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**GOVERNMENT OF PAKISTAN  
MINISTRY OF HOUSING AND WORKS**

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No.F 2(3)/2003-Policy

Islamabad, the 31st July 2004.

**OFFICE MEMORANDUM**

**SUBJECT: - DECENTRALIZATION OF HIRING OF RESIDENTIAL ACCOMMODATION AT SIX SPECIFIED STATIONS IN RESPECT OF FEDERAL GOVERNMENT EMPLOYEES (BPS-1-22).**

The undersigned is directed to state that the Federal Government has decided to decentralize w.e.f. 01-07-2004 the present system of hiring of residential accommodation by Estate Offices. Henceforth the Estate Offices shall not hire any new house w.e.f. 01-07-2004. It is now the responsibility of the respective Ministries/Divisions/Departments to hire residential accommodation for their employees within their budgetary resources. The specification, covered area of houses and the present rental ceiling of Federal Government Employees (BPS-1-22) at the six specified stations i.e. Islamabad, Rawalpindi, Lahore, Karachi, Peshawar and Quetta is annexed for guidance.

2. The following procedure/modalities will be adopted for hiring of residential accommodation by the respective Ministries/Divisions/Departments: -

- i) The employees of the Ministries/Divisions/Departments will locate a house according to their entitlement and submit an application for permission to occupy the house to their offices along with following documents: -

- a) Consent of the owner to rent out his house alongwith a copy of map of the house.
  - b) Copies of ownership documents and NIC of the owner.
  - c) An affidavit from the employee that his spouse is not a Federal Government Servant and, if so, is not drawing house rent allowance and has not been provided any government residential accommodation.
  - d) An undertaking from the Federal Government Employee that he shall pay the difference of rent if any, directly to the owner without involvement of his office.
- ii) After issuance of permission letter by the office to occupy the house, the employee shall provide an occupation report having signatures of owner/allottee to his office. In case employee was previously an allottee of a hired house, a vacation report of previous house shall be provided by the allottee to his office having signatures of owner/allottee alongwith a certificate that no outstanding utility bills or unpaid cost of damages or deficiencies caused to the property during the occupancy of previous house, is pending against the allottee. Ministry/Division/Department will allow the hiring of an accommodation from the date of occupation or date of vacation of previous house which ever is later.
  - iii) Preparation of an inventory of the house proposed to be hired will be the responsibility of the concerned Ministry/Division/Department. The role of the Pak.PWD has been dispensed with. The inventory should have the signatures of the owner, allottee and concerned officer of the Ministry/Division/Department.
  - iv) Each Ministry/Division/Department will constitute an Assessment Committee comprising three officers headed by a BPS-19 officer (in the case of Departments, Chairman of the Committee will be the representative of the administrative Ministry/Division) to assess the rent of the house and submit assessment report keeping in view the rental ceiling of the allottee and covered area according to specification as prescribed in the Accommodation Allocations Rules, 2002. The committee may co-opt a technical person from any technical department if deemed appropriate.

- v) On the basis of Assessment Report, a formal allotment letter and sanction for payment of rent will be issued by the concerned Ministry/Division/Department with the approval of Principal Accounting Officer or Authorized Officers/Head of Department.
- vi) After issuance of sanction letter, a formal lease agreement in the prescribed form will be signed between the owner of the house and designated officer of the concerned office. Normally lease will be signed for a period of three years. Each Ministry/Division/Department will grant one-year advance rent, during the lease period and the remaining payment will be allowed on six monthly basis keeping in view their budgetary position. All payment will be made through cross cheques, which will be forwarded to the manager of the bank for depositing in account of the owner. Income tax will be deducted wherever applicable.
- vii) The residential accommodation already hired through Estate Office will continue to be dealt with by the Estate Office till the expiry of current lease agreement. On expiry of the lease, Estate Office will not further extend the lease agreement. Extension in the agreement will be made by the concerned Ministry/Division/Department. The Estate Offices will transfer the relevant files to the concerned Ministries/Divisions/Departments on request.
- viii) An allottee of a hired house shall, three months before the expiry of the period of lease, either persuade the owner for its renewal and produce his consent or shall himself locate another house or flat for hiring. His office shall in no way be responsible to provide alternate accommodation for hiring to the allottee of a hired house.
- ix) A hired house shall be allotted at the place/station of posting of the employee.
- x) When a government servant does not occupy the allotted house within ten days of the permission to occupy/allotment without any cogent reasons, such

permission/allotment shall be cancelled without any notice.

