of one hundred and thirty-two (132) apartment units, in four (4) building blocks car park structure, site infrastructure (civil mechanical and electrical) works and other infrastructure works external to the site.

3.16.19 Outstanding works include Building Works, Building Electrical Works, Building Plumbing Works, Installation of Elevators, Building finishes, site services infrastructure – water, sewage, electricity and communications, external works to site – guard booth, perimeter fencing, garbage disposal area, and storm water drainage system, completion of a multi-storey car park to the development, Paving of roadways and site, as well as completion of retaining walls.

3.16.20 The Victoria Keyes Housing Development Project is located along the Diego Martin Main road at Powder Magazine in Diego Martin. The project will provide residential units, services, recreational facilities and other civic and community amenities with a total expected yield of eighty eight (88) apartments per building, and a grand total of two hundred and sixty four (264) apartments on the project.

HDC MORTGAGES

3.17.1 The HDC is permitted to grant loan/ mortgages as provided for under Section 19 Part III of the Housing Act, which states that:

"the Corporation may in accordance with this Part and Regulations made thereunder, make a loan, hereinafter in this Part called a "direct loan" to a person for any or all of the following purposes:

a) the acquisition of a house and land for use by him as a residence for himself and his family.

b) the acquisition of land and the erection thereon of a house for use by him as a residence for himself and his family.

c) the erection on land held by him a house for use by him as a residence for himself and his family.

d) the improvement or repair of a house for use by him as a residence for himself and his family."

3.17.2 As such, the HDCs Loans/ Mortgages are duly categorized into:

1. Project Loans – loans given for the purchase of properties constructed within the Corporation's housing developments; and
2. Direct Loans- granted for the purposes identified above outside of the Corporations Developments.

3.17.3 The table below depicts the HDCs Total Portfolio Balances as at November 30, 2013.

TABLE 3

HDC's TOTAL PORTFOLIO BALANCES AS AT NOVEMBER 30, 2013.

TOTAL PORTFOLIO BALANCES (Direct Loans + Project Loans)				
Loan Type	**No. of Live Loans**	**Principal**	**Interest**	**Total P+I Balances**
Total Direct Loans	2605	$ 51079,679.56	$ 28086,739.68	$ 79166,419.24
Total Project Loans	3789	$ 133572,275	$ 21752,183	$ 155324,458
TOTAL MORTGAGE PORTFOLIO	**6394**	**$ 184651,954**	**$ 49838,923**	**$ 234490,877**

3.17.4 The HDC has not been issuing new mortgages but is managing existing and older mortgages to compute the correct outstanding balance, which it estimates may take up to a year to calculate/verify.

3.17.5 The principal lending institution to which the beneficiaries of HDC housing units are referred to in order to obtain financing to purchase their units is the Trinidad and Tobago Mortgage Finance Company Limited (TTMF). The TTMF was incorporated in 1965 *" with the objective of providing mortgage finance to the purchase of housing (including land) such mortgages to qualify as guaranteed under the Housing Act 1962."*

PROCESS OF COLLECTING REVENUE DUE TO HDC

3.18.1 To manage the collection of revenue, the Corporation utilises two (2) main revenue collection software known as FISERV[8] and YARDI. All new beneficiaries of houses are captured on the YARDI system. Currently, a Salary Deduction Order of all new beneficiaries is required to prevent delinquency however; many customers make monthly instalments directly at the Corporation.

OUTSTANDING MORTGAGE PAYMENTS

3.19.1 The Committee noted that despite the various mechanisms to monitor and promote the collection of revenue, as at June 2013, the arrears owed to the Corporation was estimated at $224 Million. Table 4 provides a breakdown of this figure.

TABLE 4

HDC ARREARS

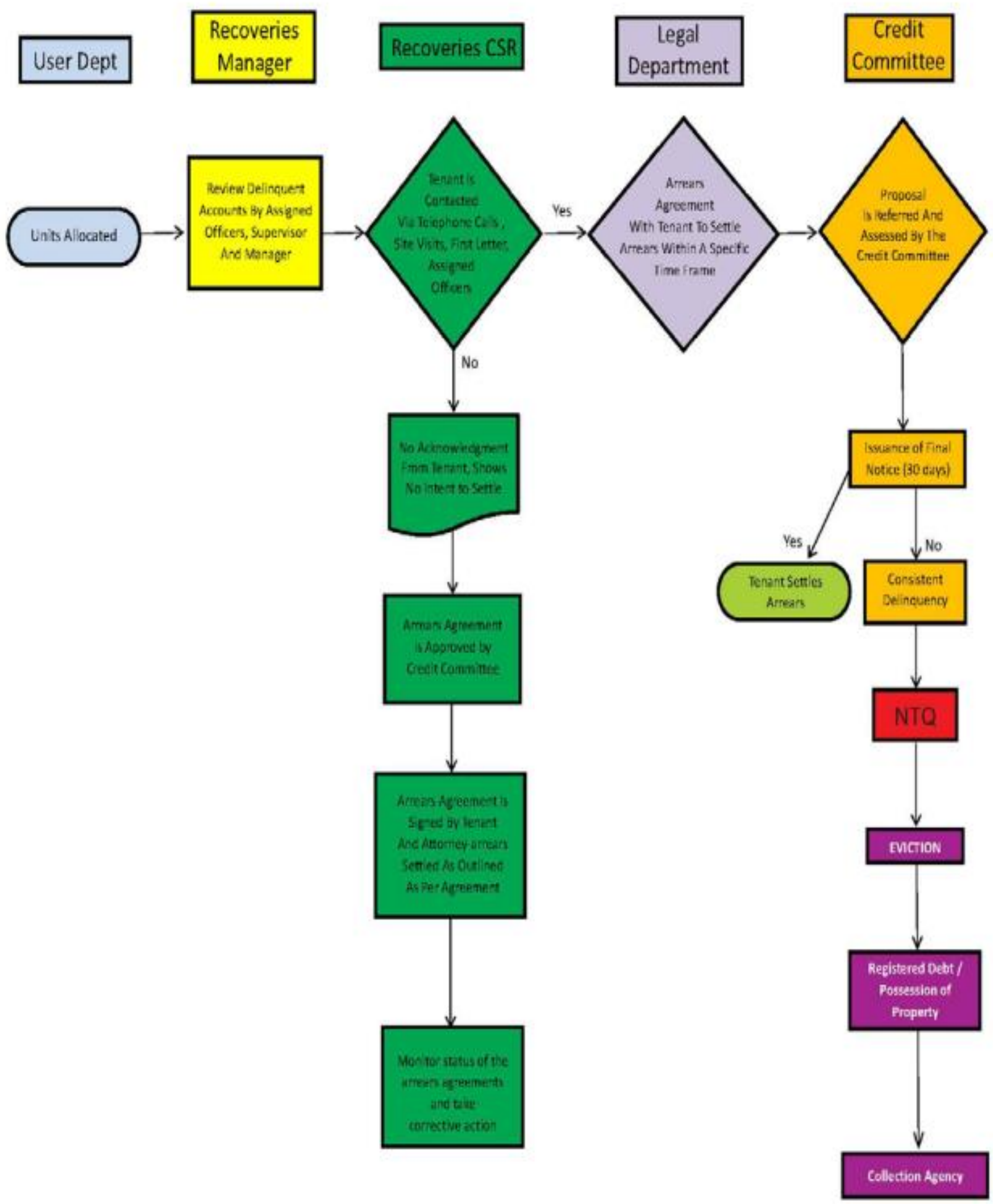
TYPE OF REVENUE	$
Rental and license to occupy properties	83,545,585.37
Mortgages	141,038,764.

[8] FISERV and YARDI are two main revenue collection software utilized at the HDC.

3.19.2 As a result a separate recovery unit was established. The Customer Account Management (Recoveries) department was established to rehabilitate delinquent customers, increase collection of receivables and reduce delinquency. The Corporation also engages in interdepartmental linkages with regards to recoveries. The diagram below depicts the recoveries process flow.

DIAGRAM 6

RECOVERIES PROCESS FLOW



3.19.3 In light of the amount owed to the Corporation by clients, the Committee was assured that the HDC is committed to minimizing increases in arrears owed. As such, the following action is taken:-

1. a notice to pay is issued
2. a notice of eviction granting 30 days is issued
3. a final notice of a notice to quit is issued.

ILLEGAL OCCUPANTS

3.20.1 Illegal occupants are evicted and houses are repossessed via the legal process.

PROCEDURE FOR DEALING WITH COMPLAINTS BY HOMEOWNERS REGARDING INFERIOR WORK DONE ON HDC HOUSES

3.21.1 The HDC has developed a Settlements and Community Relations Department, which functions as an onsite Customer Service liaison and assists in mitigation and resolution of customer complaints through a Pre-Walkthrough and Walkthrough process.

Pre-Walkthrough

3.22.1 The staff of the Settlements and Community Relations Department are responsible for conducting pre-walkthroughs of allocated units to inspect the units and identify any defects, which are then reported, via the Department's Manager, to the Construction Management and Operations Division or the Estate Management Division depending on whether the property falls within the Contractors Defect Liability Period. The defects are then to be remedied before allocation of the unit. Additional walkthroughs may take place to ensure that all identified defects have been fixed.

Customer Walkthrough

3.23.1 A walkthrough of the property is then scheduled with the prospective homeowner at least 48 hours in advance. The homeowner is then met by staff of the Settlements and Community Relations Department and is given a guided tour of the house. During this period, the homeowner can identify any issues they may have with the unit. The homeowner is then required to sign a Property Viewing and Acceptance form to confirm that they accept the unit.

Defects liability Period

3.24.1 All HDC housing units have a defects liability period, during which the homeowner is asked to document and submit all defects to the HDC. Issues submitted during this period are handled either by the Construction Management and Operations Division, or the Estate Management Division, depending on whether or not the property falls within the Contractors Defect Liability period. Homeowners are provided with an initiation package that contains a copy of the Defects Form as well as informed about the duration of the liability period.

Submission of Defect Forms

3.25.1 Defect Forms are submitted to the HDC's Customer Care and Hospitality Department, which is the Department, charged with ensuring that all customer issues are addressed within a timely fashion. The process for handling complaints from homeowners within with regards to defects is as follows:

- complaints are recorded by customers using the "Defects Form" which is placed in each homeowner's initiation package, and in the event a customer did not receive a form, one can be obtained at the HDC's Offices;
- the Defect Form is submitted to Head office and received by the Customer Service

Representative at the information desk;

- Forms are acknowledged with the received stamped, documented and directed to the Estate Management Department for action and feedback where:
- a spreadsheet is generated with names, address, contact information and feedback remarks;
- Two copies of the document are made-

1. The Original Defects forms are sent to the Allocations department to be placed in each customer's file;
2. One copy is sent to Estate Management Department for repairs;
3. One copy is retained by the Customer Care Department for follow up and customer feedback.

- Customers are contacted by telephone (or in the event there is no telephone contact, the Area Office in the vicinity is contacted to visit customer), from the Customer Care department to acknowledge receipt of forms and to clarify any misunderstandings on the respective forms such as address or any incomplete contact information.
- Acknowledgement is received from Estate Management Department as to the investigation and commencement of repairs;
- Communication is made with customers from Customer Care and Hospitality department to verify that the required repairs have been undertaken;
- Upon completion of repairs and acknowledgement of satisfaction by the customers, the work order and specific details of job done are placed in customer's file for reference and close out.

3.25.2 The Estate Management Division receives complaints, which are then are acknowledged and a determination is made as to whether the property falls within the defects liability period or not. If it does fall within the defects liability period the work will then be sent to the Construction Management and Operations Division who will then liaise directly with the contractor on site to have the works completed.

REMEDIAL WORKS

3.26.1 The Committee noted from the Corporation's pre-hearing submission that it embarked on an extensive programme of rehabilitation works throughout a number of its older Housing Estates in order to improve the infrastructure and buildings at a variety of rental estates. The Corporation plans to hire contractors who reside in areas where buildings require remedial and are willing and able to undertake the necessary work. Such remedial works consisted of the following:

- replacement of windows;
- painting;
- roof repairs and or replacement;
- ceiling works;
- pigeon proofing;

- electrical upgrade; and
- plumbing upgrade.

3.26.2 The Committee also noted that a number of housing units obtained by the HDC in 2006 were in need of remedial works in 2010 because they were damaged or had signs of deterioration as a result of the following:

- vandalism;
- lack of maintenance;
- exposure to elements;
- poor workmanship identified outside the defects liability period, and/or;
- an incomplete lack of infrastructure works e.g. Drainage and retaining walls.

3.26.3 The Total Cost of Remedial Works for the period January to December 2010 was $8,118,351.69 (VAT exclusive). Details of the breakdown of the Total Cost of Remedial Works for 2010 are appended at ***Appendix VIII.***

3.26.4 Additionally, an aggregate of $4,491,800.00 was expended on the removal of waste water from several housing developments in 2010 as these houses the lack of construction of. As such, contractors engaged in removing wastewater waste from those housing developments since proper wastewater facilities were not installed during the construction phase.

LATENT DEFECTS

3.27.1 Defects that occur outside of the HDC's defects liability period are investigated to determine whether or not they are latent defects which is described as one which although detected or detectable during the Defects Liability under the Contract, is caused by the Contractor's failure to perform the works in a manner required of it under the Contract.

3.27.2 Subsequent to the assessment, if the defect is in fact considered a latent defect, the HDC's Legal Department will notify the relevant Contractor in writing informing him of the breach in contract and requesting that the necessary steps to remedy the defects be undertaken, and by failing to do so, would result in legal action against him to recover the expenses.

PROPER MAINTENANCE OF HDC HOUSING STOCK

3.28.1 The Estate Management Division of the HDC is responsible for managing public housing units in Trinidad and Tobago. This is done through various Area Offices located in the regions of Maloney Morvant, Port of Spain East, Port of Spain West, Port of Spain Central and San Fernando. The goals of the Estate Management Division are:

- to maintain the property in superb condition;
- to keep expenses within the operating budget;
- to provide excellent service to all residents;
- to comply with all applicable laws and regulations;
- to explore opportunities for revenue growth or expense reduction, and
- to assess and address capital needs proactively.

3.28.2 The Divisional Manager heads the Division and is responsible for all Area Offices including Contract Oversight, Quality Control, Management of Staff, Budgetary Control and General Oversight.

3.28.3 Each area/region is managed by a Facilities Manager supported by a Facilities Supervisor and skilled maintenance staff such as plumbers, electricians, carpenters, masons, trade's man assistant, laborers and sanitation workers. Facilities Managers report directly to the Divisional Manager, and are responsible for organizing operations in their assigned areas including:-

- manage the housing estates in an assigned area including the supervision of all staff;
- identifies current and future maintenance programs;
- assist in the development of a preventative maintenance program;
- Implements preventative maintenance program;
- Manages the procurement, security, and issue of materials, tools, spares and equipment; and

- Ensure adherence to contractual arrangements with clients and suppliers.

3.28.4 Maintenance Work performed by the Estate Management Division entail Preventative Maintenance, Emergency/Urgent Maintenance, Vacancy Preparation and Routine Maintenance.

BUILDING CODES AND STANDARDS

3.29.1 In constructing buildings, the HDC adheres to both local and international building codes and standards. For a simple one or two-storey houses, HDC uses the TTS 599: Guidelines for the Design and Construction of Small Buildings.

3.29.2 This guideline is currently under review by Cabinet and a Committee was appointed by Cabinet on November 24, 2011 (Cabinet Minute No. 3112 refers) to develop a Small Building Code considering that 75% of houses located in Trinidad are small buildings.

3.29.3 Most Regional Corporations reviewing applications for building permits also use the current Guideline document and will benefit from using an official National Small Building Code.

3.29.4 In addition, the HDC uses technical specifications based on the Master-Specifications developed by the Construction Specification Institute (CSI) of the US.

3.29.5 On the other hand, for larger and more complex building types, such as multi-storey apartment buildings or other commercial structures, the HDC either uses or requires its consultants to apply Codes and Standards in developing designs and plans. These Codes and Standards are listed at ***Appendix IX.***

3.29.6 In addition, generally designs are required to be prepared in accordance and in compliance with the guidelines, regulations and statutory and legal requirements of all Governmental Statutory and Regulatory Agencies, which include:

a) Town & Country Planning Division (TCPD)
b) Water and Sewerage Authority (WASA)
g) Regional Corporations
h) Trinidad and Tobago Fire Services

c) Trinidad and Tobago Electricity Commission (T&TEC)
d) Port of Spain City Corporation
e) Local Health Authorities
f) Ministry of Works and Infrastructure, Ministry of Transport (Drainage Division, Highways Division, Traffic Management Branch and other applicable Divisions)
i) Environmental Management Authority (EMA)
j)Telecommunications Services of Trinidad & Tobago (TSTT)
k) Cable Television Company

OCCUPATIONAL HEALTH AND SAFETY

3.30.1 The HDC submitted that it adheres to the Trinidad and Tobago Occupational Safety and Health Act 2004 (Amended 2006), the Environmental Management Act 2000 and other relevant HSE standards, and demands that all its contractors adopt the same approach to safety while employed on projects.

3.30.2 Adherence to occupational safety and health does not only reside at the level of proclaimed legislations but also international standards, internal procedures and best practices. In ensuring occupational safety and health compliance, the HSE Department refers to:

- the NFPA 101, Life Safety Code;
- the US OSHA 1926- Construction Industry Standards;
- the US OSHA 1910- General Industry Standards;
- the HDC Safety Contractor Policy;
- the HDC Scaffolding Best Practice;
- the HDC PPE Policy;
- the HDC Housekeeping Guidelines; and
- the HDC Signage Policy.

3.30.3 Through its Health Safety and Environment (HSE) Department, the HDC ensures that:

a. the Corporation abides to the laws of Trinidad and Tobago;

b. the safety and health of employees and tenants; and
c. the reputation of the Corporation is maintained.

3.30.4 Furthermore, the Corporation's HSE Department extends its oversight to the following areas:-

a. Construction Sites and Projects;
b. HDC Communities; and
c. HDC Area Offices and other Facilities.

3.30.5 To ensure compliance with occupational health and safety standards by contractors, the HSE Department of the HDC engages in the following activities:

- **Site visits**- to assess the acts performed by employees likewise the working/living conditions, both announced and unannounced site visits are conducted by walkthroughs to construction sites and or housing estates on a weekly basis wherein all hazards are identified, assessed, and categorized for remedy.

- **Safety Orientations and Briefings**- ensure that contractors are briefed on the Corporation's health, safety and environment requirements. Employees on construction sites are frequently briefed and oriented on a periodic basis as site walkthroughs are conducted and are occasionally informed of the importance of performing safe acts and ensuring safe working conditions. Additionally, safety briefings are conducted with the tenanted communities through the Corporation's Community Chat Forums. Tenants are often exposed to the basic safety requirements and restrictions. Examples include:-

    - ☑ The purpose of the fire detection and suppression system;
    - ☑ Basic use of fire extinguisher and or safe evacuation;
    - ☑ Elevator safety use;
    - ☑ Keeping fire escapes and other egress points unimpeded;
    - ☑ Dangers of illegal activities such as bridging electricity;
    - ☑ Role and responsibility of the tenants (e.g. supervision of children).

- **Training and Awareness-** ensures that HDC's staff is trained to promote the safety culture of the organization. For example, training has included Accident Reporting, First Aid Response, and Emergency Response.

- **Documentation Review -** contractors' documents are occasionally inspected as a risk reduction mechanism on construction sites. As such, operators of heavy equipment such as backhoes and cranes are expected to have in their possession license for the class of equipment operated. Additionally, Certificates of Insurance are usually requested to ensure that vehicles are insured and First Aid kits, equipment certificate and evacuation procedures are reviewed towards reducing occupational risks.

- **Enforcement**- contractors are advised of possible recommendations and actions to reduce the risk of injury and or loss of property. Additionally, follow-up actions via site walkthroughs are conducted to determine if recommendations were implemented and contractors who fail to comply with the Corporation's rules, and or the relevant legislation, are issued warning letters by the Legal Department. Additionally, all identified safety requirements by contractors are identified and expectations stated as early as possible.

3.30.6 Emanating from the hearing was the fact that according to international standards, high rise buildings of a defined height must be outfitted with an elevator. These buildings are also subjected to fire inspections and other necessary inspections. From the submission it was noted that the HDC is required to engage in property inspections on an annual basis. In addition to <u>annual inspections</u>, <u>move-out inspections</u>, <u>move-in inspections</u> and <u>system Preventative Maintenance inspections</u>, there are several other types of inspections such as:-

- <u>Weekly inspections</u>- site maintenance employees are required to do a quick inspection of a sampling of unit interior and all common areas (grounds, systems etc.) and problems should be corrected immediately; and

- Common area inspections – all common areas (meeting rooms, offices, hallways, program spaces, laundry areas, stairwell, hallways etc.) are required to be thoroughly inspected once per year.

VALUE FOR MONEY IN PROCUREMENT

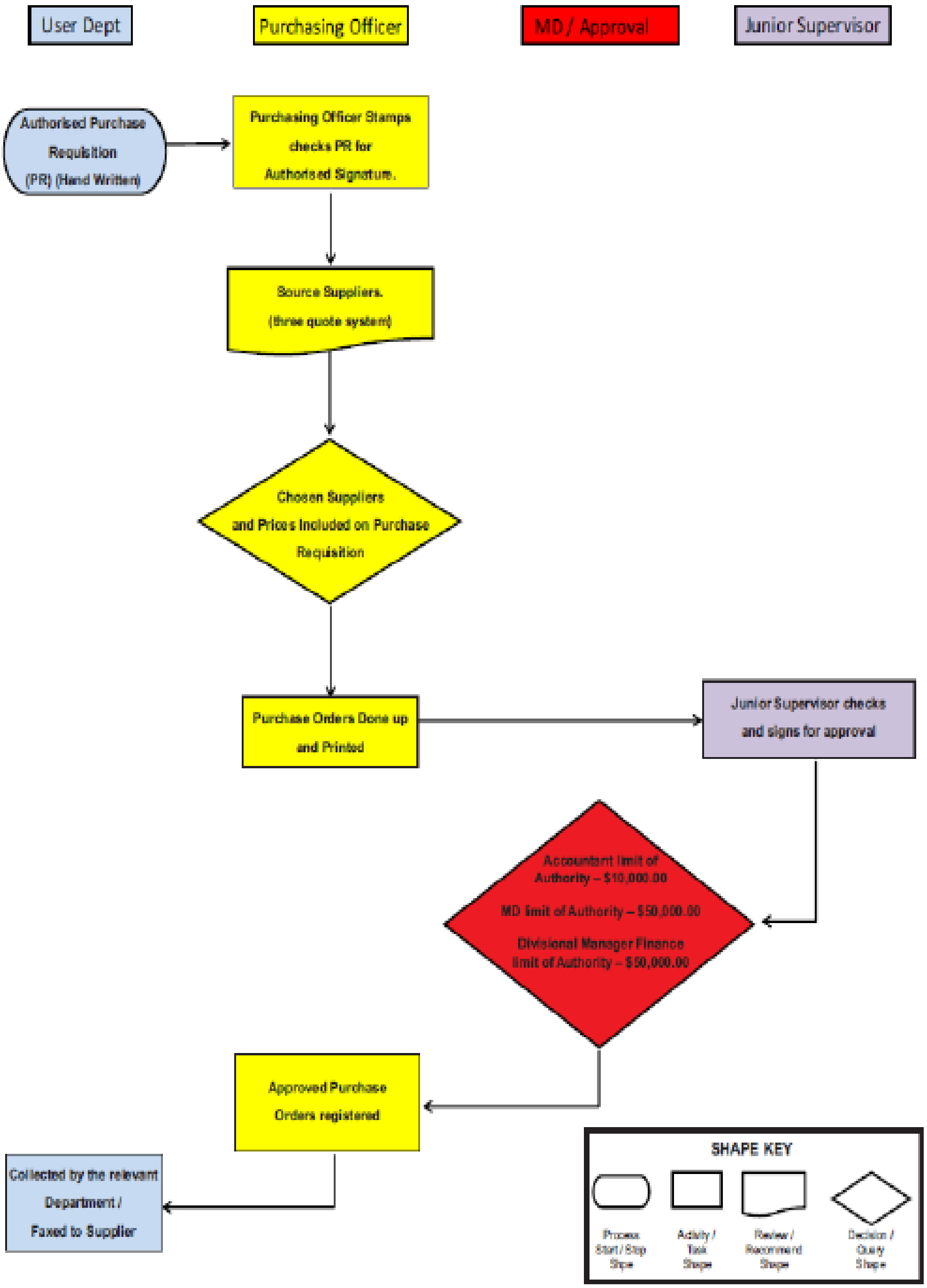
3.31.1 The HDC is guided by its procurement rules and corporate governance guidelines in procuring goods and services. Procurement employed by the HDC is generally twofold; procurement of goods and contractor services.

