

GOVERNMENT OF PAKISTAN  
FINANCE DIVISION  
(Regulations Wing)  
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Immediate

F.No.4 (7) R-14/07-

Islamabad the 10<sup>th</sup> June, 2019

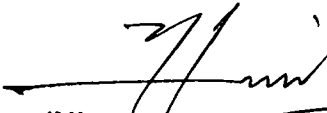
OFFICE MEMORANDUM

Subject: - CONSTITUTION OF A COMMITTEE TO CONSIDER RENT OVER AND ABOVE THE PRESCRIBED LIMIT FOR HIRING OF BUILDINGS FOR OFFICE ACCOMMODATION.

The undersigned is directed to refer to this Division's O.M. of even No. dated 05-11-2018 on the subject noted above and to say that during meetings held on 09-04-2019 and 08-05-2019. The meeting decided the following: -

Sr. #.	Description	Justification/ reasons for
I.	No premium will be offered in rent on the grounds of the buildings being furnished.	Furnished buildings are taken at higher rates and rent is increased regularly in the light of respective law, for as long as the building is held which is often decades. The furniture however depreciates quickly and is worthless in 3 to 5 years.
II.	Every Department has to justify the hiring of that particular building to be placed before the rent Committee.	Need to justify that no other building is available in that locality within the prescribed limit.
III.	A presentation to be made by the department showing the location, inner of building and facilities provided by the owner to justify the rent of the building	To have better assessment of the building with reference to it locality, facility provided by the owner and other buildings in that area.
IV.	Maximum increases allowed in respective laws i.e. 25% after three years and 10% per annum or 30% after three years may not be observed as final verdict rather the tenant organization should negotiate rent at lesser rent rate after lapse of stipulated period. Keeping in view the prevailing rental rates in the concerned area.	The department should try to convince the owner to keep the rent of the building to a reasonable limit. The increase allowed in respective law after certain period may also be negotiated to keep the rent reasonable with the rental market rate in the area.

2. In the light of above decisions all Ministries / Divisions / Departments are requested to provide requisite information on the above lines while submitting for their case for submission of the meeting.

  
(Nisar Hussain)  
Section Officer (R-14)  
Ph: 051-9245873

All Ministries / Divisions / Departments

Government of Pakistan  
Finance Division  
(Regulations Wing)  
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No. F. 4(7) R-14/2007-609

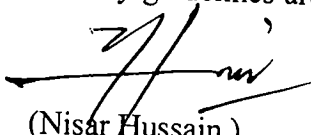
Islamabad, the 5<sup>th</sup> November, 2018

**OFFICE MEMORANDUM**

Subject: - **HIRING OF BUILDINGS FOR OFFICE ACCOMMODATION BY THE MINISTRIES / DIVISIONS / DEPARTMENTS.**

The undersigned is directed to refer to Finance Division's O.M. No. F.8 (69)R.14/83/2001-452 dated 18<sup>th</sup> October, 2001 on the subject noted above. A meeting under the Chairmanship of Additional Finance Secretary (CF) was convened on 24-10-2018 to consider cases of rent over and above the prescribed limit for hiring of buildings for office accommodation for various offices. During deliberations the Committee observed that the information provided by the various Ministries / Divisions / Departments is incomplete. There is no representation of the concerned Ministries/ Divisions in the Committee constituted by the Finance Division. Furthermore, the approved Guidelines for cases beyond the prescribed rent rate of hiring need to be circulated amongst the Ministries / Divisions. In order to examine the proposals received from Ministries / Divisions / Departments, the Committee decided that:

- i. Representatives from the concerned Ministries / Divisions / Departments and the concerned FA / DFA may be co-opted as members of the Committee.
  - ii. To get the complete and precise information a format of working paper may also be circulated along-with the approved Guidelines to all Ministries / Divisions including those whose cases are under consideration.
2. In light of above decisions, all Ministries / Divisions / Departments are requested to provide requisite information on the prescribed proforma (**Annex-I**), five sets duly annexed, along-with required documents as mentioned in Finance Division's O.M. No. F.8 (69)R.14/83/2001-452 dated 18<sup>th</sup> October, 2001 (**Annex-II**). Policy guidelines are also attached for ready reference/ strict compliance (**Annex-III**).

  
(Nisar Hussain)  
Section Officer (R-14)  
Ph: 051-9245873

**All Ministries / Divisions/ Departments**

**Proforma to be filled in by the concerned Ministries / Divisions / Departments**

Ministries / Divisions / Departments			
Name / Floors / Location of the building			
New or Extension of hiring / lease agreement			
Period of lease agreement			
Covered area of space to be hired		Space entitlement	
Demanded rent	Rs. Per sq.ft  Also mentioned %age over & above the prescribed rent.	Monthly rent	
Rates Prescribed by the Ministry of Housing & Works			
Annual Increase as per respective law			
<b>Brief history</b>			
Required documents duly attested by the officer of the Ministry/ Division	1.	Working paper duly signed by the officer of the Ministry /Division / concerned DFA containing detail of the case.	Annex-A
	2.	Consent of the owner.	Annex-B
	3.	Hiring particulars on standard format.	Annex-C
	4.	Assessment certificate by Pak PWD.	Annex-D
	5.	Authentic copy of the map of the premises.	Annex-E
	6.	Copies of previous lease agreement in case of extension/ enhancement.	Annex-F
Recommendations of the Committee			

GOVERNMENT OF PAKISTAN  
Finance Division  
(Regulation Wing)  
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No. F. 8(69) R.14/83/2001-452.

