



L-ERBATAX-IL LEGIŻLATURA

P.L. 5437

Dokument imqiegħed fuq il-Mejda tal-Kamra tad-Deputati fis-Seduta Numru 339 tas-7 ta' Mejju 2025 mill-Ministru għall-Akkomodazzjoni Soċjali u Affordabbli.

Eleanor Scerri
Skrivan tal-Kamra



2024 Annual Report

A photograph of a woman with long dark hair, wearing a teal sleeveless top, walking away from the camera down a narrow, cobblestone street in a historic town. She is carrying a young child on her shoulders. The child is wearing a teal t-shirt and light-colored shorts. The street is lined with old, light-colored stone buildings. In the distance, other people can be seen walking. The image has a blue gradient overlay on the right side.

Mission Statement

To provide and sustain decent
social and **affordable housing**
opportunities, promoting **stability**
and supporting **social mobility**

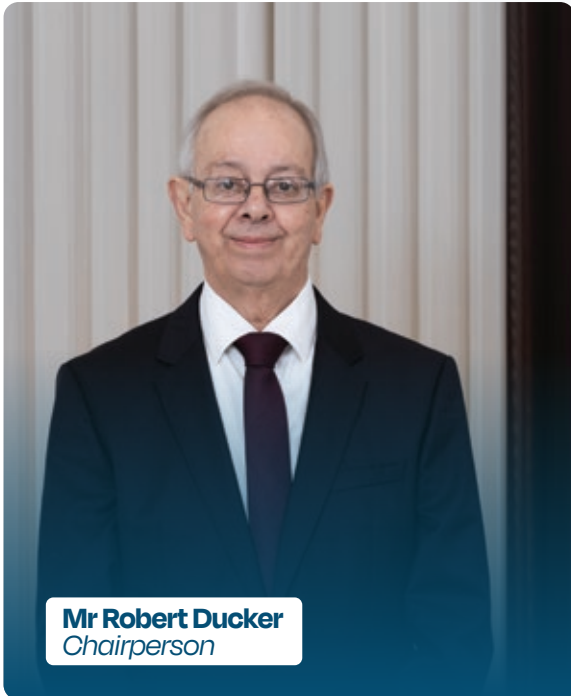


HOUSING
AUTHORITY

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Chairperson's Foreword



As we reflect on the past year, the Housing Authority's 2024 Annual Report stands as a testament to our ongoing commitment to providing accessible, sustainable, and inclusive housing solutions. The evolving landscape of housing demands innovation, resilience, and a deep understanding of the needs of our communities. In 2024, we remained steadfast in our mission to modernise services, empower individuals, and ensure that housing remains a fundamental pillar of social well-being.

This year marked significant strides in digital transformation, allowing for seamless, paperless services that enhance efficiency and accessibility. Our focus on sustainability has been strengthened, with projects aimed at improving energy efficiency, integrating green building principles, and supporting climate-conscious urban development. We have also reinforced our partnerships, both locally and internationally, to ensure that housing policy remains responsive, dynamic, and forward-thinking.

At the heart of our work lies a fundamental belief: housing is more than just a place to live; it is a foundation for stability, dignity, and opportunity. We have continued to support vulnerable communities, address affordability challenges, and create pathways for homeownership and long-term security. These efforts would not be possible without the dedication of our team under the leadership of Matthew Zerafa as Chief Executive Officer, the collaboration of stakeholders, and the trust placed in us by the public.

Looking ahead, we remain committed to building not only homes but also stronger, more connected communities. The future of housing in Malta depends on our ability to adapt, innovate, and deliver solutions that respond to both present and future needs. Together, we will continue to transform challenges into opportunities, ensuring that every individual has access to a home they can call their own.

CEO's Foreword



Mr Matthew Zerafa
Chief Executive Officer

The Housing Authority's 2024 Annual Report highlights a year of transformation, progress, and renewed commitment to ensuring that housing remains a pillar of stability and opportunity for individuals and families across Malta. Over the past year, we have embraced innovation, strengthened social housing policies, and expanded our reach to address the evolving needs of our communities.

One of our most significant achievements has been the full implementation of our digital

transformation strategy, marking a decisive shift towards a more efficient and accessible Housing Authority. By transitioning to a paperless operational framework, we have reduced bureaucracy, enhanced service delivery, and made it easier for people to access our programmes. The integration of digital tools has not only improved internal efficiency but also empowered individuals by giving them faster, more transparent access to housing solutions.

Sustainability remains at the heart of our

long-term vision. In 2024, concrete steps were taken to align housing policy with Malta's environmental commitments, which led our projects to incorporate energy-efficient design, renewable energy solutions, and green building principles. The future of housing must be sustainable, and we are focused on creating living spaces that are both environmentally sustainable and economically viable.

