

VALUATION & ESTATES OFFICE

PROCUREMENT & ACQUISITIONS PROCEDURES

(Updated 2013)

- Instruction is received via the Ministry (from Cabinet, Minister or Client department) to 'provide a valuation report and negotiate the acquisition of the subject property'.
- The CVO will review and assess the complexity of the commission and allocate the case to a suitably qualified and experienced valuation officer with the case being added to the Master Case-list spreadsheet.
- The case valuer will undertake due diligence checks using Caymanlandinfo (aerial photos, LR, etc) and contact the vendor; the property is inspected by valuer.
- Valuer prepares a Red Book valuation report for Ministry, preferably based on a template as may be applicable. Upon review with the CVO or SVO the report will be issued.
- Upon receipt of instructions to proceed to negotiate an acquisition, terms are negotiated and agreed (if possible) with the Vendor, subject to contract and Cabinet approval, using the valuation figure as the desired price point. A conditional purchase agreement to be signed and a caution placed on the Land Register.
- If terms cannot be agreed, a report is sent to Ministry outlining the issues and request further instructions as to whether Cabinet may authorize in invoke the Acquisition of Lands Law procedures.
- If terms are agreed, a valuation report and memo sent to Ministry confirming the agreed terms and requesting Cabinet approval.
- After Cabinet approval is obtained, cheque is requested for purchase price and stamp duty at prevailing rate.
- Transfer of Land forms (RL1) are completed (in triplicate) and sent to the Ministry to arrange for the Governor to sign.
- Repeat of due diligence checks are made of the land Register.
- Once forms are returned the vendor then signs the Transfer of Land forms and is given the cheque. Photocopy of cheque with recipient's acknowledgment is obtained.
- Ministry and Client Department notified that completion has taken place, the purchase price and arrangements for taking possession.
- LIS is instructed to include the property in the list of Government properties.
- If acquisition includes buildings Finance Department (RMU) is requested to include property on insurance list.
- Details completed on LSU7 and LSU9 spreadsheets.
- All Details entered onto Crown Asset Spreadsheet.

LEASEHOLD ACQUISITIONS

- Instruction is received via the Ministry (from Client Department - CD - & its Ministry) requesting a search for new premises and that new leased space is required.
- Case is assigned to a suitably experienced valuation officer and entered on the Master Case-list spreadsheet.
- Valuer confirms details of the requirement with Client including budgeted staff nos, location, access, parking etc. Assessment made of any obligations relating to any space which may be being vacated.
- Valuer proceeds to seek out potentially suitable options having regard to the CIG Space Standard and budget.
- Arrangement made to view with the CD.
- Once premises are identified and agreed suitable to CD, terms are negotiated having regard to any necessary fit-out requirements, subject to contract and Cabinet approval.
- Prospective landlord is asked to provide outline Heads of Terms.
- Client Department to review need for fitting-out and likely cost with PWD and confirm cost & funding availability, unless LL is offering same.
- Ministry (& Client Department) is informed of agreed terms and requested to seek Cabinet approval.
- After Cabinet approval is obtained, landlord asked to provide draft lease (or legal Department may be requested to draw up lease) and to agree the tenant's specification for fit-out works immediately it is available (from LL or PWD).
- If legal draws up the lease, it is sent to the Landlord for his approval.
- Once a final draft lease is agreed / approved by the valuation officer which accords with the Cabinet authority a clean draft lease is prepared.
- 3 Lease forms (RL8) are completed attached to the lease (3 copies) and sent to the Ministry to arrange for the Governor to sign all copies of the lease.
- Request made to Ministry for Stamp duty cheque from CD.
- Once the Governor has signed lease, the landlord signs the lease and it is sent to the Land Registry for Registration.
- Client department notified of signing, arrangements for access and payment of rent, and to commence fit-out.
- Lease details entered on to lease spreadsheet and LSU7 spreadsheet.