

# Divestment of Housing Premises

## Policy

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1.0	2/09/2013	Executive Director Housing Operational and Client Support	New separate policy derived from Housing Services Operational Policy Manual, Chapter 15.
2.0	27/10/2016	Chief Executive Officer	Revised
2.01	18/11/2016	Director Policy	Editorial amendment
2.02	11/09/2018	A/Director Policy	Editorial amendment
3.0	25/11/2021	Operational Policy	Revised

Acronyms	Full form
CEO (Housing)	Chief Executive Officer (Housing)
NGO	Non-Government Organisation
NTG	Northern Territory Government
GEH	Government Employee Housing

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# Policy

Date effective 25/11/2021

## 1. Purpose

To guide the strategic disposal of Chief Executive Officer (Housing) premises and to maximise opportunities for increasing social housing and for public housing tenants to transition into home ownership.

## 2. Scope

This policy applies to all property owned or leased by the Chief Executive Officer (Housing).

## 3. Definitions

<b>Strategic Portfolio Asset Plan</b>	Refers to the strategic planning activities undertaken by the Chief Executive Officer (Housing) and partner agencies to ensure that its assets meet current and future needs.
<b>Divestment</b>	Refers to the sale, gifting, granting, demolition, removal, lease excision, or other disposal of property owned or leased by the Chief Executive Officer Executive Officer (Housing).
<b>Gifting</b>	Refers to giving a Chief Executive Officer (Housing) premises to an individual or organisation for no charge.
<b>Granting</b>	Refers to transferring a Chief Executive Officer (Housing) premises to an individual or organisation and receiving goods or services of agreed value in return.
<b>Premises</b>	Refers to a house, and includes the land upon a house is built, and all real property owned or leased by the Chief Executive Officer (Housing) for the purpose of providing residential accommodation.
<b>Private treaty</b>	Refers to the agreement for the sale of a property between the Chief Executive Officer (Housing) and a person or legal entity.

## 4.0 Policy

Under the *Housing Act 1982*, the Chief Executive Officer (Housing) has power to do all things necessary in regards to disposal of real property, subject to any directions given by the Minister for Territory Families and Urban Housing (the Minister) (refer section 17 *Housing Act 1982*).

Any disposal will be consistent with the Chief Executive Officer (Housing)'s Strategic Portfolio Asset Plan, the property not being needed for future redevelopment, and not prejudice any capacity for the Chief Executive Officer (Housing) to meet its obligations as a social housing provider.

### 4.1 Divestment by sale

All premises will be sold with a reserve price or at a purchase price endorsed by the Minister, having regard to the current market value as assessed by a Northern Territory Government contracted valuer and subsequently endorsed by the Northern Territory Valuer General.

#### 4.1.1 Sale by auction or private treaty

The Chief Executive Officer (Housing) may only sell its premises by way of public auction or by inviting public tenders for the purchase of the premises (refer section 16 (3) *Housing Act 1982*), unless it has been authorised by the Minister to sell to a person or a specific class of persons (refer 16(4) *Housing Act 1982*).

With the authority of the Chief Executive Officer (Housing), a premises that remains unsold at public auction or after public tender may be offered to the public for a period of 6 months on such terms and conditions as the Chief Executive Officer (Housing) may specify and subsequently sold by private treaty (refer section 16 (3A) & (3B) *Housing Act 1982*).

#### 4.1.2 Private treaty (one to one) sales

Private treaty sales to anyone other than the current tenant/s are only considered in exceptional circumstances and need the approval of the Chief Executive Officer (Housing).

#### 4.1.3 Sale to a current tenant

Current urban public housing tenants living in Chief Executive Officer (Housing) owned public housing premises can apply in writing to purchase the property they are currently living in. Ministerial authorisation is required to sell, and the Chief Executive Officer (Housing) is under no obligation to sell the property to the tenant. The premises must be:

- separately titled;
- not required for future redevelopment; and
- identified for sale by the Chief Executive Officer (Housing).

To be eligible to purchase public housing, an applicant must:

- be a current public housing tenant (primary client or co-client); or
- be a current urban government employee housing tenant; and
- have two years of consistent rental payments; and
- have two years of good tenancy history; and
- have no outstanding debt with the CEO (Housing).

#### 4.1.4 Direct sale for non-Government sector development

With the authority of the Minister, premises may be sold by direct sale for non-Government sector development subject to the policy guidelines for sale being followed.

### 4.2 Gift or sale below market value

Gifting involves giving a Chief Executive Officer (Housing) premises to an individual or organisation for no charge and with no restrictions on the premise's use or ownership.

Chief Executive Officer (Housing) has power to dispose of property through gifting under section 16 (2)(a) of the *Housing Act 1982*, subject to any directions given by the Minister under section 17. Authorisation from the Minister should be obtained on any gifts of significance or occurring in extraordinary circumstances pursuant to section 16(4) of the *Housing Act 1982*.

Chief Executive Officer (Housing) is not an Agency for the purposes of the *Financial Management Act 1995* and property transfers occurring under the *Housing Act 1982* are specifically excluded from the Treasurer's Direction concerning gifting.

### 4.3 Grant

Granting of a Chief Executive Officer (Housing) premises to an individual or organisation creates obligation on the recipient, such as providing something of similar value in return.

### 4.4 Demolish

The Chief Executive Officer (Housing) may consider demolishing property that is structurally unsound, unlawful or obsolete, or for any other reason as determined by the Chief Executive Officer (Housing).

### 4.5 Excise from lease

The Chief Executive Officer (Housing) may approve the disposal of a property through excision from a lease.

### 4.6 Market Led proposals

Individuals, businesses and non-government organisations occasionally put forward a proposal for consideration outside of the Chief Executive Officer (Housing)'s usual processes, programs or policy.

The Northern Territory Government welcomes proposals that meet the policy criteria (refer the Northern Territory Government's Market Led Proposals policy).

All Market Led proposals will be directed by the Chief Executive Officer (Housing) to the CEO of the relevant Department for coordination of the assessment and recommendation process.

## 5 Discretionary decision making

The Chief Executive Officer (Housing) may delegate a power or function under the *Housing Act 1982* or other Acts. Delegated officers may make decisions on behalf of the Chief Executive Officer (Housing) in line with the Chief Executive Officer (Housing)'s Housing Delegations and Financial Management Delegations.

No discretion applies to this policy.

## 6 Complaints

A decision not to sell a property owned by the Chief Executive Officer (Housing) cannot be appealed.

If a client is not satisfied with an action of the Chief Executive Officer (Housing) they can access the complaints process.

For further information, please refer to the Complaints policy.

## 7 Disclosure of Interest

All direct or indirect conflicts of interest (real, perceived or potential) must be declared in accordance with the Territory Families Housing and Communities Conflict of Interest policy.

## 8 Review of the policy

If at any time the legislative, operating or funding environment is so altered that the policy is no longer appropriate in its current form, the policy shall be reviewed and amended accordingly.

This policy may be reviewed within two years of release.

## 9 References

### **Legislation**

*Financial Management Act 1995*

*Housing Act 1982*

*Residential Tenancies Act 1999*

*GSTR 2001/6*

### **Policies**

Complaints policy

Conflict of Interest policy

Northern Territory Government's Market Led Proposals policy