

Government Employee Housing

Sales to Tenants - Policy and Procedures

June 2014



Table of contents

Table of contents	2
Overview	3
Purpose of this document	3
Scope	3
Policy Principles.....	3
Conditions affecting the sale of properties	3
Procedures	4
Application Process	4
Administration Fee	4
Sale Price	4
Sales to Tenant Process	4
Conflicts of Interest	5

Overview

Tenants residing in Government Employee Housing are eligible to apply to purchase their home by private treaty.

The program provides opportunities for tenants to purchase their homes and reside permanently in the areas that they work, thereby securing a commitment to the local community and supporting the ongoing delivery of government services.

The program will also assist in reducing the ongoing costs of managing and maintaining government-owned residential properties.

Purpose of this document

This document aims to provide clear policy guidelines and procedures for Department of Housing and Public Works (DHPW) officers to ensure the effective management and consistent implementation of the Government Employee Housing (GEH) Sales to Tenants Policy.

Scope

This document is written for use by Department of Housing and Public Works officers and Government Employee Housing tenants.

Policy Principles

An expression of interest from the existing tenant to purchase the government-owned dwelling (including land) in which they reside will be viewed favourably and progressed to sale, subject to the following conditions.

Conditions affecting the sale of properties

- Applicants must be the tenant of the property. Tenants may purchase their home individually, in the name of a company, as trustee, or with another person as joint tenant or tenant in common.
- Sales will not occur if the property is in an area where there is a shortage of appropriate alternative accommodation to support the delivery of government services, for example Indigenous and remote communities.
- The sale price is non-negotiable, based on the valuation by an independent, registered valuer. The length of time a tenant has occupied a property has no influence on the sale price.
- The property will be sold on an “as is, where is” basis. The sale price will not be adjusted for any improvements to the property funded by the tenants.
- If the applicants have outstanding debts or are in breach of the tenancy agreement, the sale will not proceed.
- Any potential conflict of interest with the discharge of the applicant’s duties as a government employee should be resolved before a sale agreement is entered into.

Procedures

Application Process

Eligible tenants will be able to apply to purchase their home by lodging a formal application form (Attachment 1) and an administration fee of \$150 made payable to the Department of Housing and Public Works.

Administration Fee

The administration fee of \$150 will be fully refunded:

- If the property is determined by the department as not being available for sale.
- If the property is withdrawn from the sale process by the department at any stage.
- If the property is withdrawn from the sale process by the applicant, prior to an independent valuer being engaged to conduct the property valuation.
- If the property proceeds to sale. The sale price will be adjusted to discount the administration fee.

Sale Price

The sale price will be based on a valuation undertaken by an independent, registered valuer engaged by the Department of Housing and Public Works. A copy of the valuation report will be provided to the eligible tenant.

The sale price will be at valuation and is not negotiable. Valuations are to remain current for a period not exceeding three (3) months.

The length of tenancy will not influence the sale price.

Any outstanding debts in relation to the tenancy must be paid in full prior to settlement on the property sale, which will form part of the contract conditions.

Sales to Tenant Process

The Department of Housing and Public Works' process includes, but is not limited to, the following:

- Assess if a property is available for sale and advise tenant within 20 business days of receipt of the application form and the administration fee payment.
- Condition audit report/building inspection. (This includes a check if there is an approved safety switch and smoke alarms in the property. This is required prior to sale, in accordance with the *Fire and Rescue Service Act 1990*.) It should be noted that this is not the standard building inspection that would normally be undertaken by the purchaser of a property.
- Engage an independent, registered valuer to undertake a market valuation of the property.
- Advise the tenant of the sale price, provide a copy of the valuation report and seek agreement to proceed to sale.

- Tenant to sign agreement form to purchase the property at the sale price. Tenants have one month from the date of the letter advising the sale price to return the agreement form. Extensions of time are at the department's discretion.
- Prepare contract of sale and send to the tenant for execution.
- Department's authorised delegate executes the contract.
- Property settlement process.
- Terminate the rental agreement.
- Update departmental records regarding the sale of the property.

