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Home improvement grants in Trinidad and England: A comparison

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Abstract

Housing subsidies in the Caribbean country of Trinidad focus on improving the housing conditions of the lowest income groups, in common with most such programmes worldwide. Houses there are often self-built and lack amenities such as indoor plumbing, concrete flooring and watertight roofs. Even those households that hold formal title to their dwelling often cannot access formal housing finance because their incomes are too low. What is the best way to improve their housing conditions? In the past, the government's policy was to demolish such settlements and replace them with formal, government-built dwellings; now the approach is to help residents to improve the homes they have by offering grants to cover 50% of the cost of improvements. In England the housing stock is in better condition. There is currently limited subsidy available for improvements to owner-occupied homes, but for many years after World War II there was a generous system of mandatory grants. This paper explores the current system of housing subsidy in Trinidad and compares it to historic and current English practice, focusing particularly on targeting and distribution mechanisms, and explores proposals for reform.

Keywords: housing subsidies, UK, Trinidad

Introduction

In the last 50 years, ideas about how to improve the housing of the poor have changed markedly in most developed countries. The preferred practice in the 1960s was to demolish dilapidated, 'worn out' old housing and replace it with new build. In urban areas this often took the form of large council estates. Now, however, the emphasis is on retaining and repairing existing buildings where possible, for several reasons. The large estates proved to have their own problems: they were expensive to maintain and manage, and the concentration of needy families on single-tenure estates often led to social problems. Also, demolition and new build are much more costly than repairing existing structures--repair is generally more sustainable both financially and environmentally.

In developing countries as well, demolition and replacement of sub-standard dwellings, and especially of self-built informal housing, was standard practice in the 1950s and 60s (Abbott 2002). One of the first writers to question this approach was John Turner, whose findings in the 1960s influenced the World Bank. He wrote that upgrading rather than new-build preserves communities, provides larger dwellings, can house more people more quickly, and makes better use of indigenous resources than new-build, even if the individual dwellings are of lower standard (Turner 1967).

The most significant change in housing subsidy policy and design in developing countries over the last few decades has been a general shift away from direct provision of housing and towards the 'enabling

policies' that were endorsed in 1988 by the UN General Assembly (Mayo 1999). In this context, 'enabling' refers to establishing a framework for a range of non-state, market actors to become involved in housing provision. The World Bank has been a key advocate of this policy change, which is encapsulated in policy papers including *Housing* (World Bank 1975), *Learning by Doing* (World Bank 1983) and *Housing: Enabling Markets to Work* (World Bank 1992). More recent experiences of enabling policies have been documented by Imparato and Ruster (2003) and Rojas (2010).

This paper describes one such enabling policy, a programme in Trinidad that subsidised housing improvements made by low-income owner occupiers. It traces parallels with historic and current housing subsidies in the UK, and compares and contrasts the issues faced by policy-makers in the two countries.

Economic rationales for housing subsidies

Under certain conditions of market failure, it is efficient for governments to provide subsidies to individuals. In the case of housing, two types of market failure may be particularly relevant. The first is the case of 'merit goods'—that is, those goods which society believes all people should have, whether or not they are able to pay for them. The second is the case of goods with important positive externalities—that is, goods whose value to society as a whole is greater than their value to the individual who pays for them. If improvements to owner-occupied dwellings are considered to be merit goods or provide positive externalities, there may be a justification for subsidising them.

Statements such as 'Everyone has a right to decent housing' implicitly classify good housing as a merit good, and could justify the provision of subsidies to allow owners to upgrade. However, given that funds for such subsidies are always limited, it is necessary to select which improvements are to be funded—and here it is helpful to examine whether certain housing improvements might have positive externalities. The greater the positive externalities of any particular improvement, the stronger the argument for subsidising it.

Improvements that produce positive externalities generally lead to benefits in terms of public health and/or environmental impact. In general, the more dilapidated the housing stock the more likely there are to be positive externalities associated with improvements. Examples include

- Installation of indoor toilets and connections to sewerage systems (improves public health)
- Improving electrical wiring (reduces fire danger)
- External decoration (affects values of neighbouring homes)
- Improvements to roofs and guttering (reduces erosion)
- Installation of insulation and energy-efficient heating systems (reduces carbon emissions)

Housing in Trinidad

Trinidad is a Caribbean island located off the coast of Venezuela. It has a population of about 1.2 million and a land area of about 5000 km². Compared to many of its Latin American and Caribbean neighbours the country is relatively wealthy--oil and gas has recently been found and GDP growth is strong. But income inequality is extreme.