3.31.2 With respect to the procurement of goods, the HDC invites a minimum of three (3) quotations. Additionally, a specifications manual containing an inventory of frequently used supplies (eg. doors, paint, sanitary ware, hinges) along with a corresponding minimum specifications for each item was developed by the HDC to alert suppliers to the standards expected from the Corporation such that, any goods ordered that fall below the set specifications indicates that the supplier is in breach of their contract with the HDC and is called upon to rectify this breach by either replacing the inferior goods or issuing a refund of the purchase price to the Corporation. Suppliers who continually provide goods of inferior quality are taken off the Corporations list of suppliers.

3.31.3 The process employed by the HDC in the procurement of goods is illustrated in the Figure below:

Diagram 7

HDC's Procurement of goods process



3.31.4 With regards to the procurement of contractor services for the housing programme, on an annual basis a public notice is advertised in the daily newspapers inviting small, medium and large contractors to pre-qualify for the housing programme for the advertised period. The purpose of the prequalification process is to ensure that suitably experienced and qualified Contractors who are invited to tender for HDC's housing projects deliver the following:

- Best value for money;
- Technical competence;
- Sound work ethic;
- Delivery as per work schedule;
- Comprehensive reporting; and
- Flexibility and responsiveness to change.

3.31.5 Incomplete applications are penalised or rejected.

3.31.6 Site Visits are conducted to verify the information provided by applicants in the Prequalification Applications such as physical, financial and human resource capacity. Given this information, a filtered list of qualified contractors in the respective categories is established subject to approval of the Board of Directors of the HDC. Scores can be adjusted by the HDC based on the findings during the site visits. Successful applications are compiled and as work arises the HDC uses the prequalification list to invite applicants to tender for its various projects.

3.31.7 Through effective contract administration and monitoring of works, the HDC receives quality housing within budget for its beneficiaries.

3.31.8 Successful Tenders are required to enter into a formal contract for the execution of works. As such, the FIDIC suite of contracts, a standard form of contract which is commonly employed by the HDC and internationally, is utilized as mandated by Cabinet Minute No. 2952 of October 23, 2008, which provides that the FIDIC forms of contract or the Joint Contracts Tribunal (JCT) form of contract be employed in the implementation of public sector construction projects.

3.31.9 In addition, in order to guarantee value for money the HDC enforces the provisions in Contracts. As such, contractors who have been awarded contracts are expected to comply with contractual obligations as well as submit monthly progress reports. Any breaches by the contract are forwarded by The Corporation Project Manager to the Attorneys in the Contracts Department who then issue warning letters to delinquent contractors.

3.31.10 Furthermore, subsequent to the award of a Contract the Construction Management and Operation (CMO) Division establishes a Project Team comprising the Senior Project Manager, Project Manager, Project Assistants and Clerks of Work who oversee the construction works. The Project Team is guided by the contract documentation and ensures that the works are carried out in accordance with terms of contracts, employer's specifications, drawings, statutory approvals, health and safety regulations etc.

3.31.11 As well, the Project Management and Oversight (PMO) Division performs a critical oversight and quality management role in the project lifecycle inclusive of ensuring all necessary control and monitoring systems have been implemented by the contractor during the Construction Phase including:

- Quality Management Plan;
- Schedule Management system;
- Quality Control system; and
- Document Management system.

3.31.12 The PMO Division also provides oversight to ensure that Contractors deliver at the Completion and Handover stage the requirements as detailed in the contract. Oversight activities consist of ensuring that:

- the CMO Division has completed final inspections, issued snag list and where appropriate issued a Certificate of Practical Completion;
- a reconciliation of final accounts was conducted;
- the reported defects by the Contractor during the Defects Liability Period were rectified; and

- the final project documents of acceptable quality and standards are handed over.

TREATING WITH DELINQUENT CONTRACTORS

3.32.1 As a precaution, prior to assuming works on site Contractors are required to produce the following documents:

1. *Advance Payment Bond*- (maximum of 10% of the Contact Sum) this secures the repayment of monies advanced to the Contractor by the HDC;
2. *Performance Bond* (10% of Contract Sum) this secures the performance of the Contractor in the execution of the works; and
3. *Contractor's All Risk, Workmen's Compensation and Professional Indemnity Insurances*.

3.32.2 Failure to submit these documents within the stipulated time period as stated in the *Letter of Acceptance*, will result in no access to the site being granted to the Contractor and a letter advising of the breach and warning of the consequences of non-submission.

3.32.3 Contractors who are in breach of any of its obligations under the contract during the performance of the works are formally notified of such breaches and required to rectify them immediately. Such breaches may entail:

3.32.4 Where defects are identified on works executed by a Contractor during the Defects Liability Period (one (1) year after the site is Taken Over by the HDC), the Contractor is required to make good those defects within a reasonable period. Failure to do so will result in the HDC correcting the defects and recovering the cost to rectify the defects from the retention held by the HDC as per the contracts. Where defects are discovered subsequent to the expiry of the Defects Liability Period, the HDC promptly notifies the Contractor of the defect, and grants the contractor the opportunity to correct the defect. Failure by the Contractor to repair the defect, the HDC will indicate its intention to assume legal action for breach of contract for damages arising out of the breach.

PAYMENTS TO CONTRACTORS

3.32.1 The Committee was informed that HDC's contract with contractors guides the terms and conditions of **payments to Large Contractors**. Accordingly, the Committee noted that the HDC's Project Management Team is required to be cognisant of the contracts conditions outlined in the *Prime Contract and Employer Requirements*. In addition, the Project Manager will employ the fundamental principles of the condition of contracts as it pertains to the disbursement of payments for works undertaken.

3.32.2 In order to ensure the expeditious payment of money owed to contractors a payment tracking system is employed to track the payments made to contractors from the date of the submission of the application for payment to the actual payment.

3.32.3 The payment process includes:-

- ☑ The stamping of the relevant date on each application received from a contractor for payment which is subsequently entered into the HDC online tracking system where an ID number is given to each application and the submission date is secured.

- ☑ The forwarding of the application within three (3) days to the office of the Chief Construction Engineer/Divisional Manager of the CMOD thenceforth, within three (3) days the forwarding of the payment application to the Senior Project Manager and Quantity Surveyor for review and approval inclusive of determining the recommended value of work rendered for which the contractor is entitled to be paid as per the contract.

- ☑ The review by the Senior Project Manager and Quantity Surveyor, within fifteen (15) days of receipt of the contractor's application to determine whether there are errors in the application for payments. Where an error is detected, the application is referred to the External Consultant or Internal Project Manager for further review and or verification where the amount requested for work completed cannot be substantiated, the Contractor will be notified in writing by the MD's office, highlighting the issues pending the non-payment and as a consequence the payment process is restarted.

- ☑ Where no error is detected a certificate of payment being issued to the Contractor and sent to the Chief Construction Engineer for vetting along with all supporting documentation which is then forwarded to the MD's office within three (3) days, and thereafter the Contractor is requested to submit a tax invoice for the certified amount within two (2) days.

- ☑ The preparation of a payment voucher by the accounts department within twelve (12) days of receipt of the contractor's tax invoice and payment certificate and the confirmation and approval of payment is done in liaison with the MD's office thereafter, a cheque not exceeding the Accountant's limit is made payable to the contractor is issued to him however cheques in amounts exceeding the Accountants limit are issued within seven (7) days to the Contractor.

3.32.4 The HDC online tracking system is updated during the payment process to reflect the date each officer completes their review of a claim, so that they are held in account for the time spent on the applications. The Committee was also informed that the final date entered reflects the date the application is returned to the MD's Office for the invoice to be requested and the completed claim to be forwarded to the Accounts/Finance Department. The Committee also noted that both the MD's Office and the CMO have access to the online tracking system.

3.32.5 With regards to **petty contractors**, the HDC peruses a list of monthly paid contractors to determine those from whom invoices are required for payment. The list is updated spontaneously as new contractors are hired on a monthly basis to perform works. The contractors on the list are required to submit their invoices to the HDC by the 2nd day of the month subsequent to the month in which works were performed. Invoices are certified and a claim form is prepared, signed and forwarded to the MD's office for processing.

3.32.6 The Committee noted that the Business Analyst is tasked with preparing a schedule detailing deadlines for:

a. submitting of claim forms to the MD's Office;

b. submitting all claims to Finance for processing;

c. returning claims to MD's Office for approval; and

d. returning approved payments to Finance for preparation of cheque.

3.32.7 The Committee was made aware that a spreadsheet outlining the date each claim leaves the MD's office, returns from the Finance Department for approval and the date each claim is granted approval for payment is tracked during the month. As well an interim report is prepared on the 20th day of each month to track the progress of the current claims and to determine the pending work to be completed to make the payments on time. Also, a final report is prepared subsequent to the date payments should be completed to establish whether there are outstanding claims to be settled.

3.32.8 With regards to **on time work**, claims from this classification of workers are included in the monthly cycle following the month the claims were submitted provided that the contract and/or letter of award were established.

AUDIT OF HDC ACCOUNTS

3.33.1 The HDC has completed audits for the years 2004-2007, however at the time of the hearing these account have not been released the external auditors. The Committee was concerned that the audits were only completed one month prior to the hearing. The Committee was informed that the backlog of incomplete audits was inherited from the previous administrators as such; the Corporation, with the permission of the Auditor General, sought the assistance of external auditors in order to update the accounts. It was noted that the current Board was not installed during the period 2004-2007. The Committee was also informed that because these financial statements were not up-to-date, this has prevented the HDC from going into the open market to seek funds to continue housing projects.

EMERGENCY ALLOCATIONS

3.34.1 The Social and Community Services Department is responsible for assessing applicants for Emergency Housing. The assessment constitutes the following an interview and a home visit.

3.34.2 The Committee noted that the Department is in the process of developing a "Means Test Policy" to be used as the framework to determine emergency cases. Meanwhile, a mini means test is used which groups applicants into the following priorities:

- Priority 1- includes persons who are victims of fire, domestic violence, flooding/landslide, homeless/relocation and disabled; and

- Priority 2- includes persons that are faced with all other social issues For example, single parents with low income, senior citizens with low income, persons living in dilapidated/inhumane conditions, persons served with notice to quit, persons in conflict with land/property, overcrowding, refusal to pay large private rent, crime etc.

3.34.3 As well, the applicant's socio-economic status, family size, living conditions and social support systems are also greatly considered for Emergency Housing to be granted.

VESTING TITLES TO BENEFICIARIES OF HDC HOUSING

3.35.1 The process of vesting titles to beneficiaries of HDC is detailed in ***Appendix X.***

POLICY REGARDING CARONI (1975) LTD.

3.36.1 Given the supplemental written submission received from the HDC, the Committee was made aware that both the Ministry of Housing and Urban Development and the HDC are unaware and do not possess a Cabinet Note or Cabinet Decision relating to the use of State Lands in preference to private lands along the Caroni plains.

RELATIONSHIP WITH THE HDC AND THE HOME MORTGAGE BANK

3.37.1 The HDC does not have a relationship with the Home Mortgage Bank but instead with the Trinidad and Tobago Mortgage Finance Company Limited (TTMF).

MECHANISMS TO TREAT WITH APPLICANTS WHO MAY NOT QUALIFY USING THE TRADITIONAL ASSESSMENT

3.38.1 There are two mechanisms available to persons who are unable to qualify for mortgage financing under the traditional assessment. These options are as follows:

- rent to own program; and
- rental accommodation.

3.38.2 The rent to own program caters for persons who are unable to qualify for mortgage financing and rests on the premise that once a person's qualifications is within one hundred thousand dollars (100,000)of the cost of the allocated unit, and the person is less than thirty-five (35) years of age, then this person would be eligible for the program. The client would then have to pay a rent to own fee for five (5) years, of which two thirds is allocated to the deposit towards the cost of the unit at the end of the program and a third is retained by the HDC for administrative costs.

3.38.3 This program then allows the difference to be paid within a five (5) year period, after which the client would be reassessed. Persons who are unable to qualify at the end of the five (5) year period, can have their rent to own agreement extended for a further three (3) years, and if at the end of this extension, persons still are unable to qualify, their rent to own agreement will be converted into a rental agreement and payments would be made to that effect. If however, a person does indeed qualify at the end of the rent to own period, the agreement will be converted to a Licence to Occupy arrangement, after which a sale arrangement would be issued stating the new balance owed to the Corporation.

3.38.4 The Rental program in place at the New Way Home Developments operates quite differently to traditional rental estates as clients have the option to convert their rental agreement into a mortgage arrangement once their financial situation improves. Client recommended for housing would go through the normal process involving interview and allocation, and depending on financial status, would be separated accordingly. Those who are unable to qualify for a mortgage arrangement would be filtered into the rental program.

4. FINDINGS AND RECOMMENDATIONS

4.1 The Committee considered the oral and written evidence submitted by the Corporation against the established objectives of the inquiry and submits the following observations/findings along with associated recommendations.

A. Construction and Maintenance

OBJECTIVE 1
Land Acquisition

4.2 The Committee was quite concerned to learn that there was no land available for housing, as the majority of land suitable for housing had already been allocated for other purposes. However, there was evidence that suggests that the Corporation has adopted a robust campaign to source suitable land.

4.3 The Committee observed the HDC's strategies and proposals for meeting the housing demand and determined that the combined strategies of private treaty acquisition, acquisition of State Lands, joint venture partnerships, and the construction of more multi-family units were necessary, given the acute shortage of suitable land.

RECOMMENDATIONS

I. **We recommend that 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. **We recommend that 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.**

OBJECTIVE 2

Value for money in procurement

4.4 The documented evidence outlining the Corporation's procurement processes and procedures suggested that a least on paper, the Corporation had properly streamlined procurement regime. The committee thought that the checks and balances employed in the pre-qualification process may assist with avoiding delays in the supply of goods and services and has the potential of functioning as a quality assurance mechanism.

4.5 The Committee was also pleased to learn that the Corporation has clear procedures in place to deal with instances of breach of contract. However, despite the HDC's comprehensive procurement processes and procedures, and the involvement of its Project Management and Oversight Division (PMOD), the Committee has noted a disconnect between the value for money that the Corporation aspires to obtain and the actual value for money received from contractors, as there have been numerous instances of incomplete and defective HDC houses.

RECOMMENDATION

I. **We recommend that 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.**

II. **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.**

OBJECTIVES 3 and 4

Structures/arrangements in place to ensure the timely payment of contractors and service providers and mechanisms to treat with delinquent contractors

4.6 The Committee thought that the process followed for remunerating contractors was well structured. The use of a seemingly effective payment tracking system that traces the payments made to contractors from the date of the submission of the application for payment to the actual payment was commendable.

4.7 Additionally, the Committee has noted the Corporation's use of ICTs to monitor and track payments and considered the online tracking system to be quite commendable as it records the date each officer involved in the payment process completes his/her tasks, thus ensuring that these persons can be held accountable for delays in the processing of payments. We believe that other state enterprises/agencies should be made aware of the HDC's payment system with a view to considering its application to their accounting procedures.

4.8 The use of a *Performance Bond* value at 10% of the Contract Sum is a standard approach in the construction Industry. The Committee noted that the Corporation provides contractors with the opportunity to fix their work defects before pursuing more stringent measures. However, the length of the grace period granted to contractors to remedy errors after the established Defect Liability period had expired, was not clearly stated in the evidence submitted. This perhaps may have been due to the fact that defects may vary in quantity and complexity.

RECOMMENDATION

We recommend that 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.

OBJECTIVE 5

Collection of revenue due to the HDC

4.9 In this regard, the Committee was pleased that the Corporation had integrated the use of current ICTs to assist with the collection of revenue. Also noteworthy was the fact that the Corporation instituted the use of a Salary Deduction Order targeted at new beneficiaries of housing units as a method of preventing delinquency in the payments of installments.

OBJECTIVES 6 and 7

Building Codes and Standards applied to the construction of HDC houses and Occupational Health and Safety Standards

4.10 Trinidad and Tobago, like many of the other Caribbean islands, are susceptible to earthquakes and other natural disasters. In light of this fact, the Committee was quite interested in determining what the HDC's policy was in this regard. Evidence received suggests that the HDC adheres to both local and international building codes and standards.

4.11 The Committee was pleased to learn that the HDC requires its consultants to adhere to a list of approved building codes and standards in developing designs and plans, which all need to be in accordance and in compliance with the guidelines, regulations, statutory and legal requirements. The Committee also learned that since 2011, a 'Small Building' Code is currently being developed through a Cabinet appointed committee. However, the committee did not receive a status update of the work of this committee appointed by Cabinet.

4.12 The Corporation provided sufficient details on the components of its OSH policies and procedures and gave the Committee the assurance that the Corporation has a high level of compliance. The Committee also noted that the Corporation ensures compliance to HSE standards by contractors through participation in site visits, documentation review, training and awareness, and enforcement.

4.13 However, the Committee being mindful of an instant where multiple causalities resulted from a fire accidence in a HDC building, was not convinced by the evidence received that the Corporation had undertaken the necessary retro fitting of all HDC buildings, particularly as it concerns the installation of fire escapes and other life preservation mechanisms.

RECOMMENDATIONS

I. **We recommend that 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.**

II. **We also recommend that the HDC provide its HSE department with continuous exposure to HSE training in order to keep abreast of recent developments and best practices.**

<u>OBJECTIVES 8 and 9</u>

Processes in place to ensure proper maintenance of the HDC housing stock and to attend to complaints by homeowners regarding inferior work.

4.14 This was another area that the Committee was quite keen to acquire insight into, since Members, (especially those representing constituencies) have been informed by constituents of the existence of numerous infrastructural and architectural defects associated with HDC housing units. The Committee learned that the HDC had an Estate Management Division, which is responsible for the management of housing units. It was reported that the Division was staffed with skilled maintenance personnel headed by Facilities Supervisors and a Facilities Manager,

4.15 The written submission received from the Corporation outlines a comprehensive procedure for dealing with complaints by homeowners regarding inferior work done on HDC housing units. The procedure involves a walkthrough by the prospective homeowner, the submission of a defect form (if necessary), followed by the defects liability period.

4.16 However, the Committee was concerned that there was documented evidence of a number of defect reports that have not been attended to by the Corporation. In fact, the Report of the Ombudsman for the year 2011 indicated that there were 81 complaints recorded against the then Ministry of Housing and the Environment and further, that 61 or

75.3% of the complaints recorded against the Ministry were in fact against the HDC.[9] In 2012, there were 39 complaints against the HDC, with 29 of these complaints under investigation by the Office of the Ombudsman.[10] The Committee therefore questions, the efficiency of the Corporation's maintenance systems as well as the Corporation's ability to respond expeditiously to defect claims.

RECOMMENDATIONS

I. **We recommend that 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.**

II. **Additionally, we recommend that 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.**

B. ALLOCATION

OBJECTIVES 10 and 11

Allocation of housing units and measures to reduce the allocation waiting list

4.17 The committees sort to closely scrutinize the process by which Houses are allocated since there is a public perception that less than objective criteria are sometimes applied in determining the allocation of housing units. Information received from the Corporation indicated that 60 percent of its houses are allocated based on a Modified Random Selection Process, 25 percent on the recommendation of the Minister for special emergencies, 10 percent for the Protective Services and 5 percent for senior citizens and physically challenged persons.

[9] 34th Annual Report of the Ombudsman, 2011. Page 11.

[10] 35th Annual Report of the Ombudsman, 2012. Page 5.

4.18 During the public hearing the issue of the allocation regime, which was determined by decisions of Cabinet was discussed, in particular, the 25% allocation that was vested in the Minister came under scrutiny. However, clarification on the criteria used by the Minister to determine the allocation of houses in his own discretion was not acquired.

4.19 The Committee thought that the Random Selection process has introduced a degree of fairness and transparency in the allocation process. Given the fact that the demand for houses far exceeds the supply, the use of a transparent, predictable and random method of allocation is certainly desirable.

4.20 The Committee noted the HDC's attempt to reduce the allocations waiting list through a strategy that involves the expeditious completion of all on-going projects, the resumption and completion of all suspended projects, the commencement of new projects on available sites and the acquisition of new land. However, it is axiomatic that a reduction in the number of applicants on the waiting list is dependent upon the HDC's ability to executive projects within established times and cost parameters. In this regard, the lack of suitable land to erect housing developments has also place a significant constraint on the corporation to effectively respond to the growing demand for housing.

4.21 The Committee was satisfied with the Corporation's emergency allocations process. Also noted was the Corporation's intention to introduce a 'Means Test Policy' which would become the basis for determining emergency cases.

RECOMMENDATION

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.

OBJECTIVE 13

Status of unallocated housing units under construction and those in need of repair

4.22 The Committee noted that a large number of units were near completion but could not be allocated, since they lacked certain infrastructural requirements and amenities such as waste water plants which were excluded during the project design phase. The Committee was disappointed with this situation since these delays in the allocation of houses may have been avoided if proper project design and monitoring procedures were in place.

4.23 The committee also thought it was unacceptable that 465 housing units had to be suspended due to the absence of a general contractor to manage the projects. Another alarming fact was the unintentional assignment of two contractors to a project in Chaconia Crescent which led to its suspension. This type of disorganization must be avoided in the future since the unprecedented demand for houses provides the HDC with little to no margin for organizational deficiencies and inadequacies.

RECOMMENDATIONS

I. **We recommend 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.**

OBJECTIVE 14

Vesting of titles to beneficiaries of HDC housing

4.24 The Committee found the HDC's process of vesting titles to be well laid out in clearly defined steps and was quite satisfied with the process.

OBJECTIVE 15

Relationship between the HDC and the Home Mortgage Bank

4.25 The Committee noted that the HDC does not have a relationship with the Home Mortgage Bank but with the Trinidad and Tobago Mortgage Finance Company (TTMF), which is the principal lending institution to which beneficiaries of HDC housing units are referred.

OBJECTIVE 16

Number of housing units required to meet the needs of all applicants

4.26 The evidence submitted by the Corporation confirmed that the annual increase in demand for houses was exponentially greater than the existing supply. With over 214,000 applicants on record which was projected to increase by approximately 14,000 per annum, the committee concluded that there was an urgent need for a more extensive and accelerated housing programme. However, the Committee was also mindful of the circumstances and factors which were hindering the Corporation from further accelerating the construction of houses. Evidence received also alluded to the fact that the annual housing deficit would increase to approximately 225,000 housing units in the next ten years unless there is a major intervention.

4.27 Nevertheless, the committee was somewhat encouraged to learn that the Corporation intended to construct 9,000 plus housing units by 2015. A portion of this figure is accounted for in housing development units under construction and under repair in the areas of La Fortune, Victoria Keys, Vieux Fort, Chaconia Crescent, Mora Heights, Gomez Trace, Fairfield, Cypress Gardens, and Exchange, among others.

RECOMMENDATIONS

I. **We recommend that 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."[11]

II. **We recommend that 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."[12]**

OBJECTIVE 17

Mechanisms to treat with applicants who may not qualify using traditional assessment

4.28 The Committee was quite pleased to learn that there are other options available for persons who may not qualify through the traditional assessment methods. Additionally, the Committee was somewhat unimpressed with the limited categories of mortgages offered to applicants, those being project loans and direct loans.