Islamabad, the October 18, 2001

OFFICE MEMORANDUM

Subject: HIRING OF PRIVATE PROPERTIES FOR OFFICE ACCOMMODATION BY THE FEDERAL GOVERNMENT.

The undersigned is directed to refer to the instructions issued by the Finance Division through its O.M No. F. 6(69)R.14/83-930/99, dated 30-08-1999 and subsequent O.M No. F. 8(69)R.14/83, dated 24-01-2000 on the above subject and to state that it has been observed that Ministries/Divisions/Department/F.A Organizations are not following the instructions in letter and spirit. Instances have come to the notice of Finance Division where certain Ministries/Divisions/Departments have entered into lease agreements to hire private buildings on exorbitant rental rates in disregard of the laid down instructions and without seeking prior approval of Finance Division (Regulation Wing). In many cases when steps to enforce instructions in such cases were asked to be taken by this Division, the owners of the premises went to Courts of Law for implementation of the already executed lease agreements sanctions of which were endorsed by our F.A. Organization. This placed the Government in an embarrassing position.

2. Ministries/ Divisions/ Departments are accordingly once again requested to strictly follow the hiring instructions/procedure and not to enter into any lease agreement with a private party, involving higher rental rates than the permissible ones, without prior permission of Finance Division (Regulation Wing). In future, no ex-post-facto approval will be granted by the Finance Division (Regulation Wing) to such type of lease agreements and the officers responsible for violating the procedure will have to face the consequences.

3. In future cases of initial hiring as well as subsequent increase in rent beyond the prescribed limit should be forwarded to Finance Division (Regulation Wing) with the approval of Secretary Incharge of the Ministry/Division concerned through respective F.A. Organization supported by the following documents: -

- i). Consent of the owner.
- ii). Statement of space entitlement alongwith details of sanctioned strength of officers/officials duly approved by Works Division as per their letter No. 10(11)/71-WIII, dated the 17<sup>th</sup> August, 1971.
- iii). Hiring particulars on the Standard Format duly signed by Grade-20 officer or equivalent with complete entries.
- iv). Assessment Certificate issued by Pak-PWD in accordance with specifications of the premises.
- v). Authentic copy of the map of the premises in question.
- vi). Copies of previous lease agreements in cases of enhancement.
- vii). Self-contained note alongwith specific recommendations of F.A. concerned. Reasons for supporting or otherwise of the case should also be recorded.

4. It may please be noted that in future incomplete proposals missing any one of the above documents and received without specific views/justifications of F.A. concerned would not be entertained and returned at initial stage without examination.

5. This issues with the approval of competent authority.

Sd/-  
(M. Sikandar Iqbal)  
Deputy Secretary (R.IV)  
9201059

All Ministries/Divisions/Departments/F.A's Organization

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**Government of Pakistan**  
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**POLICY GUIDELINES TO CONSIDER HIRING OF BUILDINGS FOR OFFICE ACCOMMODATIONS, IN RELAXATION OF RULES, WHERE THE DEMANDED RENT IS OVER AND ABOVE THE PRESCRIBED LIMIT BY THE COMMITTEE**

While considering the hiring cases involving relaxation over the prescribed rates, the Committee should take into account the following factors: -

- i) The procedural requirements as prescribed in the policy guidelines are complete.
- ii) The Pak-PWD Rent Assessment Certificate is available.
- iii) Covered area of the proposed building/ house is within the space entitlement as per prescribed scale of accommodation. In case, the covered area exceeds the entitled space or the department has special requirement of space, then NOC from Ministry of Housing & Works is necessary and should be obtained by the department concerned before proposal is processed in Finance Division (Regulations Wing).
- iv) Location and condition of the building will be kept in view while considering rent demanded by the owner.
- v) The reasonable justification by the department concerned to allow a higher rent in relaxation of prescribed limit.
- vi) The proposals should be endorsed by F.A. concerned with specific recommendations.

**Relaxation Policy**

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- a) It is pertinent to mention here that earlier where increase over the prescribed limit was sought, Finance Division used to approve up-to 100% increase and cases demanding more than 100% increase were sent for PM's approval. Thus Finance Division in special circumstances may allow in relaxation of rule, not more than 100% rent over the prescribed hiring rate on a case to case basis.
  - b) Any case beyond 100% of the proposed rent rates should be turned down.
  - c) This policy will be reviewed after two years.