Improving the country's housing is a major part of the government's stated goal of achieving developed nation status by 2020 ('Vision 2020'). There are two housing markets: the legitimate formal dwellings, and the larger informal market. Most of the housing in the country is owner-occupied, but prices in the formal housing sector are too high for low-income families (median house price in 2009 was TT\$ 856,000 or €109,000), and there is a dearth of land for legal new construction. Thus much new housing is self-built, often in squatter settlements. The dwellings lack sanitation and other services, do not meet building codes, and residents often do not have legal title. Squatter areas are concentrated in inner cities or on the slopes of the hills around Port of Spain. For the latter, the lack of proper drainage is a serious

issue, as it increases the risk of devastating mudslides. The squatter settlements are generally fairly low-density, with average plot sizes of about 5000 m², generally occupied by a single house.

Both squatters and low-income owner-occupiers with title have difficulty securing finance for improving their homes. Although the Trinidadian mortgage finance system is one of the most developed in the region, it serves only middle and upper income groups. Squatters by definition do not hold title to their land, so would not qualify for mortgages to finance home improvements in any case. Owner-occupiers with legal title are also often excluded from formal mortgage finance because of low and/or erratic incomes, and fund repairs and improvements with short-term consumer loans or through community-based mutual aid societies known as *sou sous*.

The Home Improvement Subsidy

In 2002 the Inter-American Development Bank (IDB) and the Trinidadian government agreed a US\$ 40 million programme to address these issues. Its goals were ‘to improve housing for lower-income groups, to make public expenditure on housing more efficient and equitable, and to provide incentives and assist institutions, both public and private, in their transition to new, more market-driven roles’ (Programme Monitoring and Coordinating Unit 2010). In negotiating this loan, the IDB wanted to promote the idea of ‘incremental housing’ to Trinidadian decision-makers—many of whom preferred to continue the previous approach of knocking down informal dwellings. The programme, known as the ‘National Settlements Program Second Stage Phase 1’ (NSPSS1), had three components. First, a project to improve administration and technology in the government departments dealing with housing. Second, a scheme to regularise long-term squatters (those who had occupied their plot since 1998). Third, a home-improvement grant for low-income owner occupiers, which is the subject of this paper.

The grant was meant to help households from the lowest four income deciles to improve their homes. Households with a total income of under TT\$ 7000/month (about €900) were eligible to apply for the grant, which had a maximum value of TT\$ 20,000 (€2,600). The beneficiary was required to match the grant one-for-one—that is, if they received TT\$ 15,000 in grant they had to come up with TT\$ 15,000 from their own savings. There was a provision to allow applicants to use ‘sweat equity’ (their own labour) as their matching contribution, but this seems not to have been used in practice. Beneficiaries were free to spend more than TT\$ 20,000 but only that amount would be matched by subsidy.

Originally the plan was that the housing subsidy element of the programme would support both the construction of new housing and the upgrading of existing dwellings, with about 80% of the funds going to new housing. In fact, however, more than 97% of the subsidies in terms of value went to home improvement. This was in part because the cost ceiling for eligible new homes proved to be too low for market conditions, particularly given the high construction standards required; in addition, the new houses were built in small quantities which did not allow builders to exploit economies of scale.

Some 3,265 households received subsidies for home improvement over the course of the program, or about 1% of all households in Trinidad. The original aim was to target families below the estimated poverty line or below the 4th income decile. Under the programme’s regulations, however, much more affluent families were eligible. Median household income in 2009 was TT\$ 50,760 and the upper limit of the fourth income decile was TT\$ 43,200, but the maximum qualifying household income in 2010 was TT\$ 84,000 (about €10,700), which fell somewhere in the 8th or 9th income decile, according to Trinidadian government calculations.

Ensuring that only the poorest households receive subsidy is a widespread problem with this type of programme. In Chile, for example, some 14% of beneficiaries of a housing subsidy programme were found to be from the top fifth of population in terms of income (Gilbert 2003). Also, the existence of a savings requirement (analogous to the Trinidadian requirement for a matching contribution from the recipient) meant that some 35% of Chilean beneficiaries were single, rather than the families that were the target group. ‘Those able to save quickly get subsidies more quickly than those living in greater poverty or with larger outgoings’ (Gilbert 2004).