Affordability continues to be a key priority, and over the past year, we have expanded our portfolio of affordable rental and homeownership schemes, providing more individuals and families with the necessary opportunities in helping them secure a home within their means. Through close collaboration with financial institutions and private-sector partners, we developed innovative financing models that open new pathways to homeownership. At the same time, our commitment to social housing remains stronger than ever, with new targeted initiatives aimed at supporting vulnerable groups, including single-parent households, the elderly, and persons with disabilities.

Looking ahead, the Housing Authority is entering a decisive phase of growth and adaptation. By 2027, we aim to expand affordable housing options, enhance energy-efficient living, and introduce even more user-friendly digital services. Our long-term strategy strives to channel every investment we make today towards building a more sustainable, inclusive, and resilient housing sector for the future.

Yet, housing is not just about infrastructure; it is about people, communities, and the quality of life we create. As we move forward, we will continue investing in projects that provide not only shelter—but will also foster a sense of belonging, security, and long-term stability. With a clear vision and a strong foundation, we are working towards delivering housing solutions that not only meet the needs of today but anticipate those of tomorrow.

This journey would not be possible without our dedicated team, the support of policymakers, and the trust of the communities we serve. Together, we strive to continue building a country where housing is not a privilege, but a fundamental right accessible to all.

Key Functions

The Housing Authority's core functions are aligned with its Mission Statement by guiding operations, setting priorities, and ensuring that its actions effectively support its goals, values, and long-term vision. The four key functions are the following:

1. Allocation of Social Housing

The Housing Authority allocates social housing to provide a crucial safety net for low-income households, ensuring access to stable and affordable accommodation. In doing so, it fosters social inclusion by prioritising individuals and families facing financial hardship or precarious living conditions. Specialised housing is intended to address the diverse needs of vulnerable communities.

2. Affordability Schemes

The Housing Authority administers a range of targeted schemes aimed at improving housing affordability in Malta, focusing on four main objectives:

- 1) supporting prospective buyers in achieving homeownership;
- 2) improving rental affordability;
- 3) boosting the purchasing power of homeowners;
- 4) enhancing the quality of housing by covering property refurbishment expenses.

3. Regulator of the Private Residential Rental Market

With the introduction of the Private Residential Leases Act on 1 January 2020, the Housing Authority took the role of regulating the private residential rental market in Malta.

4. Property Management

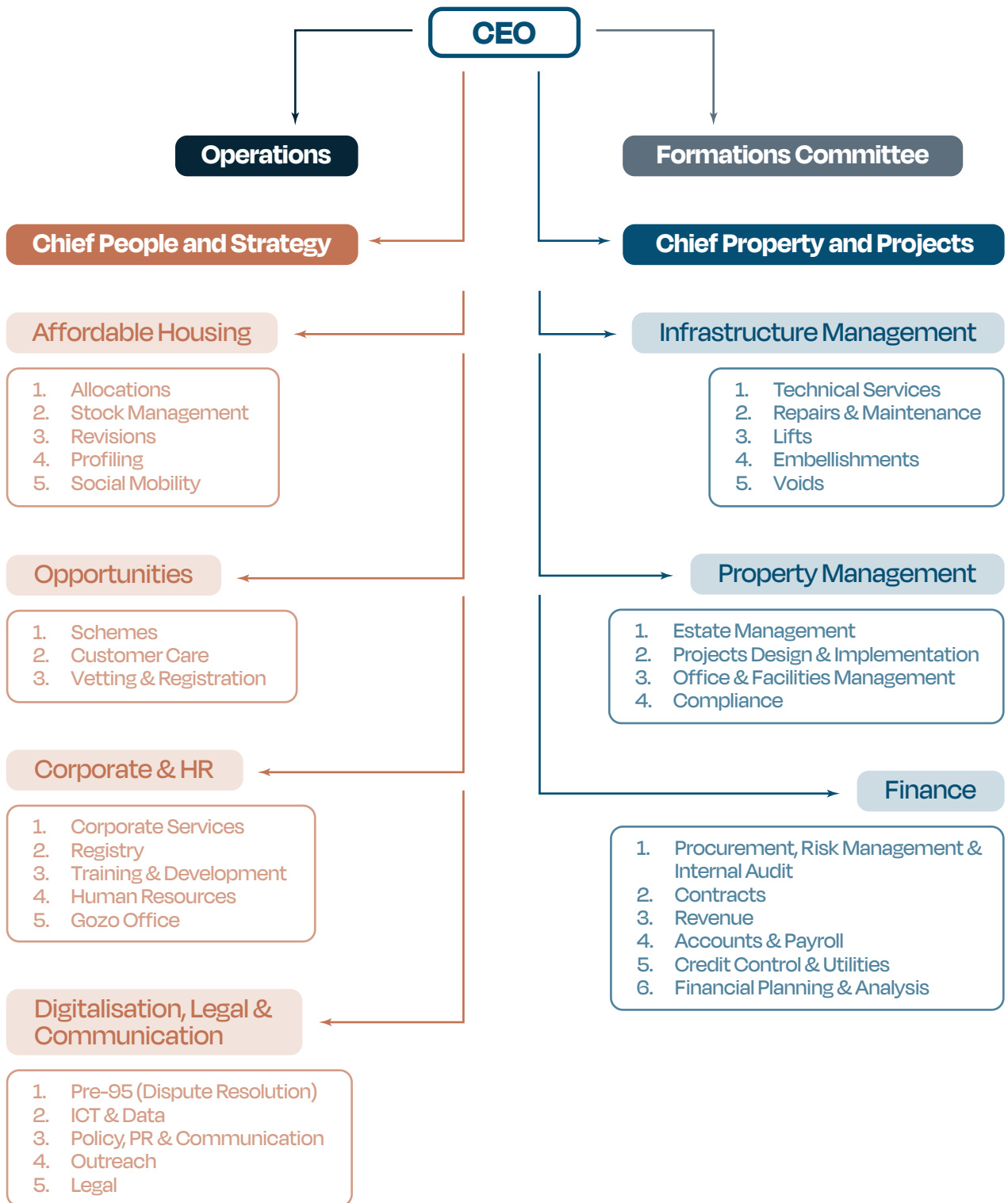
The Housing Authority oversees the renovation and modernisation of its housing stock, including the installation of lifts and embellishment of housing estates, while ensuring regular repairs and maintenance to ensure safe and improved living conditions. Compliance and enforcement ensure adherence to housing regulations and maintain the integrity of social housing and rental market policies. The Authority collaborates closely with other entities for the construction of new social and affordable housing units.