4.29 The Committee found the HDC's rent to own and rental arrangements to be quite suitable and necessary home ownership option available to customers. However, in light of the growing demand for housing and the fact that many applicants may not be able to qualify for mortgage financing under the traditional assessment method, the HDC along with its line Ministry must direct resources towards developing new financing and home ownership schemes to be applied to the expanding number of persons in need of a House.

[11] What is a Community Land Trust (CLT)? Pg. 2.
http://www.wessexca.co.uk/sites/default/files/Downloads/Community%20Land%20Trusts%20Info%20leaflet%20WEB.pdf

[12] Growing inclusive markets. Moladi – an affordable housing solution for the poor? Pg. 3.
http://growinginclusivemarkets.org/media/cases/SouthAfrica_Moladi_2010.pdf

RECOMMENDATION

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

- **Fixed rate mortgage where the interest rate stays the same over the stated period;**
- **Adjustable-rate or variable-rate mortgage which would offer a lower initial rate of interest than fixed rate mortgages;**
- **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;**
- **Interest only where the borrower pays only the interest on the loan, in monthly payments, for a fixed term; and**
- **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.[13]**

C. HUMAN RESOURCES

OBJECTIVES 18 and 19

Adequacy of manpower at the HDC and for its projects

4.30 The Committee was advised that the Corporation has been experiencing challenges in attracting suitably qualified and experienced personnel, but in the same breathe the Corporation claimed that notwithstanding this situation, it has been able to execute its projects successfully with its existing staff complement. This appears to be a contradiction, since the committee previously noted a number of administrative shortcomings above

[13] Common types of home mortgages.
http://www.usa.gov/topics/family/homeowners/buyingselling/mortgages/types.shtml

which in some instances can be attributed to the Corporations struggle to attract and retain the suitability qualified staff.

4.31 However, the Competency Development programme employed by the Corporation that was launched in June 2012 with One Hundred and Eighty (180) employees participating in a one (1) month orientation programme at the Metal Industries Company Limited, must be expanded and more specifically tailored to attend to skills gaps.

4.32 Additionally, the Committee was impressed with the HDC's foresight in establishing a Training and Development Unit for the Corporation, and was pleased to see that there are clear and comprehensive processes and procedures geared towards the development and enhancement of staff competencies in the Corporation.

4.33 It was also disclosed that contract employment is utilized at the Corporation; however, its use is authorized by the Managing Director based on the needs of the Corporation.

RECOMMENDATION

The Committee recommends that 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.

OBJECTIVE 20

Procedures for dealing with corrupt/delinquent employees at the HDC

4.34 With respect to the execution of projects by contractors, the Corporation has instituted procedures to engender adherence to project specifications. However, the arrangements in place to monitor the performance of contractors appeared to be incapable of preventing the high occurrence of defects in workmanship. As was stated previously, the Corporation must implement strategies to encourage contractors to rectify defect claims more expeditiously.

RECOMMENDATION

We recommend that 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.

OTHER FINDINGS AND RECOMMENDATIONS

Outstanding Mortgage Payments

4.35 The amount of arrears owed to the Corporation by mortgage customers was something the committee thought the HDC needed to address more vehemently. Besides the automatic salary reductions, it is incumbent on the Corporation to pursue other means of recovering outstanding payments owed by clients. The Committee was encouraged to learn that the Corporation had a Recoveries Department to spear head the required recovery strategies.

Illegal Occupants

4.36 With regards to persons occupying housing units without authorization, the Corporation advised that such situations are addressed through an eviction process and in some instances home repossession through legal action.

Remedial Works

4.37 The Committee thought that the HDC's extensive rehabilitation programme to upgrade a number of its older housing estates was a laudable undertaking that must be sustained, since the construction of new units is grossly inadequate to meet the increasing demand for Housing. Therefore, the proper maintenance of the existing housing stock must be a priority for the Corporation at this time.

4.38 The employment of suitably qualified contractors from within the communities where restorations and rehabilitation work are being executed is a commendable approach adopted by the Corporation, since this may generate job opportunities in the relevant communities. The Committee duly noted that during the year 2010, approximately $8 Million was spent on remedial works.

Outstanding Audited Financial Statements

4.39 The Committee thought that the failure of the Corporation to produce audited financial statements for the years 2004-2007 was unacceptable and a definite red flag given the Corporation's cash flow.

4.40 Even more troubling was the revelation that the lack of up-to-date financial statements has thwarted the Corporation's ability to seek funding in the open market.

RECOMMENDATION

We recommend that 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.

The Committee respectfully submits the foregoing for the consideration of the Parliament.

Sgd
Mr. Elton Prescott, SC.
Chairman

Sgd
Dr. Dhanayshar Mahabir
Vice-Chairman

Sgd
Mrs. Carolyn Seepersad - Bachan, MP
Member

Sgd
Mr. Emmanuel George
Member

Sgd
Mr. Ganga Singh
Member

Sgd
Dr. Delmon Baker, MP
Member

Sgd
Mr. Jairam Seemungal, MP
Member

Sgd
Ms. Stacy Roopnarine, MP
Member

Sgd
Mr. Gerald Hadeed
Member

Sgd
Dr. Amery Browne, MP
Member

Sgd
Mrs. Patricia Mc Intosh, MP
Member

Sgd
Mr. Faris Al-Rawi
Member

Dated: June 06, 2014

APPENDIX I

LIST OF MINISTRIES AND ASSOCIATED ENTITIES FALLING WITHIN THE PURVIEW OF THE COMMITTEE

List of Ministries, Statutory Authorities and State Enterprises which fall under the purview of this Committee:

1. ARTS AND MULTICULTURALISM

Carnival Institute
Naparima Bowl
National Academy for the Performing Arts (NAPA)
National Carnival Commission of Trinidad and Tobago
National Cultural Commission
National Theatre Arts Company
Queen's Hall Board
Trinidad and Tobago National Steel Symphony Orchestra

2. ATTORNEY GENERAL

The Law Reform Commission
Environmental Commission
Industrial Court
Council of Legal Education
Hugh Wooding Law School
Anti-Corruption Investigation Bureau
Equal Opportunity Commission
Equal Opportunity Tribunal
Tax Appeal Board
Central Authority
International Law and Human Rights Unit

3. COMMUNICATIONS

Board of Film Censors
Caribbean New Media Group Limited (CNMG)
Government Information Services Limited (GISL)
National Broadcasting Network (NBN)

4. COMMUNITY DEVELOPMENT

National Association of Village and Community Councils
Village Councils
Export Centres Company Limited

5. EDUCATION

Local School Boards
National Commission for UNESCO
Education Facilities Company Limited
National Schools Dietary Services Limited
National Library and Information System Authority (NALIS)

6. ENERGY AND ENERGY AFFAIRS

Lake Asphalt of Trinidad and Tobago (1978) Limited
National Gas Company of Trinidad and Tobago Limited
National Quarries Company Limited
Petroleum Company of Trinidad and Tobago Limited (PETROTRIN)
Trinidad and Tobago National Petroleum Marketing Company Limited (NP)
Alutrint Limited
Alutech Limited
La Brea Industrial Development Corporation
National Agro Chemicals Limited
National Energy Corporation of Trinidad and Tobago Limited
NATPET Investment Company Limited
NATSTAR Manufacturing Company Limited
NGC NGL Company Limited
NGC Trinidad and Tobago LNG Limited
Phoenix Park Gas Processors Limited
Powergen
Trinidad and Tobago LNG Limited
Trinidad and Tobago Marine Petroleum Company Limited
Trinidad Nitrogen Company Limited
Trinidad Northern Areas Limited
TRINMAR Limited
TRINTOC Services Limited

7. ENVIRONMENT AND WATER RESOURCES

Institute of Marine Affairs (IMA)
The Environmental Management Agency
The Green Fund Advisory Committee
Water and Sewerage Authority (WASA)
Water Resources Agency

8. FINANCE AND THE ECONOMY

Central Tenders Board
National Insurance Appeals Tribunal
National Insurance Board
National Insurance Property Development Company Limited (NIPDEC)
National Lotteries Control Board (NLCB)
Trinidad and Tobago Civil Aviation Authority
Trinidad and Tobago Unit Trust Corporation
Corporation Sole
Divestments
Investments
BWIA West Indies Airways Limited (New BWIA)
Caribbean Airlines Limited
First Citizens Holdings Company Limited
National Enterprises Limited (NEL)
Rum Distillers Limited
The Sugar Manufacturing Company Limited
Trinidad and Tobago Forest Products Company Limited (TANTEAK)

Taurus Services Limited
Caribbean Investment Corporation
Tourism and Industrial Development Company (TIDCO)
Trinidad and Tobago (BWIA International) Airways Corporation (Old BWIA)
Trinidad and Tobago Development Finance Limited
Caribbean Development Network Limited
Caribbean Microfinance Limited
Colonial Life Insurance Company Limited (CLICO)
First Citizens Bank Limited (FCB)
First Citizens Mortgage & Trust Company Limited
First Citizens Investment Services Limited
Trinidad and Tobago Mortgage Agency Company Limited

9. FOOD PRODUCTION

Agricultural Society of Trinidad and Tobago
Caribbean Agricultural Research and Development Institute (CARDI)
Cocoa and Coffee Industry Board
Livestock and Livestock Products Board
Caroni (1975) Limited
National Agricultural Marketing and Development Corporation (NAMDEVCO)
Agricultural Development Bank (ADB)
Caribbean Food Corporation
Sea Food Industry Limited

10. FOREIGN AFFAIRS

11. GENDER, YOUTH AND CHILD DEVELOPMENT

Adoption Board
Children's Authority

12. HEALTH

Boards regulating the Practice of Medicine and Related Professions
Children's LIFE Fund Board of Management
Eastern Regional Health Authority
North Central Regional Health Authority
North West Regional Health Authority
South West Regional Health Authority
Dental Council of Trinidad and Tobago
Drug Advisory Committee
Emergency Medical Personnel Council of Trinidad and Tobago
Food Advisory Committee
Medical Council of Trinidad and Tobago
National Emergency Ambulance Service Authority
Nurses and Midwives Council of Trinidad and Tobago
Pesticides and Toxic Chemicals Board
Pharmacy Council of Trinidad and Tobago
Opticians Council of Trinidad and Tobago
Princess Elizabeth Home for Handicapped Children

13. HOUSING AND URBAN DEVELOPMENT

Sugar Industry Labour Welfare Committee
Rent Assessment Board
Caroni 1975
Community-based Environmental Protection and Enhancement Company Limited (CEPEP)
Estate Management Business Development Company Limited (EMBD)
Housing Development Corporation (HDC)
Urban Development Corporation of Trinidad and Tobago Limited (UdecoTT)
Trinidad and Tobago Mortgage Finance Company Limited (TTMF)

14. JUSTICE

15. LABOUR AND SMALL AND MICRO ENTERPRISE DEVELOPMENT

Boilers Examiners Board
Minimum Wages Board
Registration, Recognition and Certification Board
Friendly Societies
Cipriani College of Labour and Co-operative Studies
National Entrepreneurship Development Company Limited (NEDCO)
National Productivity Council
Occupational Safety and Health Authority

16. LAND AND MARINE RESOURCES

Land Settlement Agency (LSA)

17. LEGAL AFFAIRS

Law Revision Commission (LRC)
Legal Aid and Advisory Authority (LAAA)
Police Complaints Authority (PCA)
Sentencing Commission
Criminal Injuries Compensation Board

APPENDIX II

MINISTRY AND HDC REPRESENTATIVES WHO ATTENDED THE HEARING

Name	Portfolio
Ms. Jearlean John	Managing Director
Mr. Rabindra Moonan	Chairman of the Board of Directors
Ms. Sarah Briggs	Permanent Secretary
Ms. Ann Mahabir	Corporate Secretary
Ms. Indira Mc Farlane-Lee	Chief Legal Officer
Mr. Brent Lyons	Divisional Manager-Corporate Services
Ms. Celia Lewis	Divisional Manager-Finance
Mr. Aaron Chadee	Chief Construction Engineer
Ms. Amalie Carter	Divisional Manager-Estate Manager
Mr. Gordon Redon	Senior Manager-Project Management and Oversight
Ms. Gemma Pile-John	Manager-Human Resources
Ms. Deborah Cheesman	Land Coordinator
Ms. Maria Mc Cleave	Manager-Social
Mr. Marlon Peter	Manager-Health Safety and the Environment

Mr. Bryan Jackson	Manager-Training
Ms. Lauren Legall	Manager-Allocations
Ms. Renatta Jones	Manager-Settlement and Communication Relations
Mr. Peter Forde	Consultant Project-Advisor
Mr. Eugene J. Tsoi-a-Fatt	Chairman
Mr. Premraj Lyman	Registrar (Ag.)
Ms. Herschel Joseph	Research Officer

APPENDIX III

MINUTES OF PROCEEDINGS

MINUTES OF THE TWENTY-FOURTH MEETING OF THE JOINT SELECT COMMITTEE OF PARLIAMENT APPOINTED TO INQUIRE INTO AND REPORT ON GOVERNMENT MINISTRIES (GROUP I) AND ON STATUTORY AUTHORITIES AND STATE ENTERPRISES FALLING UNDER THOSE MINISTRIES HELD IN THE ARNOLD THOMASOS ROOM (EAST), LEVEL 6, OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT OF SPAIN ON FRIDAY NOVEMBER 15, 2013

PRESENT

Mr. Elton Prescott, SC	Chairman
Dr. Dhanayshar Mahabir	Vice-Chairman
Mrs. Carolyn Seepersad-Bachan, MP	Member
Mr. Jairam Seemungal, MP	Member
Mrs. Patricia McIntosh, MP	Member
Ms. Stacy Roopnarine, MP	Member
Mr. Emmanuel George	Member
Mr. Gerald Hadeed	Member
Mr. Faris Al-Rawi	Member

Mrs. Nataki Atiba-Dilchan	Clerk of the Senate
Mr. Julien Ogilvie	Secretary
Ms. Candice Skerrette	Asst. Secretary
Ms. Katharina Gokool	Graduate Research Assistant
Mr. Indar Sieunarine	Parliamentary Intern

ABSENT

Mr. Ganga Singh	Member (Excused)
Dr. Amery Browne, MP	Member (Excused)
Dr. Delmon Baker, MP	Member

OFFICIAL(S) OF THE MINISTRY OF HOUSING & URBAN DEVELOPEMNT

Ms. Sarah Briggs Permanent Secretary (Ag.)

OFFICIALS OF THE HOUSING DEVELOPMENT CORPORATION

Ms. Jearlean John	Managing Director
Mr. Rabindra Moonan	Chairman of the Board of Directors
Ms. Ann Mahabir	Corporate Secretary
Ms. Indira Mc Farlane-Lee	Chief Legal Officer
Mr. Brent Lyons	Divisional Manager-Corporate Services
Ms. Celia Lewis	Divisional Manager-Finance
Mr. Aaron Chadee	Chief Construction Engineer
Ms. Amalie Carter	Divisional Manager-Estate Management
Mr. Gordon Redon	Senior Manager-Project Management and Oversight
Ms. Gemma Pile-John	Manager-Human Resources
Ms. Deborah Cheesman	Land Coordiantor
Ms. Maria Mc Cleave	Manager-Social
Mr. Marlon Peters	Manager-Health, Safety and the Environment
Mr. Bryan Jackson	Manager-Training
Ms. Lauren Legall	Manager-Allocations
Ms. Renatta Jones	Manager-Settlement and Community Relations
Mr. Peter Forde	Consultant Project-Advisor

COMMENCEMENT

1.1 The Chairman called the meeting to order at 9: 18 a.m.

1.2 The Chairman indicated that Dr. Amery Browne and Mr. Ganga Singh had requested to be excused.

CONFIRMATION OF MINUTES OF THE TWENTY-THIRD MEETING HELD ON NOVEMBER 08, 2013

2.1 The Chairman invited Members to consider the Minutes of the 23rd Meeting held on November 08, 2013 and inquired whether there were any amendments.

2.2 The following amendment was proposed:

- **Item 4.2, page 3 (h)** - insert the words **"and benefits"** after "contribution";
- **Item 4.2, page 3 (B)** - delete the word **"in";**
- **Item 4.5, page 4 (A) (b)** - insert the word **"had"** after "demand";
- **Item 4.5, page 4 (B) (b)** – substitute the word **"are"** with the word "is";
- **Item 4.5, page 4 (B)** - under the sub-heading *Securitization mode,* insert the following new question:

"How frequently are the TTMF's accounts audited and are those accounts made available to the public regularly for scrutiny?"

- **Item 4.5, page 6 (D) (m) –** insert the words **"/consultants"** after "advisors";
- **Item 4.5, page 6 (D)** - under the sub-heading *Subsidy for sub-prime Mortgages,* insert the following new question: **"What percentage of your portfolio comprises sub-prime mortgage holders?";**
- **Item 4.5, page 6 (E)** - delete the word **"management"** and replace with **"manage";**
- **Item 4.5, page 7 (F) –** under the sub-heading *Relationship between the TTMF and THA,* insert the words **"What is the"** at the beginning of question (a).

2.3 There were no further amendments, therefore a motion for the confirmation of the Minutes was moved by Mr. Seemungal and seconded by Dr. Mahabir.

MATTERS ARISING FROM THE MINUTES OF THE TWENTY-THIRD MEETING

3.1 The Chairman informed members that the Committee had received a request from the HDC for a deferral of the public hearing. He referred to correspondence exchanged between the HDC and the Committee as summarised below:

- **Item 3.1, Page 2:** The Committee received correspondence from the Housing Development Corporation dated 11th November, 2013, raising concerns that certain matters that are the subject of the Committee's inquiry were engaging the attention of the Integrity Commission. On this basis, a deferral of the public hearing was requested.

- The Committee responded by letter dated 11th November, 2013, seeking specific identification of the matters that the HDC was fearful, that if raised, may have jeopardized or compromised the constitutional rights of individuals.

- The Corporation responded by letter dated 12th November, 2013, stating in the interest of transparency and co-operation, the HDC will attend the hearing but should matters be raised during the hearing that they regard as prejudicial, they will reserve their answers until the determination of these matters.

3.2 Discussions ensued on the approach that should be adopted by the Committee in addressing the concerns raised by the HDC.

3.3 It was agreed that the Managing Director and the Chairman of the Board of Directors of the HDC should be invited to meet with the Committee in camera for the purpose of clarifying the matters raised by the Corporation.

3.4 In the circumstances, the Committee requested that the Clerk of the House or Clerk of the Senate be asked to join the meeting, prior to inviting the officials of the HDC, for the purpose of providing guidance/advice on the procedure that ought to be followed.

(Meeting suspended at 10:00 a.m.)

PRE-HEARING DISCUSSIONS

(Meeting resumed at 10:03 a.m.)

4.1 The Clerk of the Senate was invited to provide advice on whether the Committee could conduct an inquiry into a matter that is being investigated by another authority.

4.2 The Clerk of the Senate advised that the Committee was empowered to enquire into matters relating to their purview and therefore, was not deterred from inquiring into a matter that is the subject of an investigation by another body. In addition, she advised the Committee that in certain circumstances, it has the option to receive evidence in private.

4.3 Following further deliberations on the issue, the Secretary was directed to invite the Managing Director and the Chairman of the Board of Directors into the meeting room

(The Managing Director and Chairman entered the room)

4.4 The Chairman welcomed the officials and indicated that they were invited to provide clarification on the concerns expressed by the Corporation regarding the possible infringement of constitutional rights, should the committee pursue its public meeting with the Corporation.

4.5 In response, the Managing Director informed the Committee that the Corporation's reservations concerned current transactions between the HDC and other private and public bodies.

4.6 The Committee noted that there were transactions that were being enquired into by other authorities and was informed that the *Eden Gardens* project was one such example.

4.7 The Chairman reassured the Managing Director and the Chairman of the Board of Directors of the HDC that it was not the intention of the Committee to embarrass the team from the HDC. Therefore the Committee will endeavor to be guided by the pre-hearing discussions.

(The Managing Director and Chairman exited the room)

4.8 The meeting was suspended at 10:22 a.m.

[Members proceeded to the J. Hamilton Maurice Room on the Mezzanine Floor]

DISCUSSIONS WITH OFFICIALS FROM THE MINISTRY OF HOSUING AND THE HOUSING DEVELOPMENT CORPORATION

5.1 The meeting resumed in the J. Hamilton Maurice Room at 10:30 a.m.

5.2 The Chairman welcomed the officials and introductions were exchanged.

5.3 The Permanent Secretary of the line Ministry, the Managing Director and the Chairman of the Board of Directors were invited to make opening remarks.

5.4 Detailed hereunder are the issues/concerns raised by Members of the Committee and the responses proffered by the Officials:

(i) **Obtaining Housing Units**

a) Officials of the HDC indicated that at present, there are two hundred and fourteen thousand (214,000) applications for houses and one option available to applicants is to be allocated a mortgaged (rent-to-own) unit or a rental unit.

b) The cost of housing units range from three hundred and fifty thousand dollars ($350, 000) to four hundred and fifty thousand dollars ($450, 000). However, a few housing developments, such as *Fidelis Heights* and in *Maracas*, have a range of seven hundred and sixty four thousand dollars ($764, 000) to eight hundred and eighty thousand dollars ($880, 000).

c) The criteria used for determining individuals who are allocated housing units are informed by Cabinet Minute No. 675 of 2004. The stipulations were amended in 2006 and 2008.

d) Applications are reviewed and the necessary background checks are conducted to determine which applicants qualify for an allocation. An applicant that fails to meet the requirements is informed in writing.

e) As per Cabinet Minute 2730 of 2008, the Minister of Housing and Urban Development is assigned twenty-five (25) percent of the housing units to allocate at his discretion. Originally, he was assigned ten (10) percent of all allocations by Cabinet Minute 675 of 2004.

(ii) **Land Available for Housing**

a) Officials indicated that the HDC has been collaborating with the Commissioner of State Lands in an effort to source land available for housing. However, it was revealed that there was little to no land available as the majority has been allocated to farmers. If there is available land and it is agricultural land, the Corporation collaborates with the Ministry of Food Production in an effort to obtain these lands.

b) All acquisition of lands must get the approval of Cabinet, whether it is state lands or private treaty.

c) The lack of land available to construct houses may necessitate a change in the culture of living in single flats to higher multiple story buildings.

d) The Corporation is yet to access the *Pineapple Smith* lands since the area is currently being occupied by squatters.

(iii) **Housing Allocations**

a) Officials of the HDC stated that the demand for housing units is largely in the East-West corridor and along the western coast in the urban and suburban areas.

b) The Corporation estimated that three thousand (3000) to five thousand (5000) housing units were allocated during the period 2005 to 2010 and for the period 2010 to November, 2013 four thousand six hundred and seventy-eight (4, 678) units were allocated, of which seven hundred and four (704) are unoccupied. Occupation of those houses was scheduled to commence within a month. As at 2010 approximately seven thousand two hundred and sixty-three (7, 263) units are on the ground.

c) It was revealed that prior to 2010, housing units located in *Retrench* (20 single units), *Corinth* (113 units) and *Las Alturas* (60 units), were without the appropriate infrastructure. As a consequence, the HDC had to conduct the necessary remedial works.

(iv) **Construction of Houses**

It is projected that between 2013 to 2015 nine thousand, three hundred (9, 300) units are expected to be completed. Of this figure, two thousand and thirty (2, 030) is between eighty (80) to ninety (90) percent complete. There are also four hundred and sixty five (465) units from suspended projects which have been re-scoped.

(v) **Unoccupied Housing Units**

a) The Corporation indicated that as at mid-2010, there were approximately four thousand six hundred and seventy-eight (4, 678) units available, but unallocated because they lacked a number of amenities. Seventeen (17) of the nineteen (19) projects that were in process at that time, lacked wastewater treatment plants. Also they were not electrified or had a portable water supply.

b) The HDC sent out Requests for Proposals (RFPs) for ten (10) wastewater plants and seven (7) to be upgraded at a total cost of one hundred and twelve million dollars ($112, 000, 000). Other reasons given for housing units remaining unoccupied were ongoing remedial work, vandalism and security issues.