Conflicts of Interest

The *Code of Conduct for the Queensland Public Service* requires that, where a public service employee has a personal interest that conflicts with the discharge of the employee's duty, that conflict is to be disclosed and appropriately managed. The *Public Service Act 2008* requires a public servant who has a conflict of interest to disclose this to the employee's chief executive and to take no further action relating to the matter unless authorised by the chief executive.

One example in which a conflict of interest may arise in relation to a proposed sale under this policy is where an applicant is, as a result of his or her employment in the public service, able to influence decisions made by the Department of Housing and Public Works, or another Department or government agency, in relation to the sale.

To avoid any such conflict of interest, applicants must as part of the application process disclose the Department or agency with which they are employed and the position they hold. Applicants must also declare that they have no conflict of interest.

If the Department of Housing and Public Works considers that entry into a contract would create a conflict of interest, the conflict must be resolved before a contract is entered into. The steps taken to resolve the conflict will depend on the circumstances of each case. For example, it may be appropriate to take steps to ensure that the applicant is not in a position to take any further action on behalf of the State in relation to the sale of their property. The employee must also disclose the potential conflict, and the steps taken to resolve it, to his or her chief executive.

Government Employee Housing

Sales to Tenants - Application Form

June 2014



Important Information

An administration fee of \$150 is payable to the Department of Housing and Public Works.

This fee will be refunded if the department declines the application to sell the property or if the tenant withdraws the application prior to an independent valuer being engaged. The fee will be rebated if the property proceeds to sale. The sale price will be adjusted accordingly.

Lodgement of this form is not a guarantee that the department will be able to sell you the property.

Q 1 Applicant Details

Enter the full name of the government employee tenant/s applying to purchase the property. Enter the details of the employment of each applicant with the State government.

TENANT

Title	Surname	Given Names
Department	Position	

TENANT B

Title	Surname	Given Names
Department	Position	

Note : include only government employee tenants in this section. If it is proposed that a person who is not a government employee purchase the property either partly or wholly (for example if the property will be held in the name of a spouse or jointly with a spouse who is not a government employee) these details should be included in question 3.

Q 2 Property Details

Enter the address of the property you are currently leasing and applying to purchase.

Street Number	Street Name
Suburb	Post Code

Q 3 Purchaser Details

Enter the full name and address of the proposed purchaser/s of the property, including if the purchase will be made as trustee. (Names on this application form must be exactly the same as those used on any future contracts and / or documents.)

Where there is more than one proposed purchaser, enter the details of each purchaser, the percentage share to be held by each purchaser and whether the interest is to be held as joint tenants or tenants in common.

Disclose if any individual purchasers (other than the applicant/s) are government employees and provide details of their employment.

Where the purchaser will be a company, enter the name of the company and provide a company extract showing details of the shareholding of the company. Disclose if any directors or shareholders are government employees and provide details of their employment.

Where the purchase will be made as trustee, enter the name of the trustee, the name of the trust and provide a copy of the trust deed. Disclose if any beneficiaries of the trust are government employees and provide details of their employment.

Name

Street Number

Street Name

Suburb

Post Code

Q 4 Conflict of Interest Declaration

I/we, the applicant/s, declare that I am/we are not aware of any matter which would give rise to a conflict between my/our interests and the discharge of my/our duties as employee/s of the public service.

Note : if a conflict of interest may arise this should be brought to the attention of the Department of Housing and Public Works before completing this form. A conflict of interest may arise, for example, if an applicant is by virtue of his or her employment in the public service, able to influence a decision made by the Department of Housing and Public Works, or another Department or agency, in relation to the sale of the property.

Q 5 Contact Details

The Department of Housing and Public Works may contact you **during office hours**.

Contact Person:

Title	Surname	Given Names
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Address:

Street Number/PO Box	Street Name
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Suburb	Post Code
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Telephone Number(s):

Email Address:

Applicant's Signature

(This section must be signed by all persons shown as applicants in Question 1.)

Name:

Signature: _____ Date: / /

Name:

Signature: _____ Date: / /

Application Lodgement

Please return this completed and signed form, along with the \$150 administration fee (payable to the Department of Housing and Public Works) to:

GEH Sales to Tenants
Government Employee Housing
Department of Housing and Public Works
GPO Box 2457
BRISBANE QLD 4001

Please direct any queries to: GovernmentEmployeeHousing@hpw.qld.gov.au