Application, verification and monitoring procedures

The application form required applicants to demonstrate that they could provide matching funds (on a one-to-one basis) for the desired home improvements. The form stated that the applicant’s own labour could be considered for part or all of their own contribution, but it is not clear on what basis this labour was costed. There was no geographical targeting, nor were there questions about household wealth, and it seems likely that some of the subsidy funds went to households with low incomes who nevertheless possessed substantial savings. There were more qualified applications than funds available, and the final selection was by a random lottery, with about 41% of eligible applicants receiving subsidies.

Outcomes

Table 1 presents information on applications for the Home Improvement Subsidy over the 8-year life of the programme. The figures were calculated on the basis of information provided by the Trinidadian government department that administered the funds. More than two-thirds of applicants were judged to be eligible, but of these fewer than half received a grant because of the limited funds available. Some 59% of beneficiaries received the maximum grant of TT \$20,000.

Table 1: Applications for Trinidadian Home Improvement Subsidy, 2002-2010

Total number of households in Trinidad (2000 census)*	328,000	
Number of applications for HIS	11,193	(3.4% of households)
	Eligible and received grant	29%
	Eligible but did not receive grant	42%
	Ineligible	29%
Total number of grant recipients	3,265	

Source: Data provided by Government of Trinidad and Tobago

*Most recent available. Number of households unlikely to have grown, as total population has been static since 2000.

Some 29% of applications were refused; Table 2 sets out the reasons for refusal. By far the most common reasons for refusal are those relating to documentation: either ‘insufficient documentation’ or ‘insufficient proof of ownership’ were cited as grounds in 56% of refused cases. The data do not allow us to distinguish between those applicants who were actually owners but simply did not have the required paperwork, and those who did not own the property in question. In terms of resources, 15% of applicants were refused because they had insufficient savings, while somewhat fewer (9%) were turned down because they earned too much.

Table 2: Reasons for refusal of Home Improvement Subsidy applications

<i>Reason for refusal</i>	<i>% of refused applications</i>
Insufficient documentation	30
Insufficient proof of ownership	26
Did not attend interview	21
Insufficient savings	15
Not interested	9
Income too high	9
Scope of works not admissible	4
Had already benefited from another grant programme	3
Proposed improvements already completed and paid for	1
Not a citizen	0.5

Source: Data provided by Government of Trinidad and Tobago

Total of all grounds for denial is greater than the number of refused applications as some were ruled ineligible on more than one ground.

The grant required a one-to-one matching contribution from the beneficiary, for at least three reasons: first, it encouraged beneficiary households to develop a pattern of saving and gave them a financial stake in their project; second, it made the project budget stretch further; and third, it was easy to administer. But this requirement could be expected to effectively exclude the poorest households, as they would not have the money to provide a matching contribution—and their housing conditions meant they would benefit most from the grant.

However, data from a sample¹ of beneficiaries suggests that they were not predominantly from higher-income groups. For this sample, the average household size was 2.8 members, and the median household income was TT\$ 25,344—much lower than the maximum eligible income of TT\$ 84,000 and in the third income decile, well within the target range. Indeed, 70% of recipients in this sample had declared incomes below TT\$ 43,200, which was the upper bound of the fourth income decile. Nevertheless, these households had managed to accumulate enough savings to match the grant amount—which in many cases was equal to their annual household income.

The average grant paid was TT\$ 15,200, and about 40% of applicants requested the maximum amount of TT\$ 20,000. Of those who applied for the maximum, 70% said their own contribution would exceed the grant amount—that is, that they would contribute more than \$1 for every \$1 of grant.

Table 3 gives the four most common types of jobs carried out with grant. Roof works was the single most important category.

Table 3: Most common grant-aided jobs (total number of jobs 306; total number of beneficiaries 211)

	<i>Roof</i>	<i>New construction</i>	<i>Ceilings</i>	<i>Windows & framing</i>
Number of jobs	91	34	24	26
Total amount of grant	\$1,049,462	\$409,023	\$256,102	\$201,264
Average grant per recipient	\$11,807	\$12,030	\$10,670	\$7,741

Source: Data provided by Government of Trinidad and Tobago

Actual costs exceeded projected costs in a substantial minority of cases (44%). The average overspend was TT\$ 7,557 (€64). Only 9% of households spent less than expected.