(vi) **Ongoing Projects and Employment**

a) The Corporation advised that building contracts are in place for the *Chaconia Crescent* and *Victoria Keys* projects, however, RFPs for the infrastructural works are currently being prepared. The estimated time for the completion of *Chaconia Crescent* is one (1) year and *Victoria Keys* is within twelve (12) to fifteen (15) months. It was noted that the temporary occupation of the *Chaconia Crescent* project site by the Ministry of Works and Infrastructure has further contributed to the delay in the completion of the housing development.

b) The Corporation currently has thirteen (13) ongoing projects that they consider large due to the fact they their value exceeds one hundred million dollars ($100, 000, 000). The Corporation estimated that five thousand, two hundred (5, 200) persons are employed directly. At least thirty-five (35) percent of the total number of workers is employed indirectly.

c) The Corporation indicated that before workers are assigned to a project site, it would verify whether the requisite insurance coverage is in place including Contractors' All Risk, Workmen's Compensation and Professional Indemnity Insurances for design and building contracts. In addition, there is a group coverage policy for small contractors that cover the Contractors' All Risk, the Public Liability as well as Workmen's Compensation and the cost of insurance is covered by the Public Sector Investment Programme.

(vii) **Project Management Expertise**

a) There are about thirty (30) Project Managers and Project Assistants employed directly by the Corporation responsible for managing a portfolio of seventeen (17) projects. There are also forty (40) Clerks of Works employed by the HDC.

b) With respect to external expertise, the HDC employs the services of FIDIC Engineer Consultants who are accompanied by a team of Project Managers and Assistants. In total, the Project Management team comprises one hundred and twenty (120) persons.

(viii) **Building Codes of Housing Units**

a) Buildings are designed in accordance with international codes. Buildings that exceed a certain height must have the approval of the Fire Service and are equipped with the required amount of elevators. There are requirements for earthquake design and 'wind loading' which are applied in the design development of projects. These codes are referenced in RFPs as to what needs to be applied to the designs of projects.

b) The HDC has developed specifications internally for the construction phase of projects which are included in tender documents and contractors are required to adhere to them.

(ix) **Board Members of the HDC**

There are currently seven (7) members on the Board of the HDC, with three (3) of these members comprising the tenders committee.

(x) **Financial Statements**

a) The Corporation has prepared its financial statements for the years 2004, 2005 and 2006. They are currently awaiting the final audited reports from the auditors for the Board to sign off on and expect these reports to be finalized in the short-term. Discussions concerning the conduct of an audit of the Corporations accounts for the year 2007 will commence on November 24, 2013. Additionally, the Corporation is currently engaged in a tendering exercise with auditors in respect of the 2007-2009 accounts.

b) Officials also confirmed that there was a considerable backlog of financial statements and therefore had to seek the permission of the Chief State Auditor (Auditor General) to update their accounts by way of private auditors.

c) The management accounts of the HDC are up to date.

d) The question as to what are the reasons for the delay in the preparation of audited financial statements for the period 2004 to 2007 was a matter for the Auditor General. This delay has hindered the HDC from acquiring funding in the open market.

(xi) **Overdraft Facility**

The overdraft facility of the HDC is three hundred and fifty million dollars ($350, 000, 000). 100 percent of this facility is currently available to the Corporation.

(xii) **Valuation of Land for the *Eden Gardens* Project**

a) The owner, Point Lisas Park Development, made an offer of two hundred million dollars ($200,000,000) for the property. A private valuation was done by Linden Scott and Associates which was one hundred and fifteen million dollars ($115, 000, 000). However, it was suggested that as there was one purchaser, a discounted price of fifty two million dollars ($52, 000, 000) would be offered to the HDC, since no stamp duties would have been applied.

b) An internal valuation done by the HDC valued the land at one hundred and sixty-five million dollars ($165, 000, 000).

c) The Commissioner of Valuations, who had the benefit of the Linden Scott Valuation, stated that the private valuation was "grossly understated considering the current state of the development and under the assumption that all statutory approvals have been had for intensive residential use" and he valued the property at one hundred and eighty million dollars ($180, 000, 000). However, after negotiations with the owner of the property, a final price of one hundred and seventy five million dollars ($175, 000, 000) was agreed to.

d) The Corporation also went on to state that obtaining a private valuation in addition to a valuation from the Commissioner of Valuations was to address potential conflict, but ultimately they follow the advice of the Commissioner of Valuations.

(xiii) **New Strategies and procedures for Housing Developments**

New departments/units have been established, such as the Project Management and Oversight Unit and Contracts and Tenders Departments. In addition, internal and external planners are available to ensure that projects meet the requirements for approval.

(xiv) **Alternatives to Seeking a Housing Unit from the HDC**

The Permanent Secretary outlined a number of housing alternatives that are available to members of the public who may be unable to access an HDC Unit. These included:

- squatter regularization through the Land Settlement Agency;
- housing subsidies funded by an Inter-American Development Bank loan, for persons who own lands but cannot afford mortgages to assist with the construction of their house;
- home improvement grants from the Ministry of Housing;
- through the Estate Management and Business Development Company (EMBD), former workers of Caroni (1975) Limited received deeds for Caroni lands as a condition of their Voluntary Separation of Employment (VSEP) package. These persons can now obtain a two (2) percent mortgage from the Trinidad and Tobago Mortgage Finance Company Limited; and
- the Land Settlement Agency has established a Housing Support Centre where low income persons, constructing houses, can receive technical support.

(xv) **Default Mortgage Payments**

a) The current figure for default mortgage payments is eighty-four million dollars ($84, 000,000) and for "license to occupy" (LTO) is one hundred and forty-one million dollars ($141, 000,000).

b) It was revealed that the HDC has placed a hold on the issuing of new mortgages.

c) The Corporation is currently undertaking a reconciliation of unit files to determine the precise amount of outstanding balances owed in each case. In cases where it is found that there are no arrears, those accounts will be closed. Whereas those clients with outstanding balances will be contacted and attempts will be made to initiate new arrangements for clearing these balances.

d) To aid in this exercise and to improve the overall records management arrangements, the Corporation has acquired IT systems to which data is currently being transferred.

(xvi) **Abandonment of Housing Units**

The Corporation is in the process of compiling information regarding housing units that have been abandoned and prioritizing them in chronological order for the purpose of pursuing the most urgent cases in Court.

(xvii) **Evacuation Procedures and Safety Measures**

a) The Corporation has embarked on a national outreach programme to ensure clients are aware of emergency and evacuation procedures. This programme involves visits to communities and conducting chat forums. The Settlement Department, Social Department and Estate Management all assist with this initiative.

b) Currently, there are two programmes that are being implemented to improve the safety conditions of HDC buildings. The first involved the installation of fire detection and fire suppression equipment. With respect to fire suppressing system, the Corporation has initiated a tendering process for the installation of thirty thousand (30, 000) gallon storage containers for water on each site with the requisite water pumps to aid in fire extinguishing. The second project is aimed at addressing life safety aspects such as fire escapes, size of corridors and the distances of staircases.

5.5 The Chairman thanked the official(s) of the Ministry of Housing and Urban Development and the HDC for their attendance and indicated that the Corporation will be informed as to whether the Committee wished to meet with them again.

(Meeting suspended at 12:35 p.m.)
(Official(s) of the Ministry of Housing and Urban Development and the HDC exited the room)

Requested information

5.6 The HDC was requested to provide responses to the following matters/inquiries in writing:

i. the total number of ongoing projects, regardless of the size, as well as the amount originally budgeted, the amount of money expended to date and the projected final costs associated with these projects;

ii. the top ten (10) contractors hired by the Corporation, in terms of the dollar value of contracts received;

iii. is there a Cabinet Note for a policy that the HDC should use State lands in preference to private lands along the Caroni plains and if so, can you identify the Cabinet Note and Minute that recorded this decision? Further, is this policy being applied in decisions by the HDC regarding projects along the Caroni plain?

iv. What is the size of the HDC's mortgage portfolio?

v. what was the total cost incurred in 2010 as a result of conducting remedial works (including the removal of wastewater) on housing units such as *Retrench*, *Corinth* and *Las Alturas*?

vi. What are the procedures adhered to with respect to the allocation of housing units via a "lottery" system?

vii. Are clients who were selected by the Minister of Housing for allocation, subject to the same financial obligations as those clients who were allocated units by other means?

viii. Given that the demand for housing is significantly more than supply; what are the HDC's suggestions for satisfying the demand for housing?

(Meeting resumed in camera at 12:40 p.m. at the same venue)

Post-hearing discussions

6.1 On the resumption, discussions ensued on whether the HDC should be invited to another public meeting. The view was expressed that such a determination should be made when the Committee reviews the responses that are due to be submitted in writing.

6.2 Views were also expressed regarding the adversarial nature of some of the exchanges that took place between members of the Committee during the public meeting.

6.3 The Chairman encouraged members to reduce and/or eliminate the occurrence of exchanges of that nature in the future.

Next Meeting

7.1 Discussions also ensued on a date for the next meeting.

7.2 It was agreed that that next meeting will be held on Friday November 29th, 2013 at 9:30am. At that meeting the Committee will continue its review of the Draft Inquiry Proposal prepared by the Secretariat.

ADJOURNMENT

8.1 The meeting was adjourned to Friday November 29, 2013 at 9:30 a.m.

8.2 The Meeting was adjourned at 12:57 p.m.

I certify that these Minutes are true and correct.

Chairman

Secretary

November 27, 2013

APPENDIX IV

NOTES OF EVIDENCE

VERBATIM NOTES OF THE NINETEENTH MEETING OF THE JOINT SELECT COMMITTEE OF PARLIAMENT APPOINTED TO INQUIRE INTO AND REPORT ON GOVERNMENT MINISTRIES (GROUP I), STATUTORY AUTHORITIES AND STATE ENTERPRISES FALLING UNDER THOSE MINISTRIES THE J. HAMILTON MAURICE ROOM, MEZZANINE FLOOR, OFFICE OF THE PARLIAMENT, TOWER D, THE PORT OF SPAIN INTERNATIONAL WATERFRONT CENTRE, 1A WRIGHTSON ROAD, PORT OF SPAIN ON FRIDAY NOVEMBER 15, 2013 AT 9:17 A.M.

PRESENT

Mr. Elton Prescott SC	Chairman
Dr. Dhanayshar Mahabir	Vice-Chairman
Mr. Jairam Seemungal	Member
Mrs. Patricia Mc Intosh	Member
Miss Stacy Roopnarine	Member
Mr. Emmanuel George	Member
Mr. Gerald Hadeed	Member]
Mr. Faris Al-Rawi	Member
Mrs. Carolyn Seepersad-Bachan	Member
Mr. Julien Ogilvie	Secretary
Miss Candice Skerrette	Asst. Secretary
Miss Katharina Gokool	Grad. Research Asst.
Mr. Indar Sieunarine	Parliamentary Intern

ABSENT

Mr. Ganga Singh	Member [*Excused*]
Dr. Amery Browne	Member [*Excused*]
Dr. Delmon Baker	Member

HOUSING DEVELOPMENT CORPORATION

Ms. Jearlean John	Managing Director
Mr. Rabindra Moonan	Chairman of the Board of Directors
Ms. Sarah Briggs	Permanent Secretary
Ms. Ann Mahabir	Corporate Secretary
Ms. Indira Mc Farlane-Lee	Chief Legal Officer
Mr. Brent Lyons	Divisional Mgr. Corporate Services
Ms. Celia Lewis	Divisional Manager-Finance

Mr. Aaron Chadee	Chief Construction Engineer
Ms. Amalie Carter	Divisional Manager Estate Manager
Mr. Gordon Redon	Sen. Mgr. Project Mgt. and Oversight
Ms. Gemma Pile-John	Manager Human Resources
Ms. Deborah Cheesman	Land Coordinator
Ms. Maria Mc Cleave	Manager Social
Mr. Marlon Peter	Mgr. Health/Safety/Environment
Mr. Bryan Jackson	Manager Training
Ms. Lauren Legall	Manager Allocations
Ms. Renatta Jones	Mgr. Settlement/Comm. Relations
Mr. Peter Forde	Consultant Project Advisor

10.30 a.m.: *Meeting resumed.*

Mr. Chairman: Good morning. Welcome to the public sitting of the Joint Select Committee. There are officials here from the Ministry of Housing and Development, Permanent Secretary, and the Chair and Managing Director of the Housing Development Corporation.

The Joint Select Committee would have sent you an inquiry document which would give you some indication of what areas we wish to deal with. The broad areas of focus will be the construction and maintenance work that you do, the allocation of housing and human resource issue. It may spread beyond that and I am sure that you would be equipped, because you have a very large delegation to deal with almost anything that should arise.

I will commence by inviting members of the Joint Select Committee to introduce themselves, and then I may ask you Chair to have your members do the same before we commence with the inquiry. May I start on my extreme right, please.

[*Introductions made*]

Mr. Chairman: Chairman.

[*HDC representatives' introductions made*]

Mr. Chairman: Thank you all. Madam Permanent Secretary, may I invite you to make some brief opening remarks.

Mrs. Briggs: Thank you, Mr. Chairman.

Good morning. The Ministry of Housing and Urban Development's function is really to deal with housing. You know we have UDeCott under our Ministry as well, and UDeCott is involved in project management for construction programmes for the Government.

The HDC is the agency of the Ministry that is mandated to do housing—the construction of houses—and they do it in different forms. They construct single units, apartment houses, complexes and so on. The intent, based on the Housing Act, is to provide housing for middle and low-income persons, because we recognize that within the society there are persons who on their own cannot access housing through the normal means, through getting mortgages from mortgage financing agencies. So the HDC is primarily to assist those persons who are not able to access mortgage for housing in those instances.

They are involved right now in ongoing projects. There are projects which are on the ground; HDC is involved in that. They also get involved in new projects, new sites for developing new housing estates, and there may be some projects for one reason or the other which would have been incomplete, suspended and they are also looking at those projects to determine whether they should be restarted, when and what sort of costing would be involved.

They are also involved in infill projects where you have existing developments, where certain sites might not have been developed. You have empty lots and they would be involved using small contractors to construct houses on these lots.

Recently they have had to get involved in retrofitting of the apartment buildings, because we saw and witnessed what happened in Laventille a few years ago when there was a fire and people could not escape. So HDC is taking an active role in addressing that problem in terms of retrofitting the buildings, putting in fire escapes, sprinklers, smoke alarms, detectors and things like that.

The HDC is funded primarily from the Ministry's votes under the recurrent expenditure as well as the Infrastructure Development Fund. The Infrastructure Development Fund is the vote that we use to do most of the construction programmes.

The recurrent vote is basically for operational issues in terms of meeting salaries, paying consultants. You also have debt management financial issues to pay back loans, so they use the recurrent vote to do that. But the capital works is done mainly through the Infrastructure Development Fund of the PSIP. Last fiscal, we would have spent maybe about $1 billion in terms of capital expenditure. Recurrent could have been about half—about $500 million.

When HDC constructs houses they have their Allocation Unit that based on a Cabinet directive they are guided in terms of how these houses are distributed to the persons who apply. When they do their presentation I guess they would be able to give further information on that.

Mr. Chairman, I think that sums up what the HDC is about.

Mr. Chairman: Thank you very much, Permanent Secretary. Managing Director, may I invite you to give us some brief opening remarks, please. [*Interruption*] Ma'am, may I invite you to use the microphone.

Ms. John: I want to thank you for inviting us to essentially account to the people through the committee into what is the administration and operations of the Housing Development Corporation. In many instances, people believe the HDC is a bit opaque, because the need for housing is a crushing one and our ability to satisfy that need sometimes is not up to that demand.

As it stands now, I think as at today's date, our database is 214,000 persons requiring housing, applying for houses through the HDC. It appears as if we are no longer—based on the data—a low-cost provider in terms of a provider for low-income houses. It has gone to middle income and sometimes even upper middle, because quite a number of persons or professionals with two joint incomes cannot afford houses in the private sector.

I hope that at the end of this inquiry you will make the determination that the HDC, the way it is managed, is grounded in good, sound principles of accountability and transparency, that we run a solid company based on solid, sound processes, because we would have submitted a document to you, and I can assure you those processes are used at the HDC every, single day. They came out of own consciousness. They were not contrived or we did not download them from anywhere. These are our processes; this is our document, and they go from end to end. It is not limited to what is contained in the binder, but it goes from end to end of the HDC's day-to-day activity. So that is all. We will await the questions then.

Mr. Chairman: Thank you very much, Madam Managing Director. Just a few housekeeping issues. It is common these days to invite people who have mobile communication devices to cripple them, or if you wish, disable them. Secondly, would you use the microphone when it is your turn to speak so that what you say is recorded.

Prior to commencing this public hearing, we did have a short meeting with the Chair and the Managing Director in which we addressed some of the processes that would apply today. I trust we can manage through this next hour and a half or so with the public in mind, so that we can provide them with as such information as they are entitled to.

We have since been joined by Minister Seepersad-Bachan. Thank you for coming, and we are about to commence, so I invite members of the committee to question members of the

HDC. Thank you.

Mr. Seemungal: Thank you, Mr. Chair. Good morning, members of the HDC and the Ministry of Housing and Urban Development and welcome to this session of this Joint Select Committee.

I want to first of all compliment you for putting together very, very large documentation in respect to your programmes and performance over the years. I want to first of all give you the opportunity—since this is a public hearing there are a lot of viewers who are looking outside there—to outline to them the various programmes that you have under the Ministry and what are the processes for which these applicants can obtain houses or housing units within the Ministry of Housing and Urban Development and the HDC.

Secondly, I want to inquire into the amount of land that is available. Land will soon become an entity which will be competing among various stakeholders, agriculture for instance, persons who want for sporting facilities and now housing. Trinidad and Tobago being an island we will soon reach a point where we would not have a lot of land available as we currently have or may have had in the past. What are the policies or programmes you are putting in place to address this problem which I am foreseeing that sometime in the future we would be face with, especially to the fact that you have alluded there are some 214,000 applications before you right now?

The third aspect of my presentation is: how many houses have been constructed or allocated since HDC came into existence in 2005? How many allocations have been made from 2005 to 2010? How many have been made from 2010 and your projection until 2015?

Ms. John: Mr. Chairman, Minister Seemungal, we will answer the question in two parts. I will answer part and the head of allocation will then answer the other part.

The first question had to do with what do we have in terms of mechanisms for people wanting a home. Well, one can come to the HDC upon allocation for a mortgaged home—unit we call it—or rent-to-own, that is one of the mechanisms, or a rental unit. I will allow Miss Legall to go further into it with respect to the mechanisms for allocating those houses on that basis.

But in terms of land that is available for housing, as far as we know it appears as if there is literally no land available for housing at this time. We have been out, particularly the Chief Legal Officer, myself, the Chief Construction Engineer, Mr. Redon Gordon, et cetera, with the Commissioner of State Lands on many occasions, and I have it in writing where he has said there is little or no land. We will go to various places, "Is this land available?" "No," because the majority of state lands would have been allocated to farmers. Some they have not passed title to them as yet. We try to negotiate in some instances, but as it stands now there appears to be literally little or no parcels of land available to us.

There is the well-publicized tussle, literally, the HDC had with the farmers with respect to certain parcels of land. To this date, we cannot access Pineapple Smith because it is still accommodating, well, essentially, the squatters.

We have to change people's mind culturally, because everyone wants a single family unit with a back porch and a piece of land to plant something on. But in many instances they cannot afford it and sometimes again the land is not just available. We have to wean people away from that culturally I believe, and maybe people have to learn live vertically. No one wants an apartment, but I think that is something we have to look at in terms of changing people's way of living.

In terms of how many housing units—

Ms. Legall: Chairman, MP and members of the committee, in terms of the number of housing units allocated between 2005 to 2010, I am unable to give you an exact figure for that particular period, but I know that it is averaging between 3,000 to 5,000.

With respect to the period 2010 to present, which I would take it to November 13 actually, which was a couple of days ago, the number was 4,678 units delivered, as in allocated to citizens of Trinidad and Tobago.

With respect to the projection to 2015, I may have to throw that back to Mr. Chadee or to the Managing Corrector in terms of what we expected to come in, in terms of stock.

Mr. Chadee: Good morning, Chairman and members. The projection for 2013 to 2015 is approximately 9,300 units we have coming, well, in various stages of construction coming on. Thank you.

Mr. Mahabir: Thank you very much, members of the committee. I have a number of questions, but first I want to pose a question on: how does the HDC go about determining just where to locate its houses of the thousands built during the course of a year? So I would like to know how you go about the decision-making process of determining where to locate these units. Secondly, of the houses currently under management by the HDC, what percentage currently is unoccupied?

Mr. Forde: Good morning, Chairman and members. The demand for housing as indicated is 214,000. The HDC's target, as indicated earlier on, for the next three years, up to 2015, is 9,000-plus, so there is a deficit, and as mentioned earlier on there is a significant shortage of land. So it does not take very much to determine where a site would be located. The demand is essentially in the East-West Corridor and along the western coast of Trinidad, more or less in the urban and suburban areas. Those are the areas where there is a significant shortage of land for housing development.

One of the cultural shifts we have to make is to shift people to other areas of the country, but of course that is also driven by a number of other factors. So the question is lands that are available, once we are aware of it, because of the demand we would sort those lands.

Mr. Mahabir: Even if it is agricultural land?

Mr. Forde: Well, that is done in consultation—in collaboration with the Ministry of Agriculture. We have had a number of instances and right now we are working with them actually, actively, in that regard.

Mr. Mahabir: The second is, is the percentage of your units currently unoccupied?

Ms. John: We have to break it down. You have to say whether unoccupied and they are available for occupation, because there is a difference between houses which are currently under construction, because those of necessity will be unoccupied. But of the houses which are now available, we have 704 which are unoccupied but not unallocated. They are allocated; they are moving through the process now of within the next month or so of persons receiving their keys.

There are other units—we have projects which are nearing completion, which is 2,030. They are nearing completion. They would have achieved between 80 to 90 per cent completion or thereabouts.

10.50 a.m.

We have had some—what we call incomplete and suspended projects. These are projects which would have fallen into trouble—troubled projects—where you may have had various contractors doing individual tasks, maybe an MEP, structural, et cetera, and because there was no—the manner in which—sorry, the project had been initiated, you did not have a general contractor to manage that entire project, it became a troubled project. So we would have suspended it.

So, of those projects there are 465 units. Those projects have currently being re-scoped.

We have done the conditions surveys. The request for proposal, I think, they are now out, and within the next month to three months those projects are now being retendered. I think that will answer it. Where we have units available, 704, where people can move into immediately, those are about to achieve substantial completion by 2013, and the incomplete and suspended projects, where you will have a base building standing. So you will be passing it every day and wondering what is going there, but all it has is a base building, those account for 465 units.

Mr. Hadeed: Mr. Chairman, through you. As at mid-year 2010, how many units were available, and what were the reasons that they were not distributed earlier than they are now being distributed? Could you give us and indication if you had problems with those units that were completed prior to 2010? Thank you.

Ms. John: They were approximately 4,768 units which were, more or less, had achieved—as you say in construction language—substantial complexion, but one could not have allocated them because they were a number of amenities outstanding; like for instance wastewater plant or they would not have had the necessary utilities. They were not electrified or potable water was not available.

So, between—I think we sent out around RFPs for 10 wastewater plants and about seven more to be upgraded to the tune of $112 million. At that time to—and then there was remedial works that came after, because with the building standing there, there was deterioration. Right. So that was the reason really the buildings could not have been occupied. The rest of the amenities—I do not know if Mr. Chadee has anything else to add to that?

Mr. Chadee: Of the 19 projects that we met, 17 of them did not have the wastewater treatment plants. So we went ahead going with the whole process with the RFPs to get the wastewater treatment plants, within a year and a half to two years, we got the wastewater treatment plants, in place. Other things that may have constitute, non-occupancy, other than the utilities, would be more in terms of remedial, plus in terms of vandalism take place; there is a lot of security issues. What we have, we have a security department went and actually re-scoped some of the issues, together with the construction and the project management oversight team.