- xii) In case of transfer/posting of an allottee of a hired house from one city to another or on deputation within the country or abroad, the AGPR or concerned account office shall not release the house rent allowance or issue Last Pay Certificate till issuance of NOC from his office.
- xiii) In case of transfer of an allottee of a hired accommodation from one Ministry/Division/Department to other Ministry/Division/Department at the same station, the relevant file of permission of residential accommodation shall be transferred to new office.
- xiv) An allottee who has joined on transfer or posting from another station, shall produce a "No Demand Certificate" in respect of accommodation occupied by him at the previous station before he is allotted accommodation at the new place of posting.
- xv) When both husband and wife are employed at the same station, only one of them shall be entitled to allotment of hired accommodation and house rent allowance shall not be paid to both of them and 5% rent charges shall be deducted from the pay of the allottee. In case they are serving at two different stations, one of them shall be allotted accommodation and the other one shall be allowed house rent allowance.
- xvi) The employees appointed in Ministries/Divisions /Departments against a regular post or employed or re-employed on contract basis shall be eligible for hiring of accommodation. However, lease agreement will be signed for contract period only. The incumbents of posts filled on daily wages basis or hired from contingencies and ad-hoc basis are not entitled for hiring of accommodation.
- xvii) If any employee on his transfer or posting from corporation/autonomous or semi-autonomous organization is allowed by such organization to retain the accommodation in his occupation, such

accommodation may be taken over by his new office on payment of its rent as approved by such organization or a sum equal to the occupant's rental ceiling which ever is less.

- xvii) Ministries/Divisions/Departments shall arrange for allocation of necessary funds to meet the expenditure under the Head 58000-Rent, Royalties, Rates and Taxes 582000-Rent for the residential buildings.
- xviii) The Pak. PWD shall not be responsible for any repair/maintenance for the houses hired by the Ministries/Divisions/Departments. It will be responsibility of owner/occupant of the house as the case may be.
- xix) Ministries/Divisions/Departments shall ensure the recovery of 5% rent charges/stoppage of house rent allowance from the allottees.
- xx) The allottee/occupant will be responsible for payment of all utility bills, during his occupation. The allottee will also be responsible for abnormal damage caused to the house, due to his negligence.
- xxi) Hiring in the rural areas of Islamabad/Rawalpindi may be allowed. Moreover, assessment of such houses may be calculated one step below for the purpose of rent.

3. The above procedure/modalities shall be followed in letter and spirit.

4. This issues with the concurrence of the Finance Division's U.O. No. F. 8(27) R-14/2002-665/2004 dated 31-07-2004.



**(Shahzad Iqbal)**  
**Deputy Secretary (Estate).**  
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All Federal Secretaries/Head of the Departments.

(ANNEXURE)

**SCALE WISE RENTAL CEILING, COVERED AREA AND SPECIFICATIONS FOR HIRED HOUSES.**

S.No.	Basic Scale.	Pay	Rental ceiling.		Covered Area.	Specifications.
			Islamabad.	Others specified stations.		
1.	BPS-1-2.		Rs.1270/-	Rs.1190/-	300.s. ft.	One to two rooms with cooking area, bath/WC.
2.	BPS-3-6.		Rs. 1985/-	Rs. 1745/-	500. s.ft.	-do-
3.	BPS-7-10		Rs. 2975/-	Rs.2660/-	500 s.ft.	Two to three rooms, Kitchen, Bath/WC.
4.	BPS-11-13.		Rs. 4485/-	Rs.3890/-	600.s.ft.	-do-
5.	BPS-14-16		Rs. 5635/-	Rs.4920/-	700.s.ft.	Drawing cum dining room,two bedrooms, kitchen, bath/ wc
6.	BPS-17-18		Rs. 7460/-	Rs.6505/-	1100.s.ft.	-do-
7.	BPS-19.		Rs. 9920/-	Rs.8490/-	1300.s.ft.	Drawing cum dining rooms, two to three bed rooms with two baths, kitchen, servant quarter with toilet.
8.	BPS-20		Rs.12460/-	Rs.10710/-	1800s.ft.	-do-
9.	BPS-21.		Rs. 14920/-	Rs.12895/-	2200.s.ft.	Drawing cum dining room, three bed rooms with three baths, kitchen, one servant quarter with toilet.
10.	BPS-22.		Rs. 17855/-	Rs.16185/-	2500.s.ft.	-do-