Designing a successor programme

The Trinidadian government and the Inter-American Development Bank are now in the process of negotiating a successor programme to the NSPSS1. In doing so they are reviewing the following issues:

- How to ensure effective targeting of subsidy—to prevent leakage to higher income groups, or deadweight loss (funding things that the beneficiary would have bought anyway)
- What is the appropriate level of owner contribution, and conversely the appropriate level of grant? This depends in part on whether the priority is to improve the worst of the housing stock or to stretch the budget as far as possible.
- What improvements should be eligible? To date the scheme imposed few limitations—only exterior alterations such as the installation of fencing or swimming pools (!) were not permitted.
- Where should funds go? The Trinidad scheme was open to residents from anywhere in the country, with no spatial targeting. Anyone who had an income below the ceiling, held title to their land and had enough savings to match the grant (or who had recently invested in improvements worth as much as or more than the matching amount required) was eligible, and final selection of beneficiaries was by lottery.

¹ The figures in the discussion that follows are calculated from a random sample of 211 housing subsidy recipients, as data entry is not yet complete for all beneficiaries.

House renovation subsidies in England


A short history of changes in English housing subsidy policy over the last 60 years shows that London has faced many of the same issues as Port of Spain. At first glance the Trinidadian housing sector has little in common with that of England, where there are virtually no informal dwellings and low-income families are housed predominantly in the social and private rented sectors. Nevertheless, the Trinidadian housing subsidy programme bears striking resemblances to English policies of the 1950s-1990s, which were very much more generous than the current system, and through which many billions of pounds of grants flowed to private home owners in the years since 1949. These similarities perhaps stem in part from Britain's historic role as colonial power. This left deep traces on the legal and governmental structures of the island, which gained independence in 1962.

After World War II the English housing stock was in generally poor condition. Much of the housing, especially in inner cities, was poorly built, and was suffering from years of under-investment and, in some areas, war damage. 'In the immediate post-war period, housing rehabilitation, or "patching up", as it was disparagingly called, was discouraged' (Balchin & Rhoden 2002). But by 1949 it was recognised that rehabilitation could reduce the housing shortage, and the Housing Act of 1949 introduced improvement grants for private owners. Its provisions were subsequently modified by various pieces of legislation, with several changes of terminology, and the Housing Act of 1969 significantly broadened the grant system.

The grants were funded by central government but disbursed by local authorities. Two types of grant were available: mandatory grants for installation of basic amenities such as indoor toilets and baths, and discretionary grants for work such as essential repairs, damp-proofing and re-wiring. The grants had to be matched pound-for-pound by the applicant, and recipients of the discretionary grant had to bring their homes up to a 12-point fitness standard. The emphasis was on the condition, value and age of the house (it could not be less than 10 years old), but there was no income or wealth limit for applicants. This system was similar to the Trinidadian programme in that grants were given for a range of renovation and repair jobs, and applicants had to match the grant with monies of their own. But while grant funding was guaranteed in England for certain types of work (indoor plumbing), in Trinidad there was no guarantee of receiving a grant, and no type of renovation work was given priority over another. Also, there were no income criteria at this time in England, although they were introduced later.

In the belief that expenditure on rehabilitation would produce a better return if it were spatially concentrated in the most needy areas, legislation in the late 1960s and early 1970s Act allowed local authorities to designate target areas covering 300-800 houses, where resources would be concentrated. This also reflected the view of some scholars that it would be irrational for owner-occupiers to invest in improving their homes if their neighbours did not do so as well (for example, Davis & Whinston 1961). In Trinidad, on the other hand, the issue of spatial targeting is only now being raised; housing subsidies under the NSPSS1 programme were distributed randomly across the country.

In the early 1970s there was controversy in several English cities about cases in which speculators purchased rental properties, evicted the tenants, renovated the properties with the aid of grant funding and sold them on for a profit (see House of Commons debate 26 July 1972). The fact that there was no means test for beneficiaries contributed to this phenomenon, as did the fact that the division of a house into two or more flats was deemed to be an alteration that was eligible for grant. In 1974 restrictions were introduced on the resale of properties. If within five years the beneficiaries sold their properties, or left them empty, they would be liable to repay the grant with interest. In 1980 these restrictions were rescinded for main homes. In Trinidad there are no restrictions on resale of the improved dwelling, but subdivision of existing dwellings was not eligible for grant and therefore the particular issue of the behaviour of speculative landlords, and the consequent political pressure for change, did not arise. After 1982, recipients in England were no longer required to contribute 50% of the cost, as grant could cover up to 90% of eligible expenditure. This change was designed to allow very low-income owner-occupiers to benefit from the grant. In Trinidad the current 50% limit may be changed in the next version of the programme.