So we did a re-scoping, and then after there were some contractual issues that had to be met. Those things were all resolved and that is the reason being that those units could not have had—well other reasons—been allocated at that time.

Mr. Hadeed: Are you saying that the houses were built and no contracts were awarded for wastewater treatment plants for those 17 areas that you talked about?

Mr. Chadee: Yes.

Mrs. Mc Intosh: Question for Mr. Chadee. Again, I am interested in the unallocated units under construction and those in need of repair. And I see on page 234 of the very large document you provided a summary table—I will call it. Now I cannot look at all, but I am really interested in the Chaconia Crescent and the Victoria Keys, simply because I pass those developments on a weekly basis when I visit my family in Diego Martin.

Now I see that—I am wondering why, probably you can enlighten me there. You have no final approvals, Town and Country Planning, you have fire, conditional, T&TEC conditional in all of these. No WASA approvals at all for them. And yet when I turn to page 252 where you speak of Chaconia Crescent, and 255 where you speak of Victoria Keys, I see you have complexion dates—well for Chaconia Crescent at least, June 2012, and Victoria Keys May 2013. I know that those buildings are not completed because I still see them under construction, and I am wondering what are the new projected dates of completion, and what is the current percentage of completion? Is it 50 per cent? Sixty five per cent? Seventy five per cent. And I will speak to those two because I cannot do all. [*Crosstalk*] Yes.

Mr. Chadee: Thank you. What you are seeing in the report there is base percentage complete as per the contract. Now for the allocation of those particular projects we would have had building contracts in place, but no infrastructure contracts. We currently are in the process of putting together RFPs for the infrastructure for Chaconia Crescent as well as Victoria Keys. In terms of Victoria Keys now you will see that a lot of works are taking place there. There was a third phase of that project. The contract was awarded in February or March 2012, right, in terms of redoing the look and the feel of that particular development. Then after we are currently doing the evaluations and I believe in about a month or two we should finish the evaluation for the infrastructure for Victoria Keys.

Again, Chaconia Crescent, we have to do the RFP. We are in the process of putting together and finalizing the RFP for the infrastructure work. They are in liaison with the Ministry of Works. As you know there is the widening of the Diego Martin Highway. That has impacted our projects significantly, primarily because a lot of the land space that has been allocated for car parks, are lost. So we are in the process now of liaising with the various statutory bodies and getting their feedback and input. Just as a side note too, we have given the Ministry of Works possession of part of the Chaconia Crescent site so that they could finish their works. To date, we have been asking when we would get hand over of that site because we would want to start our infrastructure/construction very shortly.

So there is a lot of liaison taking place. In terms of completion, the projection for Chaconia Crescent is one year, and for Victoria Keys is about 12 to 15 months. Again, it is part of the [*Crosstalk*] yes. So we are looking at about a year and 15 months for the both projects.

Mrs. Mc Intosh: Could you just tell me quickly, Mr. Chadee, why was it necessary to change the look and the feel of these two developments?

Ms. John: The look and feel of Chaconia Crescent was not changed. "I doh know what Chadee talking 'bout." [*Laughter*] You know. Chaconia Crescent was impacted by the Ministry of Works—the works that they are doing there. So we could not—I do not think it would have been in the public's interest to have moved people in with that heavy construction going on. It would impact on the quality of life for persons who would have been allocated this building. That is what is happening there and then we have the car parking spaces issue, in terms of whether we will have the availability.

With respect to Victoria Keys, we had found—the HDC over time, in building, a lot of—and the manager for settlements could bear us out—a lot of the amenities sometimes would have been overlooked and you have to bring them in as an afterthought. So, for instance—Las Alturas—very lovely community, but the bin is at the front of the building, and there was really no consideration, in terms of the aesthetics, mainly because of how people live, the reason we have a campaign called "I live here"—then which came out of the HDC—is because you know, you want people to live with dignity. And the Victoria Keys—the project—was at a stage where you could have taken into account, you know, the—"whey yuh call it"—the disposal of garbage and things; it was more amenities. How do we allow the buildings to function better because when you pass along the road you see an HDC community, you always see these big, unattractive garbage bins, sometimes overflowing, and I do not think it really speaks to how we should allow people to be living Trinidad in 2013.

Mrs. Mc Intosh: I was talking specifically or referring specifically to in the internal layout because it is my understanding, you could correct me if I am wrong, that that was changed. I mean, who was responsible for making such decisions and why?

Ms. John: Well over time the HDC's history will tell you that in many instances, and we can go back to any period in time, a project would have commenced, and then one would have gone and reviewed the project on site, one of various officials can come with a recommendation, that maybe you can do more with the space. The space—not really remodel. It does not mean remodelled in a lavish way. When Mr. Chadee mentioned—what did what did you say? You did not say "upgrade". You said what?

Mr. Chadee: Look and feel.

Ms. John: Look and feel. [*Crosstalk*] I suppose what Mr. Chadee should speak to what he meant by "look and feel", MP, because I do not what he means by that. It is really about, to me, the way people live. You understand? So in going there we saw—it was a lovely site, you know, and one felt that more could have been done in terms of how the people—when it is allocated, how they live. What amenities are available. And as I said the garbage shoot that was put in, is a case in point. And access for things like for the disabled, you know. These are things that we should not be overlooking in new construction of HDC communities. Right. So it was more things of which will help—[*Crosstalk*]—the functionalities. You see our folks—the functionality of the building to ensure that the HDC presents a—well I mean, a humane, and that we are considerate and that we are thinking about what goes into our buildings.

Mr. Chairman: Thank you very much.

Mr. Seemungal: May I just let me ask in addition—[*Interruption*]

Mr. Chairman: To follow up?

Mr. Seemungal: Just to follow up on the same question. I am looking [*Crosstalk*] may I just point you to page 252 and 255. These are the two projects that my friend have been speaking about, the Chaconia Crescent and the Victoria Keys. What struck me is that the contract date, the start date for Chaconia Crescent was 2006—

Member: Uh-hmm.

Mr. Seemungal:—that was one building and it was completed on June 16, 2012; that is some six years for one building. And on the other side we have three buildings, very beautiful looking, but the contract date was started in March 06, 2012 and the estimated completion was May 03, 2013. Why do we have this big disparity in time; especially in the 2006? What is the difference in how we operate now, as compared to in 2006?

Mr. Chadee: Just referring to Victoria Keys; Victoria Keys' start date was about, I believe, in 2004 when lands were cleared. However, what you are referring to there is about the phases that we went into. Sorry, I do apologize for that, Sir. Well, is actually focusing on the phase for contract. Right. Chaconia Crescent had started in 2006 and, again, Ms. John had mentioned primarily before, it is where we had multiple contractors, but not one main contractor. So it was a lot of coordination issues that took place on that site. And as I said that project was suspended and there was not a contract in place for infrastructure works. So currently we are just working with, as I said before, the statutory bodies to try and resolve so we can start getting the infrastructure works in place and a further year to complete that entire project.

Mr. Seemungal: Now, may I? Just one more?

Mr. Chairman: Is it the same subject?

Mr. Seemungal: Same subject. Yes, on the same subject. When one looks at the photographs—and it is pity that the public does not have access to the photograph—when we compare this type of infrastructure as to that of many moons ago, maybe in Maloney when you pass in that area on the highway and you look across it is the same height, was a different type of building altogether. Earlier, when I raised the question of land and whether or not people—whether or not we can go up as opposed to going across. If we can continue building buildings like these, and looking as good as these, and it is attractive as well to individuals, then they may be attracted to want to go up, as opposed to looking for a piece of land with a backyard. But the final question on this; does these buildings—are they outfitted with elevators and back-up generators in case of power outage?

11.05 a.m.

Mr. Chadee: Each one of these buildings are designed as per international codes and approved by all their different—in fact, these buildings are approved by fire services and everything. Once you cross a certain height, you require a certain amount of elevators and type of elevators, sizes and capacities, so yes.

Mr. Al-Rawi: Good morning everyone, may I express at the outset my sincere gratitude for the time that you took to put together the bundle which you presented to us. It really was well thought out and I consider it an excellent attempt to address the issues which were put to you.

May I secondly say that my view of these types of committees, Joint Select Committees, is that we are here to help you by understanding what your problems are and it is not inquisitorial for embarrassment or any other purpose, but rather driven to achieve results. Because these are one of the rare opportunities that entities get to come forward and say, “Listen, we are hamstrung by the following factors, without blame, and we need your assistance in certain aspects."

May I just ask a few preliminary questions and then address three particular areas. If I could ask the chairman of the board, how many members sit on the board first of all? How many board members are sitting at the HDC currently?

Mr. Moonan: Seven.

Mr. Al-Rawi: How many members of those seven comprise the tenders committee?

Mr. Moonan: Three members.

Mr. Al-Rawi: Three members. May I next enquire, how many projects does the HDC currently have? If I had a map of Trinidad and Tobago and had to stick a pin on the map, how many pins would I have as ongoing projects?

Mr. Chadee: [*Inaudible*]

Mr. Al-Rawi: Notice this is to the chairman, please.

Mr. Moonan: Yes, well Mr. Chadee who is in the operations will be able to answer that for me.

Mr. Al-Rawi: So, does the board have an understanding of how many pins are on the map?

Mr. Moonan: Yes, but I do not check them on a daily basis. Mr. Chadee, really, is operational and—[*Interruption*]

Mr. Al-Rawi: When last you checked, how many did you get?

Mr. Moonan: Senator, the role of the board really is in policy and we are not into operations as such.

Mr. Al-Rawi: Sure, I was really looking at the policy behind the number of projects. Mr. Chadee, how many projects do we have ongoing? How many pins would I get on a map?

Mr. Chadee: For ongoing projects, we currently have 13.

Mr. Al-Rawi: Thirteen.

Mr. Chadee: That is mainly the big, large projects over $100 million.

Mr. Al-Rawi: No, including the—anywhere that the HDC would have a contract in existence, be it remedial, be it infill, be it whatever.

Mr. Chadee: We will have to get back to you on that.

Mr. Al-Rawi: Okay, how many employees overall, therefore, via contractors—how many people would we have on site, infill, current construction, single family dwelling, multi storey, that kind of thing?

Mr. Chadee: Our direct estimate was about 5,200 direct employment.

Mr. Al-Rawi: In direct employment, and in indirect employment via your contractors, is that factored?

Mr. Chadee: The 5,200 is direct employment, contractor on all the trades. The indirect factor, we would have to at least estimate about 35 per cent, but we did not go into the actual details.

Mr. Al-Rawi: And the policy that I was coming to in identifying that scope or range of work was, what insurances do we have in place in respect of workmen's comp, liability, et cetera? What kind of policy consideration are we looking at there from the HDC's end of the equation?

Ms. Mc Farlane-Lee: Good morning, Chairman, Members. Sen. Al-Rawi, I will take that question. Part of my role as the chief legal officer is also management of the contract and tenders department. We ensure before parties are put on the ground that there is the contractors' all risk, the workmen's compensation for design/build contracts, the professional indemnity insurances. Also for minor, so you may have a range of minor works refurbishments and what not. We have like a group coverage policy and that covers the contractors' all risk, the public liability as well as the workmen's compensation. These are for very small contractors who may not have the wherewithal to go and get their own insurances.

Mr. Al-Rawi: So the HDC does provide some degree of coverage where some contractors cannot?

Ms. Mc Farlane-Lee: Yes, we do. Because we have to ensure that if you are on the ground and you are doing works that there is insurance.

Mr. Al-Rawi: And that cost is covered under the capital works from PSIP end?

Ms. Mc Farlane-Lee: It would be. Yes. It would be part of our—yes, it would be.

Mr. Al-Rawi: Okay, what is the last date of audited financial statements for the HDC?

Ms. Lewis: Okay, I will answer that. The HDC is—we have currently completed orders for the years 2004, '05 and '06. We are awaiting the auditors. They have indicated to us, actually yesterday I had a meeting with them, so by next Friday the final audited reports will come back to us for the board to sign off on.

Mr. Al-Rawi: Great.

Ms. Lewis: On November 24, they are coming in to discuss the start of the 2007 audit, because we had a little delay because we had to go back out to tender to get auditors for the period 2007—2009.

Mr. Al-Rawi: Do we have management accounts for years to date?

Ms. Lewis: Yes, we do.

Mr. Al-Rawi: Excellent. What is the extent of indebtedness that the HDC is currently committed to with its bankers?

Ms. Lewis: In terms of the bankers?

Mr. Al-Rawi: Yes, how much room do you have if you need money? You get money from the Ministry of Finance and you have overdraft facilities.

Ms. Lewis: We have an overdraft facility at the bank and generally we monitor that every week and depending on the level of funding, we start monitoring every day and very early we notify the Ministry way in advance that our funds, we are going to need additional.

Mr. Al-Rawi: So how much head room do you have? Of your overdraft you have 10 per cent left, 5 per cent, 100 per cent?

Ms. John: One hundred per cent.

Ms. Lewis: As it is now, it is available.

Mr. Al-Rawi: What is the extent of your overdraft?

Ms. John: Sen. Al-Rawi, you want—[*Laughs*]

Mr. Al-Rawi: Just a quick question there, because my follow up question is going to be on the extent of payments to contractors.

Ms. John: We pay them well at the HDC.

Ms. Lewis: The overdraft right now is at $350 million.

Mr. Al-Rawi: Great. I am trying to be quick because I am conscious of time for others. May I ask you to point me where in the bundle we have the answer to the question as to your top 10 contractors?

Ms. John: "Top 10, meaning what, by reason of how are we gonna rank them?"

Mr. Al-Rawi: By reason of size. The question put to you is to provide a list of your top 10 contractors by reason of size?

Ms. John: We did not get that question.

Mr. Al-Rawi: I see.

Ms. John: No, we did not get that question.

Mr. Chairman: It is available though, and by size do you mean moneys?

Mr. Al-Rawi: Yes, Sir.

Ms. John: That would be their audited financials?

Mr. Al-Rawi: No, no, in terms of value of contracts. That was the question put, so perhaps you did not receive it.

Ms. John: No, we did not receive it.

Mr. Al-Rawi: Okay, perhaps we can send that to you. Okay, thank you for that general background issues which help to inform us as to some of the difficulties that you would be operating under. My last specific question on that point is, how many project managers do we have in the HDC, including subsidiary project managers' assistance?

Mr. Chadee: Inclusive of external or just direct?

Mr. Al-Rawi: How many worked for us on the project management side, for the HDC?

Mr. Chadee: For the internal staff we have with the project managers and project assistance, about 30.

Mr. Al-Rawi: About 30. So, of the several thousand projects ongoing if you count each house as a project, we have 30 project managers managing that portfolio.

Mr. Chadee: We have 30 project managers managing the portfolio of 17 projects.

Mr. Al-Rawi: Yes, but delivering several thousand homes.

Mr. Chadee: Several thousand homes, yes.

Mr. Al-Rawi: Okay, great.

Mr. Chadee: But in that case remember that we will also have clerk of works on site and each site may have one or two clerks of works, so for the various we have about 40 clerks of works direct employment. Again, this is HDC direct, I am not relating to the FIDIC engineer consultants and their team that is in place. We have various oversight structures. So, the FIDIC engineer consultants, they will have the project managers and their project assistants and their assistant project managers on site. Then after, with that structure now, we as more the accountable arm in terms of doing up the reports and follow up in terms of quality and in terms of contract—so we will have a direct relationship with our consultants. So the entire team may be about 120 personnel, give or take.

Mr. Al-Rawi: Thank you. Question to the chairman: what is the policy in relation to the acquisition of lands, both from the State and also—and from the State I am including entities such as EMBD and Caroni (1975) Limited, for example, and also by way of private treaty. If we could just have the board's policy position on that?

Mr. Moonan: Senator, that is well documented in this book that we have here. What page is that?

Mr. Peters: Tab one.

Mr. Moonan: Tab one, and we do—

Mr. Al-Rawi: Okay, I am looking and I have looked at pages 6 to 8—sorry, to 10 of that tab one, sorry 11, but I am looking at specifically—but perhaps I should ask a direct question. Is the HDC, in acquiring State land, operating in accordance with any Cabinet decision, for instance, in central Trinidad where there are Caroni lands available, that State lands are to be used in central Trinidad in priority to private treaties, or rather there is an exclusion against private treaties in central Trinidad and that you ought to use State land by Cabinet decision? Does that operate there?

Mr. Moonan: All acquisitions must get the approval of Cabinet, whether it be State lands or private treaty. We go into private treaty when State lands are not available throughout the country.

Mr. Al-Rawi: Okay, so specifically in central Trinidad, along the Caroni plians, as far as I am aware there is a Cabinet Note, a Cabinet decision which indicates that acquisitions by private treaty ought not to be done because of the availability of State lands. Are you aware of that and if so, has it been rescinded or factored at all?

Mr. Moonan: I think earlier Ms. John did, in fact, allude to the fact that there are no State lands available in central right now.

Mr. Al-Rawi: No, I am speaking about the Cabinet Note.

Mr. Moonan: Ms. John, could you assist there?

Ms. John: With this last one? Just now, Chairman, please.

Mr. Chairman: It seems that the Permanent Secretary has a response. Madam PS.

Ms. Briggs: I would really have to look into that because I am not aware of it. I know what happens when they need to purchase, they send the required information to the Ministry and we go to Cabinet, but as to whether there is a policy that they should use State lands in preference to private lands, I am not aware and I could always check the Cabinet Secretariat to guide me on that.

Mr. Al-Rawi: Thank you, Ma'am. May I enquire of you, Madam Acting Permanent Secretary, I have noted with thanks the flow chart as to acquisitions of lands. I see, for instance—that is at page 11 of the manual given to us, of the booklet, sorry, so we do have a position ultimately where the managing director is involved, then the board approval is obtained and then Cabinet approval is obtained, both in respect of lands which are State lands and private lands. May I enquire who drafts the Cabinet Note for Cabinet approval?

Ms. Briggs: The HDC will send information to the Ministry. They may send a draft note, and for my time since I am Acting Permanent Secretary, I have not submitted any Note like that, they were done before my time. In looking back, I will—[*Interruption*]

Mr. Al-Rawi: Sorry, since when have you been acting as Permanent Secretary?

Ms. Briggs: June of this year.

Mr. Al-Rawi: And who acted prior, sorry?

Ms. Briggs: Well, we had—well, Mr. Cooper, the head of the public service was the Permanent Secretary before me.

Mr. Al-Rawi: May I enquire as to a specific instance? The Opposition is on record in the Parliament of having addressed a specific land acquisition issue at the HDC, that is what is referred to as the Eden Gardens acquisition in central Trinidad. We raised it in the Parliament on several occasions and have yet to get an answer; insofar as we have the benefit of your presence now, I am quite interested to understand what happened in that particular transaction, and specifically how it is that a valuation obtained in accordance with this flow chart as set out at page 11, where a private valuator is obtained and a Government valuator is obtained, where there was—if I recall the private valuator's position was some $51 million and the Government valuator's position was $170-odd million and then an acquisition happened after that at a higher sum. Could you help me out to understand that transaction, exactly what transpired there?

Ms. Briggs: All right. Let me go back. There was—when I looked at the file, I saw there was a request by the owner—Point Lisas Park Development, am I correct?—of the property, an offer for over $200 million for the property? The HDC got a quotation from a private valuer Linden Scott. That $52 million was a discounted price. Assuming it is one person buying it, he said this was $150 million, that was the price he gave for the land and he said, okay, "Let us discount it if one person is buying it." We looked at, okay, if you had to buy it to sell over a period of time you would be losing profit so we will discount—$63 million out of the $150 and that is how he came to the $52 million, but that was a private valuation.

Government always goes on the advice of the Commissioner of Valuations, and he gave a figure of $178 million for the value for the—in fact, he said that the valuation we got from

Linden Scott was grossly undervalued. That is what the Commissioner of Valuations said. He gave a figure of $178 million.

Ms. John: One hundred and eighty million.

Ms. Briggs: One eighty, sorry, $180 million. And the HDC, well they had some negotiation with the owner and they came to $175 million. That is what the HDC agreed. A note was taken to Cabinet, Cabinet agreed and that is how the transaction was concluded.

Mr. Al-Rawi: If it is then that the procedure requires, if the State always goes with the Government valuator, why then do we have a procedure which requires a private valuator in this stated procedure of the HDC?

Ms. Briggs: Right, now sometimes—well, HDC took a private valuation. I do not know if they went to—is it that you went to the state valuation before? I know you got a valuation from the private valuer.

Ms. John: Let Mr. Peters, please.

Mr. Al-Rawi: Sure.

Mr. Peters: Okay, the procedure of using a private valuer in addition to getting the opinion of the Commissioner of Valuations, is a way to address potential conflict, because very often the vendor disagrees with the Commissioner of Valuations. And this is just another opinion so that it helps in the negotiations.

Mr. Al-Rawi: Sure, that is what I thought it was. It is a prudent measure to have there. So, when we get a glaring conflict, because I have read the Linden Scott valuation, which is an open market value, it is not stated it to be a discounted value, but I do understand and accept the hon. Acting Permanent Secretary's explanation there. But the open market value stated at $52 million and the Government valuator stated at $175 million, and the HDC then buying for $180 million, when we saw this potential, well this huge gap—can you help me to understand how we were comfortable in proceeding in the way that we did? What steps were taken to deal with that?

Mr. Peters: Okay. Yes, it is a huge gap, but the Commissioner of Valuations—in fact, we had two different bits of correspondence from him. A very simple one where he said that—I just want to read—"the valuation is grossly understated", and he literally rejected the valuation. Okay. Fortunately, we had done a similar acquisition not too long before and again we relied on the commissioner.

Mr. Al-Rawi: If I could say perhaps, well not perhaps—I had the pleasure of serving at the board of the HDC for some time and sat on a board where we had private acquisitions, and what happened—no, unfortunately not then—but what happened was that when we got private lands which were large in scale, at that time $20 million was large, I recall the board taking seven valuators' opinion on the private side so that we can get an average mean as to what it was worth in addition to the Government valuators' opinion, and when issues arose between a spread between the private valuators' we went back to them to say, well, these are what your colleagues have said, could you please explain so that any misconception, or understatement, or starting premise could be looked at again so that some form of stability in a decision came about.

But, may I enquire whether in this instance any approach after receiving the Government valuators' statement that a well-known valuator who works for the entire banking community in Trinidad and Tobago had grossly understated a value. What happened—was any approach made back to Mr. Scott to say, well, perhaps you made an error and you left a zero out of your valuation or you got some fact wrong? Was any approach returned to him to ask him how $52 million stood up next to $175 million?

Ms. John: Well, hon. Senator, his valuation was not really $52 million, it was $115 million, and Mr. Scott discounted. He just said for, in the instance that there was one purchaser, there is no stamp duty, there is no legal fee. Now, here you are at the committee level asking us about this transaction. If we had gone back, Mr. Scott might have now been scratching his head to say, "Why did they come back to me. You understand? In the same way you are asking us this question.

So, one did not go back to Mr. Scott. What happened, as the Permanent Secretary stated, the vendor came with the land at a cost of $200 million. It means therefore, the price of the land could be between zero and $200 million. That really is the—when you look at it and you reason it out, you say, okay, the value of the land falls somewhere within that line. You went to a private valuator. We had an internal valuation, actually, which was $165 million. We had internal estimates. We went to the private valuator who came up with $115 million.

We then take the valuation from the private valuator and sent it to the Commissioner of Valuations. So the Commissioner of Valuations had the benefit of the opinion of Linden Scott and in his letter, he sent a first letter of March 06, 2012. This is the letter on the Ministry of Finance letterhead [*Holds up document*] and he said, and I am reading directly from what he said:

Pursuing the document supplied, I am of the view that the valuation done by Messrs Linden Scott and Associates is grossly understated considering the current state of the development and under the assumption that all statutory approvals have been had for intensive residential use.

Yours faithfully

Commissioner of Valuations.

Mr. Al-Rawi: May I enquire whether—[*Interruption*]

Mr. Seemungal: Mr. Chairman, may I—[*Interruption*]

Mr. Chairman: Mr. Al-Rawi, before you move forward—[*Interruption*]

Mr. Seemungal: I have been very patient for the last half an hour and—[*Interruption*]

Mr. Chairman: One moment, please.

Mr. Seemungal:—it seems to be a private—[*Interruption*]

Mr. Chairman: One moment, please. Sen. Al-Rawi, we want to ask you to take a break after your next question, allow for our colleagues to speak and then you can come back.

Mr. Al-Rawi: I certainly intend to. I am hearing hon. Sen. George and his cautions on my right.

Mr. Seemungal: I just have some supplemental.

Mr. Chairman: Yes, and then we will come back to you as soon as we have satisfied the others.

Mr. Al-Rawi: Yes, so if I could just—so, no reproach was made to Mr. Linden Scott, sorry, no return was made to Mr. Linden Scott to clarify his position.

May I, last question, ask, at the board of directors, and I know that the current chairman was not there then, so the board of directors made a decision to proceed with this transaction, were there any caveats raised in respect of the disparity between the $52 million for a single purchaser as the HDC was versus the $175 million per the Government valuation?

Ms. John: Yes, we presented the board with the entire document, you know. The board would have had the benefit of the Linden Scott valuation in its entirety, I believe, and, also, the Government valuators.

Mr. Al-Rawi: Okay, I will take a pause here.

Mr. Seemungal: Mr. Chairman, may I—a couple supplementals, please? This is a question direct to the Permanent Secretary. Is the Commissioner of Valuations fall under your Ministry at all?

Ms. John: No, the Ministry of Finance.

Mr. Seemungal: They are under the Ministry of Finance. A question to the chairman—well before I ask the question—the lands, all the Caroni lands are now vested in the State by an Act of Parliament of 2005—that is the Caroni Act—and they are no longer under anybody except the President under the hands of the commissioner. Are you aware that the Commissioner of State Lands relies on the Commissioner of Valuations for all valuations with respect to State lands and transactions under his hands?

Mr. Moonan: Yes, we are aware and that is why we are guided by the officials of the Ministries when we take decisions.

Mr. Seemungal: With respect to hiring valuators, for instance, do you enquire as to their qualification and if any certification or certificates are awarded to valuators prior to becoming a valuator?

Mr. Moonan: Well, I would imagine that the executive of the HDC will take all those precautions, but at the end of the day, we always rely on the Commissioner of Valuations.

Mr. Seemungal: Excellent. I am very puzzled by the financial statements and audited financial statements—are you saying that you are now in the process of finalizing audited financial statements for the year 2004—2007?

Ms. Legall: What we are saying is that we have already completed those audits and we are awaiting on—[*Interruption*]

Mr. Seemungal: But you are now—

Ms. Legall:—and we are awaiting the external auditors to come back to us with the bounded copies.

Mr. Seemungal: When have you completed those audits?

Ms. Legall: Those were completed a couple months ago and we are actually cleaning up a backlog.

Mr. Seemungal: But why is it—and this is probably to the chairman, was your board in place in 2004 and 2006 when these were outstanding?

Mr. Moonan: "Am", Mr. Seemungal, what we have found when we reached there, is that there was a huge backlog in the financial statements of the HDC. In fact, I would venture to say it was really a horror statement, or there were no statements and that is why we had to say a horror, in that the present management had to go into warehouses to look for documents and so on, and more or less formulate documents to put to the auditors. The Chief State Auditor, I think it is?

Ms. Briggs: Yes.

Mr. Moonan: We had to go further to ask her permission to get private auditors in order to update the accounts, and that is why we are where we are.

Mr. Seemungal: Do you see—[*Interruption*]

Mr. Moonan: Let me just complete, Sir, with your permission, Mr. Chairman. The accounts—the backlog in accounts was no different to the state of the houses which we met in a state of disrepair. HDC before 2010 really seemed to be a free for all. I do not know who were the directors at that time, but as directors since 2010, we could account for all our actions.

Mr. Seemungal: But my question to you—I just want you to answer my question—was your board in place in 2004—2007 when these flaunting of the regulations occurred?

Mr. Moonan: Absolutely not, I would imagine—[*Interruption*]

Mr. Seemungal: This board would have been appointed by the previous administration, I guess?

Mr. Moonan: I would well imagine so.

Mr. Seemungal: Now, have you all done an enquiry as to why is it that HDC would have been allowed to flaunt the financial regulations which is a stipulation under the financial regulations Act and they are governed, I guess, by laying the audited financial regulations to Parliament—sorry, audited financial statements to Parliament so that we the general public can be aware of what is happening. Have you or your board launched an enquiry as to why were they allowed to flaunt these blatant regulations and putting the HDC in a position whereby they can be brought before a court of law for not adhering to the regulations?

Mr. Moonan: I would well imagine the Auditor General would have some statements to make on this. But I want to tell you, Sir, that it is because these financial statements are not up-to-date, it has prevented the HDC going into the open market to seek funds to carry on our housing projects.

Mr. Chairman: Miss Roopnarine.

Miss Roopnarine: Thank you very much, Chairman. Let me also join colleagues in commending the HDC for the documentation provided, very comprehensive. We started off the conversation by talking about the demand for housing in Trinidad and Tobago and I want to add that, you know, as a Member of Parliament over the last three years or so, every Tuesday I am bombarded by requests for housing, and I think Ms. John and you chairman would know that as well, because you always receive my letters every week. So we accept that the demand is very high and therefore it is something that we have to look at in how we meet this high demand. Earlier on in the conversation I think Ms. Legall provided information for the period 2005—2010, indicated that perhaps between 3,000—5,000 houses were allocated; from 2010 to present, 4,678 houses allocated. Could you identify for the same time period the number constructed as opposed to allocated?

11.35 a.m.

Mr. Moonan: I think Mr. Chadee will assist you.

Miss Roopnarine: Okay, while Mr. Chadee gathers his data and his thoughts, let me also say that one of the complaints that I would have received on coming into office in 2010, was that there seemed to be a number of housing development that were recently constructed, but even before they were allocated they were falling apart. I make reference to, perhaps Wellington Gardens in Debe, those houses and so on. Could you identify the reasons for some of these things happening? Because we are often being asked these questions and I know that that particular case was a big issue, because we had these high number of persons coming to my office for houses asking for, you know, recommendations to the HDC and so on, and yet we had houses, newly constructed, that were falling apart. So, I really want to know the reason for that happening.

Mr. Moonan: Well Member, if I generalize, because it was said that between 2010 and up to recently, we distributed 4,700 houses. Those were units which this administration would have met, but as Ms. John pointed out there are a number of units where they did not have any waste water plants, the designs were poorly done, and I know that you are from San Fernando and you travel on the highway every day, and if you pass in Chaguanas, there are two towers standing there which was commissioned sometime 2004—2005. The designs were so bad that I have seen letters with similar designs being done for East Grove, and where the contactors objected to constructing these buildings because you had rooms which were probably smaller than a 10 by 10 and with a column in the middle. You had corridors where you had to walk sideways to get in and get out. You had stairways which could not have taken a small fridge. And today, we have put those buildings back out to get a request for proposal. I could be wrong, but my information is that those two buildings in Chaguanas would have cost about $70 to $80 million.

Miss Roopnarine: Wow!

Mr. Moonan: Today, to get anything out of value, we may have to gut the entire internal structure of that, and this is what we found not only in Chaguanas—[*Interruption*]

Miss Roopnarine: Just tell me when those were started—when the construction started for those houses.

Mr. Moonan: I think, but it would have been before 2010, it would have been 2006/2007. I only identify those two, but there are many throughout the country. And you are correct, in Wellington, there was a particular design done there—[*Interruption*]

Mr. Chadee: Minister, with respect to Wellington, we will not speak about that project, that is currently in arbitration the sub judice process.

Miss Roopnarine: Okay, my apologizes.

Mr. Moonan: No, you should not apologize if it is under arbitration.

Miss Roopnarine: All right.

Mr. Chairman: [*Inaudible*]

Dr. Mahabir: Yes, I will defer to Sen. George who has not spoken yet but after Sen. George I will comment, yes.

Mr. George: Thank you very much for the courtesy extended Senator, thank you very much, through you, Mr. Chairman. Mr. Chairman, I have some questions lined up here, but first of all let me congratulate the HDC, the chairman and managing director for an excellent presentation in their document. It shows that you have very, very competent people working in the HDC, and to the permanent secretary also for her discourse, and in particular for her research done when she took up the reins as permanent secretary in that Ministry so that she could explain the process of the acquisition of those lands in Eden Gardens, because that is very important to clarify.

I have some questions here that in a manner of speaking would have been raised by others, and essentially I had been asking, you know, as of May 25, 2010 how many houses were:

1. Completed and ready for handover, partially complete, completed but vandalized, completed but suffering from poor workmanship?
2. How much did it cost to repair these?
3. Have they all been repaired and given out?
4. Since May 25, 2010, how many homes has the HDC constructed?
5. And how many homes has the HDC given out since May 25, 2010?

You have in a manner of speaking answered some of those questions. But I want to ask two questions that might shift away from what has been asked by my predecessors here: One, in a discussion with a former high ranking HDC technocrat, I had posed the question, when HDC is putting up its housing estates and takes a decision regarding the lands and so on, do they think about other infrastructure? For example, if you are constructing 200, 300, 400 single family homes on a stretch of land, you should be thinking about things like drainage and sewerage and so on. And the response I got from that high-ranking technocrat was that our mandate is to build houses, other infrastructure we “doh” study.

So I am saying here, has the HDC been able to learn from that experience, and does the HDC now take into consideration the other infrastructure that makes its housing developments proper housing developments to live in? For example, your drainage systems, water and sewerage, and I did get an indication that there were some problems having to do with sewerage in some of or lack of installation of sewerage systems in a couple of your developments, and that speaks to that whole attitude that came from that technocrat, that our mandate is to “build house”, all right. So I want to find out that, whether we have progressed from that era and now we take all of these things into consideration.

The second question that I have is this, in noting the figures that you have for the applicants for housing which you give as about 214,000, that sends a signal that, given that you are going to be constructing, let us say about 10,000 houses a year if you get to that, you would take some considerable time to meet the needs or the demand for housing. In that context, has the HDC noting that, suggested to the powers that be, alternatives, “ah rite”, for house acquisition by the members of the population, that will take the waiting time out of this housing availability issue for them and give them more hope in obtaining a home?

Now, it may be going beyond your remit, I do not know, but I feel that as an agency, if you are seeing that the demand far outstrips the supply and you may not be able to meet that supply in 10, 15, 20 years, okay, it is imperative that you indicate to the powers that be, that hey listen, we think that some other alternatives to provision of housing to the population are necessary now, in particular, where the costs are rising and perhaps more and more, an HDC house as you are now constructing them, is moving further and further out of reach of ordinary people. Thank you, Mr. Chairman.

Mr. Chadee: Thank you. I will start with the first question which is primarily lessons learnt in terms of the developments and how we go about constructing units. I just want to answer the Minister, Miss Stacy Roopnarine's question on how many units were available back—when we received in 2010, which was about approximately 7,263 units that were there on the ground. Now, in terms of the lessons learnt, we have to look at the philosophy of how we used to construct units and the way we used to manage the projects.

So, HDC has evolved from—and the department for construction at that time was the project management and control unit, PMCU. What we did now and the current structure is that that unit is broken into four primary subunits or taking over the structure. We have the project management oversight department, we have the contracts and tenders departments, my department which is the construction management division and then after we have the land assembly coordination which is a subset of the project management oversight.

What we do currently is look at the land. We have planners, in place now, both internal and external planners in terms of ensuring that we have the relevant subdivisions and approval for the subdivision, basic Town and Country outline approval that is there.

Ms. John: Chairman, some housekeeping. One of my staff wants to leave the room to go to the washroom. She wanted to know what was the protocol. [*Laughter*] Sorry. We did not want to show any disrespect to the committee so she did not know what to do.

Mr. Al-Rawi: Everybody in Trinidad knows now. [*Crosstalk and laughter*]

Ms. John: Sorry, Chairman, thank you.

Mr. Al-Rawi: The camera is seeing her leaving. [*Laughter*]

Mr. Chadee: Thank you Ms. John. So we looked at the planning of the land itself now, in terms of how many units it could yield and we look at the mix in terms of single families, duplex, apartment buildings and so forth. We got a couple of consultants engaged. This is through the project management oversight department now, in terms of looking at the various disciplines, structural, MEP, architect. So that is the basic premise there—quantity surveyors involved.

Now, these may be separate firms or there may be a couple of service providers that have all these resources in place. After we do that and we develop the RFP, which again will be done through the tenders and the PMO department, we will look at having a design review consultant in place now. And design reviews were not conducted before. We have to watch our consultants basically because a lot of times we would find that the internal experience was not taken into consideration too, from the project management as well as having a fourth eye in place which is the design review team. Once the design review is completed, we will finalize the bills of quantity and after go for the tendering of the documentation of selecting of contractors and everything.

Now, I must say coming back to your question, in terms of the lack of imputing utilities, the mandate was really building units, right. That is still the mandate; that has not changed. In fact, we have a gross shortfall, if we have a projection, the next—taking existing stocks in terms of remediating a couple of units as well as the projection of projects, we are going to use—we are coming up with 9,000. The demand is 14,000 annually. So that may be a Ministry or a Cabinet decision in terms of how do we meet that demand. Currently we cannot. HDC cannot answer that question. But processes are in place, competent personnel are in place to ensure that once we have a contract in place and there is an execution of a contract—and it is quite visible because our projects are visible to the public now.

When you enter our site, you will see how clean it is, you will see how orderly it is, and you will see the quality that is in place, because we must have oversight on oversight. And as Ms. John says, work takes work and we work very hard at the HDC, and smart, to add that part of it. So, at the end of the day, we have a mandate to deliver units, we are going to deliver it as best as possible within the specification and quality requirements. Demand for housing units is a question that is beyond our remit right now. Thank you.

Mr. Moonan: Mr. Chairman, may I just add to what Mr. Chadee said and to Sen. George, when we go out to look at areas and what type of houses to build, we are very cognizant as to the economic conditions of that area. I just want to point out that the last administration built some houses in Moruga and we have found to our chagrin that people cannot afford those homes. So no thought was put into that particular area when you built houses. We may have to go into some sort of rental agreements and we are very, very careful now when we build houses, we know what type of economic environment exists, what people could afford, whether we should have a two bedroom or a three bedroom or high rise houses. HDC has really tightened up its operations right now.

The quality of work has improved tremendously. I think it was only last year or something, and we were contemplating blowing up a building in Morvant because there was a fault line running through the buildings, many, many faults with the last Boards of HDC which we are now trying to correct. And really, we must take this opportunity, Mr. Chairman, to really sing the praises of the present Minister of Housing and Urban Development, Dr. Moonilal, who in his tenure has been able to provide 9,000 new units during the last three or four years.

Mr. Chairman: Thank you very much, Chairman. I do have four questioners lined up to go next. I just want to remind my colleagues that the enquiry proposal should also be given some ventilation here, where you could focus on those before we go forward. So the order I have is:

Sen. Mahabir;
Mrs. Mc Intosh;
Sen. Hadeed; and
Mrs. Seepersad-Bachan.

Sen. Mahabir.

Ms. Briggs: Mr. Chairman, if I could intervene, I would just like to add my piece to the question that Sen. George raised, that pertains to the issue of alternatives given the pressing demand on the HDC. The Ministry of Housing and Urban Development has been looking at other means of assisting citizens of this country with respect to housing. And I would just quickly, briefly decide it. We were looking at squatting, because people cannot get into the formal housing sector, squatting seems to be a default position; they find a piece of land they go and squat. It is a lot of persons who are living on squatting lands and the previous land settlement agency which was under our Ministry at one time, squatter regularization was one of the mechanisms that government was looking at in terms of assisting with the housing programme. We are saying people are already there, we cannot find HDC housings to put them in, let us regularize them where they are. That is one alternative.

Then we access grant funding from the IDB—loan, sorry. It was $60 million. That is again to help persons who would have had land but they cannot access mortgages, to get a subsidy from the IDB to build their homes. So that would have taken some of the pressure off the HDC. Even the Ministry has a grant that it gives to needy persons. They can apply if they want to maybe add an extra room on to their existing home to deal with overcrowding, change their roof. Housing issues, they can apply to the Ministry for a grant and they can, you know, fix their homes.

We also have the case of the EMBD. EMBD received part of the lands that were once under Caroni (1975) Limited, and those persons, the VSEP persons from Caroni (1975) Limited have been receiving deeds for those lands. They can now approach TTMF and get a 2 per cent mortgage interest where they can now build on those lands. And even the LSA, recently we went to Cabinet with a note which was approved to set up a housing support centre at the HDC, fully staffed to assist persons who are constructing—low income persons—they can get access to those services from the LSA in terms of getting house plans. I think it is a very small price they have to pay for it, some will be given out freely and any support, technical support they need in terms of getting statutory approvals, they can go to that housing support centre and get access to those services. So it is all intended to assist persons from, depending solely on the HDC for housing solutions. So these are some of the things that are being done in the Ministry to assist citizens.

Mr. Chairman: Thank you PS. Sen. Mahabir.

Dr. Mahabir: Thank you very much, Mr. Chairman. May I continue with some remarks made by the Chairman earlier? And I refer to page 6 of the document where you are outlining your Mission Statement to say that the HDC must do all things necessary regarding the provision of affordable shelter for low and middle income persons. This much is not under dispute. We are told that there is a request every year for some 14,000 units for accommodation. But accommodation is costly. It does require resources to provide, and so I am in interested in the following: What is the current price range of the shelter currently provided by the HDC for those who wish to purchase and the range of rentals for those who wish to rent your units?

The second question then from that is, what percentage of your clients on a monthly basis are in default of their payments? Can you provide that information on the affordability of the shelter, the price and the default rate? Third, how do you go about, of the 14,000 requests, screening your applicants, since I imagine your criteria will be different from those used by the private sector since you are focused on low and middle income earners, your criteria must be different from say, what a commercial bank will use and I will be curious as to find out what those are, are they objective, are they subjective, is it transparent? And finally, we are told that the Minister can allocate some 25 per cent of your units. I am interested, the public interest, to determine exactly how does a Minister go about making a determination on the 25 per cent of your units which he can allocate on an annual basis? Thank you very much.

Ms. Legall: Chairman, I will answer that question. Well, three of the four questions I will take and Ms. John will take the fourth one. In terms of the cost of the units, right now they range from $350,000 to $450,000 generally. We have one or two exceptions which would take us to $764,000 to $880,000 but those would be in areas like Fidelis Heights and Maracas where the units that were constructed were of a slightly higher end than what we normally do.

The second would be in terms of the criteria for determining who is afforded housing. Our process is based on the Cabinet approved allocations policy which is guided by Cabinet Minute 675 of 2004 and further amended in 2006 and in 2008. And the selection criteria is very specific:

1. Applicants must be citizens of Trinidad and Tobago and have been residing here for at least five years presiding the date of signing a particular statutory declaration that they are asked to as part of the interview process;
2. They must be 21 years and over;
3. They cannot be owner or part owner of any property or land in Trinidad and Tobago;
4. They must be first time homeowners; and
5. Their monthly combined income as if you are a single or a joint applicant must not exceed $25,000.

Dr. Mahabir: But continuing from that, you have 14,000 requests.

Ms. Legall: Right.

Dr. Mahabir: I imagine all of them would satisfy those criteria. How do you go about selecting of the 14,000 those who will be allocated the units?

Ms. Legall: Right, well, they actually do not all satisfy that criteria. So our allocations process is designed to determine who does meet the criteria and who we can proceed with. And what we would do is if someone is approved for allocation we ask them to bring in some specific documents which actually are all contained in the package that we would have provided previously. Things like their birth certificates, their proof of income, they have to sign a declaration to state whether or not they are owner or part owner of a property. As part of the process, we also conduct searches on each person that comes in, where our attorneys go out, I am not sure if it is the attorneys themselves, but there is a search clerk who would go out to determine whether anything shows up as being, you know, deeded to someone. Their payslips are required so that we could see whether or not they are within the $25,000 range or whether they are over. And once someone is deemed to not meet every one of these criteria, they are actually informed in writing what criteria they do not meet and that we are unable to proceed with them in terms of an allocation.

Dr. Mahabir: And your default rate?

Ms. Legall: The default rates—Ms. Lewis.

Ms. Lewis: I cannot give you a percentage, but I can tell you what the numbers are. Currently for mortgages, the mortgage portfolio we have approximately $84,000,000 outstanding, unpaid to the HDC. In terms of our LTOs, which is our license to occupy, it is $141,000,000. Now what the HDC—the HDC recognizes that it is a big issue in terms of the collection so what was done is, separate recovery units were established in 2011 headed up by a very experienced person in credit facilities. Working together with the legal—we actually assigned a lawyer to that department also to assist. What they are doing is they are managing it in two phrases. We have the previous outstanding debt and what we are doing to ensure that we do not continue to add to that the balance that is outstanding.

So in terms of the older debt, what we are doing is we write to the persons, we write a letter and we give you seven days to respond. If you do not respond, we write another letter and we give you 30 days to respond. Failure to do that, we send a letter with a notice to quit. We have been getting responses, a lot of responses from persons that are coming in when they get those letters. In the event that they do not respond to the notice to quit, we have introduced what you call a demand letter where we say we want all of our moneys. Failure again to respond, we refer these documents to the legal department so they can go through their process in dealing with delinquent persons.

Dr. Mahabir: That is fine, but I really would like to know what is the size of your mortgage portfolio? You see I need to know the ratio of default to active mortgages to determine whether in fact the HDC is operating in an efficient manner.

Hon. Member: We can request it in writing.

Hon. Mahabir: Okay.

Ms. Lewis: What I can tell you is that we are currently on an exercise. These mortgages—[*Crosstalk*]—we are currently on an exercise, well we are not writing any new mortgages. The HDC have not been giving out any new mortgages. These are old mortgages and some of them go all the way back to 1995, those years.

What we are doing currently is, we have an ongoing exercise where we are pulling every single file and doing a proper reconciliation of all the payments to establish, what exactly is the correct outstanding balance so that we can properly close off these accounts in cases where they have paid off, and in cases where they are outstanding, we immediately contact them, but we do a reconciliation first because of the period, how far we have to go back. We do not want to say that you are outstanding until we are sure that you are actually outstanding and then we go through the process in notifying you. What we try to do with some of the older ones is, we try to make a new arrangement to assist that person in bringing in these moneys to us. Some of them probably are not financially in a position at that point in time, but what we do is we try to get them to get maybe a family member, a third party to try to come in and assist in paying back and we make a new arrangement which is legal, an arrears arrangement for them to come in.

So if we have to work the percentage then we must have a correct balance. And what I am saying, it is very difficult at this point to work that percentage with an incorrect balance.

Dr. Mahabir: Yes, and we can expect that correct balance sometime when, over the next fiscal year?

Ms. Lewis: I estimate it would take another year because we are talking about 20,000 files. We have actually completed around 4,000 reconciliations to date.

Dr. Mahabir: Thank you very much.

Mr. Chairman: Can you permit me one question? How do you treat with delinquents who no longer occupy their houses who probably have emigrated also?

Ms. Lewis: There might be some legal thing in that.

Ms. Mc Farlane-Lee: Chairman, perhaps I can take that question. What we are doing currently is that for example, those properties which like you say they are delinquent so there is an investigative aspect of it, in terms of to verify if the person has emigrated, is nobody there. I mean, we have had instances, for example, where there may have been an illegal person occupying—those people are evicted.

Mr. Chairman: Illegally or an illegal person?

Ms. Mc Farlane-Lee: Sorry, illegally—illegal occupants, and those people are evicted. But in terms of repossessing the house, there is a legal process.

12.05 p.m.