In reading reports of the housing policy debate in the 1960s and 1970s, one is struck by two things in the tenor of the discussion: First, the scale of disrepair in the English housing stock was very large, and was seen to be a national problem—indeed, a source of national shame. Second, owner-occupied homes seemed to be viewed not as potential financial assets but rather as costly burdens; there was a view that many owners would not invest in the improvement of their own homes if the government did not offer them incentives to do so—and indeed, sometimes not even then. In some English cities the grants failed to attract enough applicants—or at least enough applicants in the right places. In the mid-1970s Birmingham City Council carried out exterior refurbishments (known as ‘enveloping’) of groups of dwellings in target areas, to try to encourage owners to take up grants to rehabilitate the interiors (Balchin & Rhoden 2002, p. 77). And a 1979 study of Housing Action Areas found that ‘(i)n the 471 HAAs declared up to the end of that year, only one-third of households (and one-fifth in London) took up improvement grants, since even with 75-90 per cent grants, households still had to find large cash sums because eligible expenditure limits were too low’ (Balchin & Rhoden 2002, p. 75). In addition, home owners reportedly found the system complex and confusing, and the application procedure overly bureaucratic.

The Trinidadian programme, in contrast, has not suffered from a dearth of applicants; more than twice as many eligible households applied than there was money available. The initial stages, at least, of the Trinidadian application process appeared to be fairly simple (the application form was only two sides of A4), but Table 2 shows that 56% of refused applications were turned down for reasons to do with lack of documentation—although this does not of itself necessarily point to an excessive level of bureaucracy. It is not clear whether the degree of improvement carried out (or not) by neighbours affected Trinidadians’ propensity to apply for grants.

In the 1980s the generosity of the English system began to be scaled back, and the maximum grant rate was cut from 90% to 75% in 1983. Surprisingly, as late as 1989 applicants’ income and wealth were not explicitly taken into account in determining eligibility, although the limitation of subsidy to houses in poor repair could be argued implicitly to have targeted low-income owners. The 1989 Act introduced a new regime of means-tested grants; these were mandatory if the building was declared ‘unfit for human habitation’ and renovation was shown to be the best option (Wilson 1996). At first there was no upper limit on the grant amount; it was later capped at £50,000, then £20,000. Local authorities faced a dilemma as more households applied than there were funds available, and the law required them to decide applications within 6 months. Almost all local government expenditure in England is funded by grants from central government, and local authorities cannot raise their own funds through taxation, so to keep expenditure within budget many local authorities operated queuing systems of dubious legality (Leather and Morrison 1997). Mandatory grants were abolished in the late 1990s, and the whole system was further reduced in scope.

In England the availability of government grants for repair or renovation of private homes is currently very limited. These grants are given by local authorities, but they are not required by law to offer them; the only mandatory grant is given for making changes to a home to enable a disabled person to live there. Since 2002 local authorities have had the flexibility to determine their own eligibility criteria, to decide whether to require a means test, and to give assistance other than grants, under The Regulatory Reform (Housing Assistance) (England and Wales) Order 2002.

Table 4 gives figures for expenditure in England on home renovation grant in the years 1996/97 to 2008/09. Most grants are discretionary (that is, not to do with improvements to accommodate disabled persons), and the number of these has fluctuated between 64,000 and 120,000 per annum since 1996. While there is no clear trend in the number of grants, the average grant amount has fallen fairly steadily over the period (and more so if inflation is taken into account). The average grant was £5,154 in 1996/97, but in 2008/09 had fallen to less than half that (£2,070)—not a great deal more than the £1580 (TT\$ 15,000) that the average grant beneficiary in Trinidad received. The average value of mandatory grants for facilities for disabled people, on the other hand, rose over the same period.

Table 4. Number of and expenditure on home renovation grants in England, 1996/97 – 2008/09

Year	Discretionary (for non-disabled)			Mandatory (for disabled)		
	Number	Amount (£000)	Average grant (£)	Number	Amount (£000)	Average grant (£)
1996/97	73,940	381,090	5154	20,060	92,230	4598
1997/98	105,260	310,300	2948	21,990	100,410	4566
1998/99	108,920	313,900	2882	22,180	107,100	4829
1999/00	120,420	320,040	2658	22,720	116,530	5129
2000/01	98,910	296,830	3001	24,730	130,720	5286
2001/02	82,060	288,460	3515	25,510	145,120	5689
2002/03	67,950	259,060	3813	30,100	173,780	5773
2003/04	64,400	246,620	3830	37,170	201,980	5434
2004/05	68,080	229,800	3375	38,550	210,310	5456
2005/06	66,100	231,540	3503	34,940	221,340	6335
2006/07	97,080	266,150	2742	37,270	232,830	6247
2007/08	100,910	236,710	2346	38,130	250,100	6559
2008/09	118,360	245,050	2070	41,790	284,840	6816
Totals	1,172,390	3,625,550		395,140	2,267,290	