Therefore, what we are doing now is compiling that kind of information and we are prioritizing from those with the most years outstanding because they may become statute barred soon, so that we could take possession proceedings in the High Court.

Mr. Chairman: Miss Mc Intosh?

Mrs. Mc Intosh: I think this is to Miss Celia Lewis. HDC in indeed a multi-billion-dollar state enterprise, spending over a billion dollars—$1.5 billion, I think, in the provision of houses, yet this very impressive document— in part I would say it is impressive—does not speak at all to any aspects of cost, and I mean, in particular, for example, costs in respect of housing developments; your various housing developments. What was the original budget? How much money has been expended to date? What is the projected final cost of the project?

I think these are very critical details that will allow someone to understand, even interrogate the really true status of the HDC's incomplete units. We have no idea of cost and cost overruns, et cetera.

Ms. John: Hon. Member of Parliament, that question was not raised. We did not get a question such as that in the correspondence to us.

Mrs. Mc Intosh: So you cannot answer that?

Ms. John: No. The questions were very specific and we sent very specific answers.

Mr. Chairman: Ms. John, if you have difficulty you could consider letting us have a written response at some time. Could you?

Ms. John: Well, certainly. Now that the question has arisen, we can look into that, certainly. We may have to send back and ask for clarification on the question because it is kind of wide. I am not sure, but the corporate secretary is here and she is taking notes. So, basically, I will look at the question and see if I can answer it in its current form; if not, I will ask for further clarification, please.

Mrs. Mc Intosh: Okay. Thank you. I would just like to make a correction and I would be guided accordingly. It was said that between 2005—2010, the previous administration constructed 3,000 houses.

Ms. Legall: I gave a range because I could not give the specific—I was speaking with respect to the allocations, not the construction and I gave a range. I said between three to five. I was not sure of the exact figure. I did not have it here.

Mrs. Mc Intosh: Oh, because you did state after that in 2010 that 4,500 houses were ready to be given out.

Ms. Legall: That was the allocation figure, not the construction figure.

Ms. John: And even the 4,700 did not include projected which were suspended. I said they would have been more, you know, because there would have been projects that we had to suspend to treat with and go back in and do condition survey and so on. So there would have been more base buildings out of the ground.

Mrs. Mc Intosh: Ms. Sarah Briggs, Permanent Secretary, I want to ask you: were there management accounts for all the years from 2005 onward in the HDC—management accounts? And were private accountants or auditors used in preparation of the accounts and for auditing during those years, 2005 onward?

Ms. Briggs: What I could say is that we had 2003 to 2004, four to five, five to six, those were unaudited. That is what we got out of the HDC.

Mrs. Mc Intosh: You had management accounts.

Ms. Briggs: We have had them to prepare those reports—

Mrs. Mc Intosh: But you had management accounts.

Ms. Briggs: We never got those. We never got those.

Ms. John: Let Ms. Lewis take that question, please. She just took it earlier on.

Ms. Lewis: What I can say is that there was evidence that there were management accounts being done during that time.

Mrs. Mc Intosh: I know that for a fact. PS, would you say that in your experience—and you would have worked in other state enterprises—that there has been, in other state enterprises, this phenomenon, as bad as it is, of a backlog in the publication of audited financial statements? It is not singular to the HDC.

Ms. Briggs: No, it is not the HDC because in other Ministries I have worked in, it is the same situation like most of the state enterprises.

Mr. Al-Rawi: Back in 1994 when the UNC was there, and '95.

Ms. Briggs: They tend to be late.

Mr. Al-Rawi: Shameful.

Mrs. Mc Intosh: And lastly, I would just like to acknowledge the observations of the Chairman, though my colleagues and myself note that his observations are heavily whether weighted with political propaganda, which we do not really accept, and we must realize that many boards have to continue the work of their previous boards, and in doing so, clear up a lot of anomalies. So I think we can do without the political propaganda. Thank you.

Mr. Al-Rawi: Like Caribbean Airlines. One example alone. Simple.

Mr. Chairman: Are there going to be further questions from Ms—[*Crosstalk*]

Mr. Al-Rawi: Somebody is cleaning up Caribbean Airlines all now!

Mr. Chairman: All right. It does not seem to me that we have any further questions from Mrs. Mc Intosh. Sen. Hadeed? And let us allow the answers to flow, please.

Mr. Hadeed: Thank you very much. I wish to commend the HDC for the frankness of their answers to the questions. I just have three questions I would like to pose at this time. Prior to 2010, did the HDC distribute houses to our citizens without the proper infrastructure in place, and if so, what did the HDC have to do and at what cost did it incur in making these houses livable, although the infrastructure was not there? Question one.

Question two: was it in 2004 that the allocation of 25 per cent of houses to Ministers—was it in 2004 that particular policy came into place? I think it was amended in 2006 and 2008. And the third question is, again following on, on the question from my colleague, Sen. Mahabir: why was all of these files—20,000, 25,000 files—you have now to go back in and try to retrieve information to bring the accounts up to date? Those are my three questions.

Ms. Legall: Hon. Senator, I will answer the first two questions. With respect to the allocation of housing units without infrastructure in place, we would have allocated three particular developments: Retrench, where we would have allocated approximately 20 single family units; in Corinth, 113 and Las Alturas, 60 units. The only thing that was missing, really, was the wastewater facility. So the HDC put in place a manual system where we would actually go and pump out the wastewater during that period until the actual wastewater facility was in place.

Mr. Hadeed: And when was that put in place, and at what cost did we have to incur to do that?

Mr. Chadee: 2010.

Mr. Hadeed: And at what cost prior to 2010 did you have to pump the waste water out for those units?

Mr. Chairman: You have that information here?

Mr. Chadee: No. We have to get back to you on that figure.

Mr. Chairman: Very well. Thank you.

Ms. Legall: The next question was in terms of the 25 per cent at the Ministers' discretion. That was previously 10 per cent as per Cabinet Minute of 675 of 2004. It was amended by Cabinet Minute, 2730 of 2008 to 25 per cent. And then the third question would have been for—

Ms. Lewis: In terms of bringing the accounts up to date, as accountants we do have a responsibility to ensure that the numbers that we put on our financial statements correctly represent the situation at any point in time. At the HDC there were several IT systems that we were transferring data to. We started with the AS400, then we went to Fire Serve and the Yardi. We were doing transfers all the time.

For somebody coming in around 2010, in my opinion it was better to go through the files, see the actual documents, verify all the actual receipts and do a proper reconciliation where we can actually—if the customer comes in, we can sit with them and show them exactly, this is what you paid. And it is also to ensure that the balances are accurate, because it is not a small amount of money we are talking about; it is large sums of money and I believe we have a responsibility to go and do everything necessary to ensure accuracy of the numbers.

Mr. Hadeed: One last question: what administration was in power in 2004, 2006, 2008 that implemented this allocation?

Ms. Legall: To my recollection [*Crosstalk and laughter*] it was the People's National Movement.

Mr. Chairman: Minister Bachan?

Mrs. Seepersad-Bachan: Thank you, Mr. Chairman. I will be very short. I just want to go forward a bit, and let me join with other Members of the committee in complimenting the HDC on the excellent presentation that we got. What I saw was a lot of quality control, especially your processes and procedures that were implemented, and what I was very impressed with is the number of cases that you used to support how your processes actually worked in terms of the letters provided.

However, I want to indicate that one of the issues we still seem to be having when I read this. It tells me that we should not be getting any complaints. So therefore, when Olera Heights was built, as you know, there were several defects, and in fact, those defects still exist: dangers to the occupants in terms of falling windows or whatever. But one of the things, therefore, I want to ask you is whether probably we need to look at how we operationalize. You have the systems, you have your processes; you have the procedures, but probably is there now a need to audit all of these processes to ensure that it is, in fact, actually delivering on the objectives that you have set for these processes and procedures and your system? That is the first question.

The second question I really want to ask is with respect to the many defects. When becoming a Member of Parliament, as Minister Roopnarine indicated, we did receive a number of complaints. And, you know, the public out there are very upset when they see vacant homes—vacant houses—and we are not allocating, and the reason given is that there are many defects. We try to explain that as Members of Parliament, but, you know, sometimes they do not believe us when you tell them that, you know, well, this unit cannot be allocated because of wastewater treatment plants and so on, that have to be implemented; there cannot be connections to T&TEC and so on. I wonder if the HDC needs to embark on a communication plan or programme that explains the many deficiencies or defects that need to be corrected and the remedial works that must take place, and the time frames, and possibly, wherever you have these empty houses, if we could put up a sign stating, you know, "Under remedial works, the implementation or installation of a wastewater treatment plant", or "We need to review or redo electrical works", et cetera.

I think that is important because hearing it from the HDC becomes important. And I think very important in there as well, I have noted that in your report you speak a lot about all these online systems, which I compliment you for, in terms that I can track my application online; I can know the status of it, but probably our citizens are not aware of how to use it or they are not accessing it effectively, because we still get complaints as Members of Parliament with respect to that: "I doh know why HDC is not responding. I doh know where my application has reached. I went for an assessment interview and I have heard nothing after." So you can tell them, six weeks after you expect to get a response, whether your assessment indicated that you are qualified for a mortgage facility.

I thought that was important for me to raise and I do not know if you can reply in writing as to what steps you would be taking in this line, both in terms of how you are going to monitor and evaluate these very same high-quality processes and procedures that you have implemented, but to ensure that they indeed deliver, and what are the ratings at this point in time.

Ms. John: Hon. Minister, we can attempt an answer now and probably further expand. But with respect to the procedures, that came out—and I said it earlier—of the consciousness of the HDC and the members of staff you see here, and others who are still at the HDC this morning. Now, in forcing people—and they will tell you that we did this on our own, internally. In forcing people to map processes, it forces them to work in terms of, "What do I do on a day-to-day basis?" So you force them into that level, "What do I do"? and almost on a monthly basis we review these processes.

Ms. Legall will tell you from the time we send this document with our allocation processes, it would have been tweaked. You understand? Because we are always looking at it: is this working; is it not working?

Now, as you will understand, managing a process, it is about a daily commitment, a human being, an individual commitment for every day saying, I am going to set the bar at excellence. Every day I am going to come to work on time or come earlier and leave late but I am engaged in productive endeavour. And I can assure you that in that regard, I lead from in front. I am at work every single day and I am at work every single day very early and I leave very late.

So in terms of consistency, I try very hard to demonstrate consistency within the HDC and that drills down into the processes. It is a daily battle and Ms. Legall will tell you; Ms. Carter will tell you, I am always about follow up and feedback to the customer. You know, I go crazy, personally, when I am hearing from—whether it is from an MP or a customer—I did not hear, because—[*Interruption*] I know I hear from you all the time. Because I cannot come to work early enough. If I come to work at 5.00 a.m. there is somebody waiting for me outside.

Like earlier this week, on Monday, I think, a lady told me, "I was waiting for you since 2.00 a.m." and I was at work at 5.00 a.m. I said, "Why you out here at 2.00 a.m.?" Because people are very passionate about housing. So even if you put a sign up and say under this—because Ms. Legall will show you the document, because we have produced documents because I always say treat people with dignity, you know. So let us have the answers; let us follow a map. So when they come in, they know this is the check list in terms of what you need to get, to return, the timelines and so on.

So we do all of these things, yet when it comes to the HDC, nobody hears, because it is about housing. They are in a domestic situation; they are being charged rent that they cannot afford. You know, it is a personal issue where every single day you are hearing this story of woe and just hardship, and you just do not know what to do with.

So with respect to the houses, we had put a baseline, as Mr. Chadee will say, where, when, let us say in 2010 there were 4,768 units which, with some remedial work and wastewater plant, could have been handed out, those houses are essentially being handed out. We have now about 704 units, but with the 704 units, there are over 2,000 persons, citizens of this country, who would have been approved for allocation. We are moving towards—I think there are over 2,000 units also? How many units you have?

Mr. Chadee: 2,100.

Ms. John: 2,100, which would be available between, let us say, today's date and maybe the first quarter of next year. But a lot of the units which would have been empty and serviceable are no longer so. Those are gone. So we do not have that.

The issue we have is that we have a follow-up in Ms. Renatta Jones because we put in a Settlements Department. You know, we try to think about what people want; what are their needs. So Ms. Jones—after they have the keys Ms. Jones and Ms. Mc Cleave will be the persons—Ms. Mc Cleave will be the one, if the neighbour is playing their music hard or they are using obscene language, she would go; we have a ticket book; we ticket them. We do all kinds of things to try to help people to live, you know, and put up big signs: "I live here", you know. "You live here; keep it clean", et cetera. And then Ms. Jones will go in to tell the postal service they are here now; to tell PTSC, people are here, to put in dustbins, to put in signage, et cetera, to monitor. Because we have also put in a rule, once you have your keys you must move in one month after, because you may see naked windows, but they have been allocated. So we have a rule where, you must move in after one month of receiving your keys. Now do they move in? They do not in some cases; the same person who was rolling on the ground telling "yuh they under they under such stress".

So Ms. Jones now, you have a next day you have to go in Settlements to go and say, "Have you moved in? Why yuh eh moving in?" We have to have Indira writing letters. I mean, Sen. Al-Rawi will probably be pleased to know we have seven attorneys-at-law on fulltime at the HDC, and we need them. They will all tell you they are overworked.

You know, we try to put something, but then I bring it back and say, there must be personal responsibility, because if we just prop you up, you know, eventually we have to leave you alone and you just cannot live. So we have run the campaign: "I live here", just to see if we can appeal to something in our customers to allow them or urge them to take personal responsibility.

Mr. Chairman: Thank you very much.

Mrs. Seepersad-Bachan: My point is—I was just trying to raise the point that I think—what has happened is, you have developed systems which are commendable. You know, I am not saying that at your level, Managing Director—I was wondering if probably part of this system, the processes themselves, involve a number of other stakeholders, such as the clients themselves, or whether they are MPs, and probably if we needed to widen how you educate them on how the processes work. So that if you did that, probably it will help you, too, in terms of the many complaints that you get on a daily basis. That is one.

And the second issue I was really trying to raise about the defects, so people will know it is an official statement from HDC. If it was not for this morning's hearing, I am not sure many people in Trinidad and Tobago would appreciate why we have so many units that were unoccupied in 2010, 2011, 2012.

So I am just saying, sometimes as MPs we try to explain but, you know, they do not believe us, as Members of Parliament. So I was wondering if more public information needs to go out, and the actual site itself. Because what is interesting is that citizens actually go to these housing estates and they actually look at it they tell you about this unit available and that unit available. Therefore, if that is the case, probably right there at that site, if they understand why that unit has remained unallocated by a sign saying, well, "Still under remedial works; construction of a"—I was just saying that.

Ms. John: We are guided.

Mrs. Seepersad-Bachan: And the last point, Mr. Chairman, which I know I do not expect an answer from them right away, and that is really in going forward—and I compliment the Permanent Secretary in some of the several other alternatives that you outlined, in terms of taking the approach to a housing policy for Trinidad and Tobago, and I expect this would be a sort of collaborative effort between the Ministry and the HDC.

Ms. John alluded to earlier this morning of several issues affecting housing. I mean, everyone here right now will be concerned that we have 200,000 applications and only 9,000 units available. This certainly cannot continue and there is, indeed, some sort of housing crisis in Trinidad and Tobago, which the PS was very good to outline the many different areas that they are looking at. But we need to get down to the facts of it; what really is driving this over demand on HDC compared to going to the private sector. Is it the land availability issue? Is it the cost of construction? And, therefore, we need to address that. If we know the facts then we can really derive good policies that will address this issue.

Having said that, however, Ms. John mentioned earlier, for example, is it that we need to encourage people to go up vertically and encourage them in that type of living—the whole psychology of it; the issue of the quality of living. You mentioned—which I was very impressed with—the green towns that you talk about; building communities to live in, which is so important to us. But therefore does it mean now that probably what we may need to look at is a whole new housing policy?

This problem may not be restricted only to Trinidad and Tobago. There are other countries in the world that are facing similar challenges. And, therefore, should we now look at the way forward and how we want to drive housing in Trinidad and Tobago to bring back that closeness? I mean, I can tell you—I mean, I hear you this morning and I was very glad to hear some of the issues you raised because when we raise it as Members of Parliament, we do have problems, in that they do not believe us, when people say, "You do not qualify for a mortgage". But as you say, everybody wants a—I do not know if we can get that as a follow up.

Mr. Chairman: Minister Bachan, would you frame your final question for us?

Mrs. Seepersad-Bachan: That is what I am asking, if we could get in writing some sort of—I am sure they have done some brainstorming on the issue and this is a joint select committee and we are interested in hearing those ideas from both the HDC and the Ministry of Housing.

Mr. Chairman: Thank you. Madam MD, there is a question that remained unanswered that you may have overlooked. It came from Sen. Mahabir. How does the Minister go about using, applying, determining on the 25 per cent.

Ms. John: Maybe it was not unanswered. It is probably because the hon. Minister is not here and maybe you need to bring him before the joint select committee.

Mr. Chairman: Well, perhaps I could frame it slightly differently. Are there strictures or criteria that he must apply?

Ms. John: The Cabinet minute does not speak to that.

Mr. Chairman: I see. It is entirely free to do as he wishes?

Ms. John: We can read verbatim from the Cabinet Minute—

Mr. Chairman: I want to do one more before you read.

Ms. John: What does it say?

Mr. Chairman: May I raise another one? When we spoke about international codes, et cetera, I particularly wanted the nation to be told what is the attitude or the preparation for earthquakes and natural disasters. If you could speak to that deliberately.

Ms. John: Mr. Redon is here—

Mr. Redon: HDC, most certainly we use international codes in developing our designs in our construction practice. We have to submit plans to the Ministry of Works—multi-storey structures, for instance, to get trade union approved. They have the requirements for earthquake design and wind loading, which we follow. So we do apply in the design development of our projects, infrastructure development. We have codes for architecture, for land development, for MEP, you name it. Whatever needs to be done in terms of developing the plan, we require that to be done by the consultants who are doing all the design for us. In fact, we write those references in the document—the RFPs that go out to them, referencing those codes as what they need to apply.

The other side of that, the construction phase, we have developed a whole set of specifications internally—actually, I brought a copy just to show you the size of it—which again is included in the tender documents that the contractors need to use in the construction of their projects. So there is an extensive amount of codes and standards that we utilize.

Another point I would like to make is, right now the Cabinet appointed the committee to develop a building code. It is in process in Trinidad right now. I am member of that small building code committee and we are developing a code to be used by most of the small people who are going to build a house. You have about 75 per cent of houses going to fall within a small building code classification. So we are developing that code which they would use to get approvals from the regional corporations.

So there is quite a bit happening and we are following very strict standards and codes in terms of building our houses and units.

Mr. Chairman: Finally, and I mean finally, not unlike what Minister Bachan was asking. Are the clients made aware of what the emergency and evacuation procedures are in the event of disaster or emergency?

Ms. John: This young man is here for a reason—Mr. Marlon Peters.

Mr. Peters: Thank you. To the question, the answer is yes. The HDC has embarked on a number of national programmes. We go out to the communities and do chat forums—Settlement Department, the social department, estate management. So, yes, we have embarked on a number of different initiatives to communicate emergency plans and emergency procedures.

Mr. Chairman: Thank you very much.

Ms. John: Mr. Redon just wants to talk about the fire escape.

Mr. Redon: Right now there is a programme in the HDC to go back to all our multi-storey estates and retrofit them with—firstly, there are two programmes. One, the first stage is to put in fire detection and fire suppression equipment. These will consist of, what you call, standpipes; you will have a water supply of 30,000 gallon storage on each site with fire pumps pumping up into standpipes. That project is actually out to tender right now. In fact, we received tenders for it and they are being evaluated. [*Interruption*] Hose-reels and standpipes at each floor.

We started with the critical buildings, you know, the six-storeys, the seven, nine-storey buildings. So we went out on our first batch of about 300 buildings. We have received tenders. They are being evaluated. So we expect we will start that probably in about, maybe about two months' time; actually award contracts to begin that work.

There is a second face of that, which is, we are going back to the buildings now and looking at the overall life safety aspects, which we are looking at fire escapes; we are looking at size of corridors, the distances of staircases from a means of egress. So it is a whole life safety issue that is going to be addressed. It us a little more complicated, a little more complex, and that, we already received tenders from consultants for that work, and those tenders are being evaluated. But in the interim we are doing the fire suppression system with the hose-reel, standpipes water supply, so at least we have some protection in case of, God forbid, something should happen.

Mr. Chairman: Thank you everyone. It is 12.33. I should like to address what we will do in the future. Managing Director, it seems to me—and I will confer with my colleagues—that we are not quite through with the long list of enquiries that we have and we may have to invite you back. I expect that you would say, "Certainly we will be willing to do so".

Ms. John: Certainly, Sir.

Mr. Chairman: Thank you. So that we will be in communication about when we can do so, and if as it turns out there are things that you think need to be supplemented by some writing, feel free to do that in the interim. In the event that we do not see you before the end of the year, the usual goodwill is available to you here. I think the Clerk of the Parliament invites people over. If not, you will feel free to invite us. And I wish you seasons' greetings.

We will take the adjournment at this time and I would invite the committee members to gather for a short in-camera session before we go. Thanks again, and I wish you God's speed on your way home.

Ms. John: Thank you very much, Sir. Thank you, Committee.

12.35 p.m.: *Meeting suspended*.

APPENDIX V

DETAILED BREAKDOWN OF HDC'S STAFF

Detailed Breakdown of HDC Staff

Management

Position	*Contract*	*Monthly*	*Daily*
Chief Construction Engineer	1		
Communications Consultant	1		
Corporate Secretary	1		
Divisional Manager, Corporate Services	1		
Divisional Manager, Estate Management	1		
Divisional Manager, Finance	1		
Facilities and Maintenance Manager	1		
Facilities Manager	1	4	
Facilities Manager- Malls	2	2	
Land Coordinator		1	
Manager, Administration		1	
Manager, Allocations and Distribution	1		
Manager, Budget and Financial Control	1		
Manager, Corporate Communications	1		
Manager, Customer Care and Hospitality	1		
Manager, Human Resource	1		
Manager, Information Technology	1		
Manager, Internal Audit		1	
Manager, Maintenance Operations		1	
Manager, Recoveries	1		
Manager, Settlements and Community Relations	1		
Manager, Social and Community Services	1		
Manager, Training and Development	1		
Managing Director	1		
Senior Manager, Project Development and Oversight	1		
Tenders Contracts Manager	1		
Total	**23**	**10**	**-**

Supervisory Staff

Position	*Contract*	*Monthly*	*Daily*
Accountant	1		
Accountant (Audit)	1		
Assistant Manager, Mortgage	1		
Chargehand CME (Civil, Mechanical and Electrical)			45
Chargehand Other Services			7
Circulatory Sanitation Overseer			14
Customer Service and Hospitality Supervisor	1		
Facilities Supervisor		6	
Financial Accountant	2		
Fleet Management Supervisor		1	
Foreman 1 CME (Civil, Mechanical and Electrical)			14
Foreman 2 CME (Civil, Mechanical and Electrical)			21
Foreman Other Services			4
Human Resource Specialist		1	
Junior Human Resource Officer		1	
Junior Project Manager		1	
Junior Supervisor	4		
Junior Supervisor (Site)- Allocations	1		
Junior Supervisor- Accounts		1	
Junior Supervisor- Administration		1	
Junior Supervisor- Mortgage Accounts		1	
Junior Supervisor- Purchasing		1	
Junior Supervisor- Records		1	
Junior Supervisor- Recoveries		1	
Junior Supervisor- Rental		1	
Legal Counsel	1		
Management Accountant	1		
Operations Supervisor		1	
Project Manager	6	2	
Sanitation Overseer			40
Senior Architect	1		
Senior Clerk of Works	5	2	
Senior Design Engineer, Electrical	1		
Senior Health Safety and Environment Officer	1		
Senior Human Resource Officer- Training and Development	1		
Senior Planning Specialist	1		

Supervisory Staff – Continued

Position	Contract	Monthly	Daily
Senior Project Manager	3		
Senior Project Manager- Waste and Waste Water	1		
Senior Quantity Surveyor		1	
Senior Social and Community Officer	2		
Senior Supervisor- Administration	1		
Senior Supervisor- Conveyancing	1		
Senior Supervisor- Facilities and Maintenance	1		
Senior Supervisor- Records		1	
Senior Supervisor- Research		1	
Senior Supervisor- Security	1		
Stores Supervisor		1	
Total	**39**	**26**	**145**

Staff

Position	Contract	Monthly	Daily
Accounting Assistant 1	9		
Accounting Assistant 2		10	
Accounting Assistant/ Cashier	1		
Administrative Assistant	1	10	
Administrative Secretary	11	2	
Administrative Secretary/Executive Assistant		1	
Allocations Assistant	1		
Allocations Officer	1		
Assistant Social and Community Services Officer	2		
Attorney at Law	2		
Auto CAD Technician	1		
Business Analyst	6		
Business Analyst, Administration	1		
Carpenter 1			34
Carpenter 2			38
Cashier		5	
Chainman	6		
Clerical Assistant 1	10		
Clerical Assistant 2	15	19	
Clerk of Works	11	16	

Staff - Continued

Position	Contract	Monthly	Daily
Clerk of Works 2	2		
Communications Assistant	1	1	
Computer Aided Technician		1	
Consultant Land Use Planner	1		
Conveyancing Officer	5		
Crew Worker	2		
Customer Service Representative	24	1	
Data Entry Clerk	2		
Driver	2		12
Electrician 1			12
Electrician 2			14
Electrical Technician	1		
Executive Assistant	2	1	
Facilities Co-ordinator Trainee	1		
Field Investigator	1		
General Clerical Assistant			44
Graphics and Web Designer	1		
Hospitality Attendant	1		
Human Resource Assistant	1	4	
Internal Auditor	1	2	
Junior Engineer	1		
Junior Health Safety and Environment Officer	2	3	
Junior Internal Auditor	1	1	
Labourer	2		58
Licensed Land Surveyor	1	1	
Malls Co-ordinator Trainee	1		
Management Trainee	4		
Mason 1			32
Mason 2	2		45
Multi Skilled	2		3
Network Administrator	1		
Network Assistant	3		
Painter 1			5
Painter 2			20
Planning Assistant	1		
Plumber 1			33

Staff - Continued

Position	*Contract*	*Monthly*	*Daily*
Plumber 2			48
Project Assistant	11		
Quantity Surveying Technician		2	
Quantity Surveyor	4		
Sanitation Worker			116
Security			1
Sign Painter			1
Social and Community Services Officer	4	4	
Social Co-ordinator	1		
Storeshand			15
Structural Engineer	1		
Surveyor's Assistant			3
Technical Support	2		
Technical Vocational Instructor/ Assessor	4		
Telephone Operator/ Receptionist	1	1	
Terrace Maintenance Worker			58
Title Clerk	6	1	
Tradesman Assistant			27
Sub Total	**181**	**86**	**619**
GRAND TOTAL	**243**	**122**	**764**

APPENDIX VI

COMPETENCY MATRIX

Trinidad and Tobago Housing Development Corporation
Corporate Services Division
Training and Development - Competency Matrix

DEPARTMENT						
POSITIONS	Employee I		Employee II		Employee III	
COMPETENCIES	Required	Gaps	Required	Gaps	Required	Gaps
Managerial/Leadership						
Active Listening	x		x	x	x	
Analytical Thinking	x		x	x	x	x
Career Development					x	
Coaching	x					
Conflict Resolution	x		x		x	
Counselling						
Delegation	x					
Managing Performance	x	x				
Mentoring	x					
Motivating employee	x					
Negotiating	x					
Networking	x					
Oral Communication	x		x	x	x	
Performance Management	x	x				
Problem Solving	x		x		x	
Providing Feedback	x		x		x	
Research Skills	x		x	x	x	
Team Building	x	x	x		x	
Functional						
Administrative Policies/Procedures	x	x	x		x	x
Building Collaborative Relationships	x				x	
Contract Management	x	x	x	x	x	x
Cost Benefit Analysis Skill						
Customer Service			x		x	
Facility Management						
Government/Statutory Regulations	x					
Industrial Relations	x	x	x	x	x	
Marketing Management	x					
Presentation Skills	x				x	
Records Management Skill	x		x	x	x	x
Recruitment Selection						
Training & Development					x	
Report Writing	x		x	x	x	
Business Writing Skills						
MS Office Suite						
Knowledge of Building Codes	x	x	x	x	x	
Inventory Management			x			
Financial Management						
Work Planning and Scheduling	x		x		x	
Budget Preparation						
Contract Law	x		x		x	x
Dispute Resolution			x		x	
Insurances ,Bonds and Warranties	x	x	x		x	
Conveyancing	x					
Technical						
Contractor Management	x					
Project Management	x	x	x		x	
Primavera	x	x				
FDIC	x		x	x	x	x
Health & Safety						
Emergency Preparedness	x	x	x	x	x	x
HSE Awareness	x	x	x	x	x	x
OSH Act	x	x	x	x	x	x
First Aid/CPR	x	x	x	x	x	x
Defensive Driving						

APPENDIX VII

NUMBER OF APPLICANTS ON THE HASF DATABASE

As at June 23, 2013 the number of applicants on the HAFS database is as follows:

BENEFICIARIES OF THE EMERGENCY GRANT AND SPECIAL CASES PROGRAMME	22
BENEFICIARY OWNED LAND MODALITY	2548
FIRST HOME PURCHASE SUBSIDY	562
HOME CONSTRUCTION SUBSIDY (IDB 2469)	409
HOME IMPROVEMENT GRANT	52732
HOME PURCHASE SUBSIDY (IDB 2469)	88
HOUSING SUBSIDY	878
IDB (SUBSIDY) ASSISTED 2ND NATIONAL SETTLEMENTS PROGRAMME	15935
NEW HOME MORTGAGE	163858
RENTAL ACCOMMODATION	20585
RESIDENTIAL LOT APPLICATION	43153
SQUATTERS REGULARIZATION	22350

APPENDIX VIII

BREAKDOWN OF REMEDIAL WORKS UNDERTAKEN BY THE HDC FOR THE YEAR 2010

DEVELOPMENT	No. of Units	UNIT NO/TYPE	CONTRACT DATE	COST OF WORKS (VAT EXCLUSIVE)
Almond Court	1	Apartment	17-Nov-10	$ 11,500.00
Awai Lands, Belmont	1	Apartment	26-Apr-10	$ 24,035.00
Bien Vienue, La Romain	1	Single Family Unit	12-Jul-10	$ 67,160.00
Bien Vienue, La Romain	1	Single Family Unit	12-Jul-10	$ 57,845.00
Bien Vienue, La Romain	1	Single Family Unit	14-Dec-10	$ 328,812.98
Bon Air West	1	Single Family Unit poor workmanship	23-Feb-10	$ 37,835.00
Buen Intento	1	Single Family Unit	22-Feb-10	$ 30,000.00
Buen Intento	1	Single Family Unit	23-Feb-10	$ 34,700.00
Buen Intento	1	Single Family Unit	23-Feb-10	$ 31,982.00
Buen Intento	1	Single Family Unit	23-Feb-10	$ 40,123.50
Buen Intento	2	Single Family Unit	23-Feb-10	$ 94,787.72

DEVELOPMENT	No. of Units	UNIT NO/TYPE	CONTRACT DATE	COST OF WORKS (VAT EXCLUSIVE)
Buen Intento	1	Single Family Unit retaining walls, drainage	1-Mar-10	$ 180,156.00
Buen Intento	1	Single Family Unit	1-Mar-10	$ 25,020.00
Buen Intento	1	Single Family Unit	1-Mar-10	$ 33,750.00
Buen Intento	1	Single Family Unit	1-Mar-10	$ 5,117.50
Buen Intento	1	Single Family Unit	1-Mar-10	$ 10,400.00
Buen Intento	1	Single Family Unit	1-Mar-10	$ 19,950.00
Buen Intento	2	Single Family Unit	1-Mar-10	$ 30,540.00
Buen Intento	1	Single Family Unit	8-Mar-10	$ 26,400.00
Buen Intento	1	Single Family Unit	5-May-10	$ 76,484.20
Buen Intento	3	Single Family Unit	6-Sep-10	$ 450,789.65
Buen Intento	1	Single Family Unit	9-Sep-10	$ 51,002.50
Buen Intento	3	Single Family Unit	10-Sep-10	$ 66,159.50
Bush Village Fyzabad	1	Single Family Unit	13-Sep-10	$ 252,114.50
Carlsen Field	11	TownHouse	26-Nov-10	$ 13,200.00
Cezanne Block, La Goya	1	Apartment	17-May-10	$ 23,010.80
Charlieville	1	Single Family Unit	16-Jul-10	$ 35,535.00
Charlieville	1	Single Family Unit	16-Jul-10	$ 23,920.00
Charlieville	1	Single Family Unit	20-Jul-10	$ 56,160.00
Cleaver Heights	15	Townhouse & Single Family Unit	16-Sep-10	$ 460,800.00
Cleaver Heights	5	Single Family Unit	22-Oct-10	$ 131,387.50
Cleaver Heights	4	Duplex vandalism	22-Oct-10	$ 200,000.00
Cleaver Heights	6	Townhouse	22-Oct-10	$ 215,000.00
Cleaver Heights	5	Duplex	22-Oct-10	$ 87,894.50
Cleaver Heights	2	Duplex	26-Oct-10	$ 40,767.50
Cleaver Heights	5	Single Family Unit & Duplex	16-Nov-10	$ 7,500.00
Cleaver Heights	10	Single Family Unit & Duplex & Townhouse	23-Nov-10	$ 19,780.00
Cleaver Heights	5	TownHouse	24-Nov-10	$ 7,600.00
Cleaver Heights	5	Single Family Unit	26-Nov-10	$ 6,000.00
Cleaver Heights	7	Duplex	26-Nov-10	$ 164,737.50
Cleaver Heights	12	Duplex (Clean Up Works)	29-Nov-10	$ 16,800.00

DEVELOPMENT	No. of Units	UNIT NO/TYPE	CONTRACT DATE	COST OF WORKS (VAT EXCLUSIVE)
Cleaver Heights	9	Single Family Unit & Duplex & Townhouse	30-Nov-10	$ 181,585.00
Cleaver Heights	12	Duplex & Townhouse	13-Dec-10	$ 26,200.00
Cleaver Heights	12	TownHouse	13-Dec-10	$ 25,300.00
Cleaver Heights		Entire Site (Power Washing, Grass Cutting &Gabbage Collection	17-Dec-10	$ 32,400.00
Cleaver Heights	1	Single Family Unit	28-Dec-10	$ 1,380.00
Corinth Hills, San Fernando	1	Apartment	10-Aug-10	$ 31,740.00
Corinth Hills, San Fernando	3	Apartment,	10-Aug-10	$ 118,266.00
Corinth Hills, San Fernando	3	Apartment, relocation of flood victims	10-Aug-10	$ 82,248.00
Corinth Hills, San Fernando	6	Apartment, relocation of flood victims	10-Aug-10	$ 145,590.00
Corinth Hills, San Fernando	1	Single Family Unit	15-Dec-10	$ 33,925.00
Corinth Hills, San Fernando	10	Single Family Unit	15-Dec-10	$ 437,057.50
Corinth Hills, San Fernando	10	Single Family Unit	15-Dec-10	$ 388,045.08
Corinth Hills, San Fernando	9	Single Family Unit	15-Dec-10	$ 393,089.26
Corinth Hills, San Fernando	10	Single Family Unit	16-Dec-10	$ 430,859.00
Corinth Hills, San Fernando	10	Single Family Unit	16-Dec-10	$ 448,189.50
Corinth Hills, San Fernando	10	Single Family Unit	16-Dec-10	$ 487,720.75
East Grove, Curepe	1		20-Aug-10	$ 150,000.00
Edinburgh 500	1	Single Family Unit	26-Apr-10	$ 3,475.00
Edinburgh 500	1	Single Family Unit	26-Apr-10	$ 3,055.00
Edinburgh Close	1	Single Family Unit	8th Sept 2010	$ 8,510.00
Edinburgh South	1	Single Family Unit	24-Nov-10	$ 11,040.00
Edinburgh South	1	Single Family Unit, Cleaning Works	24-Nov-10	$ 1,200.00
Edinburgh South	8	Townhouse	24-Nov-10	$ 18,400.00
Edinburgh South	18	Apartment	24-Nov-10	$ 35,420.00
Edinburgh South	12	Townhouse	15-Dec-10	$ 19,320.00
Edinburgh South	10	Townhouse	15-Dec-10	$ 15,180.00

DEVELOPMENT	No. of Units	UNIT NO/TYPE	CONTRACT DATE	COST OF WORKS (VAT EXCLUSIVE)
Edinburgh South	7	Apartment & Townhouse	15-Dec-10	$ 23,000.00
Fidelis Heights	1	TownHouse	3-May-10	$ 20,900.00
Hillcrest Gardens, Retrench	1	Single Family Unit	16-Jun-10	$ 24,897.50
Hillcrest Gardens, Retrench	12	Townhouse & Duplex	15-Dec-10	$ 29,785.00
Michaelangelo Block, La Goya	1	Apartment	26-May-10	$ 7,975.00
Michanlangelo Block, La Goya	1	Apartment	5-May-10	$ 48,242.50
Murex St. Bon Air West	1	Single Family Unit	15-Apr-10	$ 124,200.00
Oil Bird Drive Malabar Ph III, Arima	1	Single Family Unit	23rd Feb 2010	$ 57,615.00
Oropune Gardens	1	Single Family Unit	22-Apr-10	$ 44,765.35
Oropune Gardens	1	Single Family Unit	22-Apr-10	$ 48,467.35
Oropune Gardens	1	Single Family Unit	22-Apr-10	$ 48,467.35
Oropune Gardens	1	Single Family Unit	22-Apr-10	$ 48,467.35
Oropune Gardens	1	TownHouse	17-Jun-10	$ 63,955.75
Oropune Gardens	1	Single Family Unit	23-Jul-10	$ 36,900.00
Oropune Gardens	1	Single Family Unit	23-Jul-10	$ 28,700.00
Oropune Gardens	1	TownHouse	27-Dec-10	$ 23,000.00
Phase 3, Couva North	1	Single Family Unit	7-Jul-10	$ 32,545.00
Phase 3, Couva North	1	Single Family Unit	20-Jul-10	$ 15,870.00
Phase 3, Couva North	1	Single Family Unit	1-Oct-10	$ 15,870.00
Ridgewood Gardens, Golconda	1	Single Family Unit	16-Jun-10	$ 32,545.00
Ridgewood Gardens, Golconda	1	Single Family Unit	Jul-10	$ 33,948.00
Rosewood Gardens, Golconda	1	Single Family Unit	16-Jun-10	$ 31,165.00
Rosewood Gardens, Golconda	1	Single Family Unit	16-Jun-10	$ 40,595.00
Southern Gardens, Point Fortin	1	Single Family Unit	8-Feb-10	$ 17,250.00
Southern Gardens, Point Fortin	1	Single Family Unit	23-Feb-10	$ 6,500.00

DEVELOPMENT	No. of Units	UNIT NO/TYPE	CONTRACT DATE	COST OF WORKS (VAT EXCLUSIVE)
Southern Gardens, Point Fortin	1	Single Family Unit	23-Feb-10	$ 7,590.00
Southern Gardens, Point Fortin	1	Single Family Unit	23-Feb-10	$ 1,540.00
Southern Gardens, Point Fortin	1	Single Family Unit	23-Feb-10	$ 6,037.50
Southern Gardens, Point Fortin	1	Single Family Unit	23-Feb-10	$ 6,037.50
Southern Gardens, Point Fortin	2	Single Family Unit	15-Mar-10	$ 9,775.00
Southern Gardens, Point Fortin	1	Single Family Unit	26-Apr-10	$ 20,930.00
Union Hall	1	Single Family Unit	22-Feb-10	$ 22,000.00
Union Hall	1	Single Family Unit	23-Feb-10	$ 10,800.00
Union Hall	1	Single Family Unit	Jun-10	$ 2,570.00
Union Hall	1	Single Family Unit	12-Jul-10	$ 79,333.75
Union Hall	1	Single Family Unit	14-Jul-10	$ 13,718.85
Wallerfield	1	Single Family Unit	23-Aug-10	$ 6,440.00
No of units remediated	**343**			**$ 8118,351.69**

APPENDIX IX

BUILDING CODES AND STANDARDS FOR DESIGNS AND PLANS

<table>
<tr><td>ARCHITECTURAL DESIGNS</td><td>

Uniform Building Code (UBC) 1997
National Fire Protection Association (NFPA)
Uniform Fire Code (UFC) 2000 - Uniform DO 58 Structural Fire Code
Underwriter's Laboratories Inc. (UL)
National Electrical Manufacturer Association (NEMA)
Americans with Disabilities Act Accessibility Guidelines (ADAAG) – Barrier
Free Plumbing Fixtures
American National Standards Institute (ANSI)
2006 International Building Code (IBC)

</td></tr>
<tr><td>STRUCTURAL ENGINEERING DESIGNS</td><td>LOCAL CODES AND STANDARDS</td></tr>
<tr><td></td><td>

Trinidad and Tobago Standard - Recommendations for the Design of Building –TTS 16 90 400 (1978)
TTS 599: Guidelines for the Design & Construction of Small Buildings
BAPE WIND CODE (1981)
Wind Speed Maps for the Caribbean for Application with the Wind Load Provisions of ASCE 7 shall be used to determine reference velocities as defined in ASCE 7.
Caribbean Uniform Building Code (CUBIC)

</td></tr>
<tr><td></td><td>INTERNATIONAL CODES</td></tr>
<tr><td></td><td>

International Building Code (IBC) (2006)
American Society of Civil Engineers - ASCE 7-95 Minimum Design Loads for Buildings and other structures – Live Loads and Wind Loads
BS 8110:Part 2, Structural Use of Concrete
Uniform Building Code (UBC) (1997)
2000 Uniform Structural Fire Code (UFC)
Structural Engineers Association of California (SEAOC)

North America Codes

ACI - American Concrete Institute
ACI - American Concrete Institute publications to be utilized in the design of concrete and masonry structural elements in accordance with the requirements of IBC 2006 and ASCE 7:
☑ 318-05: Building Code Requirements for Structural Concrete and Commentary
☑ 530-05: Building Code Requirements for Masonry Structures and Commentary
AISC - American Institute of Steel Construction publications to be utilized in the design of structural steel structural elements in accordance with the requirements of IBC 2006 and ASCE 7:
☑ 303-05: Code of Standard Practice for Steel Buildings and Bridges
☑ 325-05: Steel Construction Manual-Thirteenth Edition
☑ 327-05: Seismic Design Manual

</td></tr>
</table>

	• AISI - American Iron and Steel Institute • ANSI - American National Standards Institute • ASTM - American Society for Testing and Materials • ASCE - American Society of Civil Engineers
ROADWAY, ROAD PAVEMENT DESIGNS	• AASHTO Codes (American Association of State Highway and Transportation Officials)
MECHANICAL ENGINEERING DESIGNS	Trinidad and Tobago Bureau of Standards • AMSE B31 Standards of Pressure Piping • ASME B16 Standards of Pipes and Fittings • ASHRAE American Society of Heating, Refrigerating and Air-Conditioning Engineers, Inc • ASHRAE 55 Thermal Environmental Conditions for Human Occupancy • ASHRAE 90.1 Energy Standard for Buildings except Low-Rise Residential Buildings • ASHRAE 62.1 Ventilation for Acceptable Indoor Air Quality • ICC IC 2007 2007 Supplement to the International Codes • ICC IFC 2006 2006 International Fire Code • ICC IPC 2006 2006 International Plumbing Code • ICC IMC 2006 2006 International Mechanical Code • ICC IFGC 2006 2006 International Fuel Gas Code • ICC IECC 2006 2006 International Energy Conservation Code • ICC IWUIC 2006 2006 International Wildland-Urban Interface Code • ICC IEBC 2006 2006 International Existing Building Code • ICC IPSDC 2006 2006 International Private Sewerage Disposal Code • NFPA 10 Standards on Portable Fire Extinguishers • NFPA 13 Standard for the Installation of Sprinkler System • NFPA 15 Standard water spray fixed systems for fire protection • NFPA 14 Standard for the Installation of Standpipes and Hose Systems • NFPA 22 Water Storage Tank Systems
ELECTRICAL ENGINEERING DESIGNS	• IBC International Building Code • TTBS Trinidad and Tobago Bureau of Standards • TTS-171 Trinidad and Tobago Electrical Wiring Code • ANSI C34.2 Substation Transformers and Rectifier Units • ANSI C37.13 Low Voltage AC Breakers • ANSI C37.14 Low Voltage DC Breakers • ANSI C37.16 Low Voltage Breakers and AC Protectors • ANSI C57.12.01 Transformer - General Requirements for Dry Type Distribution • ANSI C63.12 Electromagnetic Compatibility • ANSI C7.14 Stranding of Conductors • ANSI C80.3 Electrical Metallic Tubing, Zinc-Coated • ICEA Class H Flexible Cables • IEEE 730 Software QA Plans • IEEE 830 Recommended Practice for Software Requirements

	Specifications • NEC 2008 National Electrical Code • NFPA 70 National Electric Code • NFPA 72 National Fire Alarm Code • NFPA 780 Standard for the Installation of Lightning Protection Systems • UL 96A Lightning Protection • IEEE Std 1100 Powering and Grounding Electronic Equipment

APPENDIX X

THE PROCESS OF VESTING TITLES TO BENEFICIARIES OF HDC HOUSING

The process of vesting of titles to beneficiaries of HDC Housing

- Potential Beneficiaries are allocated in accordance with the Allocation Policy as approved by Cabinet and detailed in a preceding section 'The process used to allocate Housing Units in Trinidad and Tobago'.

- Potential Beneficiaries are required to provide a Statutory Declaration wherein they state that they are not owners or joint owners of any lands in Trinidad and Tobago.

- A request is made by the Allocations Department to the Legal Department to conduct a search in the names of potential beneficiaries. This search will reveal if the potential beneficiaries are the owners or part owners of any lands in Trinidad and Tobago.

- Once search reveals that the potential beneficiaries are not the owners or part owners of a property or does not have an interest in any parcel of land a report is issued to the Allocations Department advising of same.

- Potential beneficiaries are assessed by the HDC or a financial institution for the purpose of qualifying for a mortgage.

- If potential beneficiaries qualify for a Mortgage potential beneficiaries enter into a Sale Agreement for the purchase of property.

- Instructions are forwarded to the Legal Department or external attorney requesting a Deed of Lease to be prepared in escrow.

- Beneficiaries are expected to procure mortgage through Trinidad and Tobago Mortgage Finance Co. Ltd (TTMF) or any other financial institution of their choice.

- The beneficiaries are contacted by the Legal department or external attorney to execute a Deed of Sub-Lease in escrow.

- Once the Mortgage transaction is closed and HDC is paid in full the Deed of Sub-Lease is released out of escrow and registered.

- A Copy of the registered Deed of Sub-Lease is then forwarded to the mortgage attorney for registration of the mortgage.

- Where the HDC is in the process of acquiring title to respective properties, potential beneficiaries are allowed to use and occupy these units on a temporary License Agreement for a period of One (1) year until the Corporation acquires title to the respective properties. Thereafter, all potential beneficiaries are required to complete their Purchase Transaction.

- To facilitate the completion of the Purchase Transactions, where the HDC is unable to provide Completion Certificates, Land and Building Taxes, updated Lease Rent and or WASA Clearance Certificate, the HDC provides the respective financial institutions with a Deed of Indemnity.

- The purpose this document is to indemnify these institutions from all reasonable lawsuits and claims which may arise as a consequence of these institutions providing the mortgages to our potential beneficiaries without the abovementioned documents.