Source: Department of Communities and Local Government live tables 313 and 314

In addition to the local authority improvement grants, central government in England has since 2000 funded a scheme known as Warm Front to help owner-occupiers install energy-efficient heating systems and upgrade insulation. This scheme has a budget of £959 million for the period September 2008 – September 2011 (NAO 2009). The maximum grant available is £3,500, and households must be receiving certain state benefits and include an elderly or disabled person or a child to qualify. In about 75% of cases the Warm Front grant covers the full cost of the work.

Conclusion

The English and Trinidadian housing systems differ in significant respects, including

- The extent to which residents have legal title to their dwelling
- Age and construction type of the housing stock
- Self-build versus developer construction
- Incidence of squatting
- Predominant tenure of lower-income households (in England they are more likely to live in social housing, in Trinidad in owner-occupied or squatter dwellings)

Nevertheless, cutting through the thicket of bureaucratic terminology around their housing grant schemes reveals some striking similarities. All designers of housing subsidies have to address the same fundamental questions: what types of modifications should be subsidised, who should get the subsidy, and how much should they get?

In terms of which improvements should be eligible for grant, neither country appears to have designed its scheme in order to maximise positive externalities; in both countries a wide range of improvements was eligible for grant, including those that would benefit only the resident household, rather than society more broadly. England has had particular programmes aimed at improving indoor plumbing (historically) and energy efficiency (now), but these have co-existed with broader schemes based fundamentally on the premise that housing is a merit good. Similarly, in Trinidad, almost any kind of improvement or repair to the home is eligible for grant.

The second question is who should get the subsidy. Here economics has less to say; this is basically a political question. Politicians want to design programmes that are 'fair', but fairness can have many meanings. It could be considered fair to give subsidy to those least able to pay for improvements themselves—which would suggest that 100% grants should be given to the very poorest—or it could be fair to reward those who have demonstrated a degree of financial responsibility. Fairness could mean giving everyone in the country an equal chance to receive a grant, or conversely could mean focusing the money in a few very deprived areas—and so on. Both countries employed 'fair' practices for allocating grant among eligible individuals. In England, those who applied early in the financial year got money, which was distributed until the budget was used up, while in Trinidad grant recipients were chosen from amongst all eligible applications. While such systems are fair in the sense of being unbiased, they do not permit targeting of subsidy for maximum efficiency. In its 2009 analysis of the Warm Front scheme, the National Audit Office echoed this concern, saying that 'the Scheme aims to help all vulnerable groups who might suffer from the cold, which has blunted its effectiveness in focusing on those in the worst cases of fuel poverty' (NAO 2009 p. 6).

Finally, what is the right amount and percentage of grant? Should 100% grants be given to the neediest, or smaller grants to those who can afford to do some—but not all—of the work themselves? In order to have the most beneficial effect on the housing stock, is it better to divide the pot of money into a few large grants or many small ones²? The level of grant available under the Trinidadian scheme is enough to enable the recipient to carry out major works such as re-roofing. The grant amounts typically available in the UK are very much smaller in relation to the cost of construction—although incomes are higher and the overall condition of the housing stock is better, so it might be argued that such sizable grants are no longer appropriate or necessary.

The decisions about these issues depend in part on whether policy-makers' focus is the physical fabric of buildings, or the experience of those who live in them. In terms of presentation at least, the emphasis has shifted. In the middle of the 20th century in England, the focus was on the buildings themselves; the goal was to improve the overall condition of the nation's housing stock, and the fact that some households were removed from their homes was considered a reasonable price to pay. Today, though, the focus is on the household—the Warm Front initiative is promoted as 'tackling fuel poverty' by addressing those households that spend more than 10% of their income on energy costs; there is little reference in the scheme's literature to the condition of the dwelling per se (NAO 2009).

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² The Warm Front scheme presents a particularly extreme example of this, having spent some £4.9 million between June 2005 and March 2008 on giving households grants for two low-energy light bulbs (NAO 2009).



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