To support its operations, the Housing Authority depends on key support functions such as customer care, ICT services, legal and notarial services, policy and communications, procurement, human resources, and corporate services, ensuring it can effectively fulfil its mission and core functions.

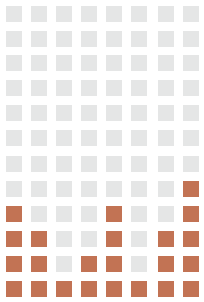


Organisation Structure





Year in Review



255
Employees
↳ inc. **26** Internships

Schemes and Opportunities

Expenditure

€40.8M

▲ 27% increase from 2023



Beneficiaries

12,309

families assisted in 2024

5,700+

families received rent subsidy in 2024

4,909

received the first-time buyer grant in 2024



Strengthening Social
and Affordable Housing

Allocations

550+
new allocations

Personal Plan

250
personal plan
interventions

Assessments

449
initial
assessments

Publications & Outreach

6
Published
Studies

40 *approx.*
Media
Appearances

26+
Outreach
Sessions



Property and Infrastructure



Regeneration and Embellishment

539

families benefitting from an investment of €2.65M



Technical Inspections

1,056

inspections in response to damage reports



Collection of Keys

203

keys collected



Lift Installations

34

new lifts installed

Compliance



698

routine inspections on social housing units



615

inspections on private residential leases



Private Rent
Registration Contracts

55,718

new contracts registered in 2024

66,588

active contracts at the end of 2024

249

dispute claims



Our Digital
Transformation Journey

18,000+ files scanned

Housing Authority
as Owner & Administrator

6,200+
residential units

Procurement

14
tenders awarded

Contracts

2,801
deeds signed

Customer Care

87,000+ Calls

81,000+ Emails

25,500+ Walk-ins



An aerial photograph of a city, likely Tel Aviv, showing a mix of modern and older buildings. A large, semi-transparent blue graphic, consisting of several overlapping curved shapes, is overlaid on the image. In the foreground, there is a street with a green bus, a white truck, and some construction materials. The sky is overcast with grey clouds.

2024 Annual Report

Affordable Housing

Affordable Housing

The Affordable Housing Section comprises several units responsible for providing social accommodation to eligible applicants. This process has an array of stages, with each unit overseeing the work involved mainly at the application, contract and rent revision phase. In this section, an outline of the key results for 2024 will be outlined, highlighting also supplementary work that enhances the value the Housing Authority aims to provide its clients.

Applications for Social Accommodation

By the end of 2024, the number of applicants waiting to be provided with social accommodation amounted to 1,679. Throughout the year, 474 new social housing applications were submitted—an increase of 30.9% over the previous year. Besides these 474 applicants for social housing, a further 121 exchange applications were submitted from tenants wishing to exchange their property. Figure 1 below illustrates the number of new applications submitted in recent years, while Table 1 shows the number of social housing applications on the waiting list.

1,679

Applications on the waiting list
at the end of 2024

474

New applications in 2024



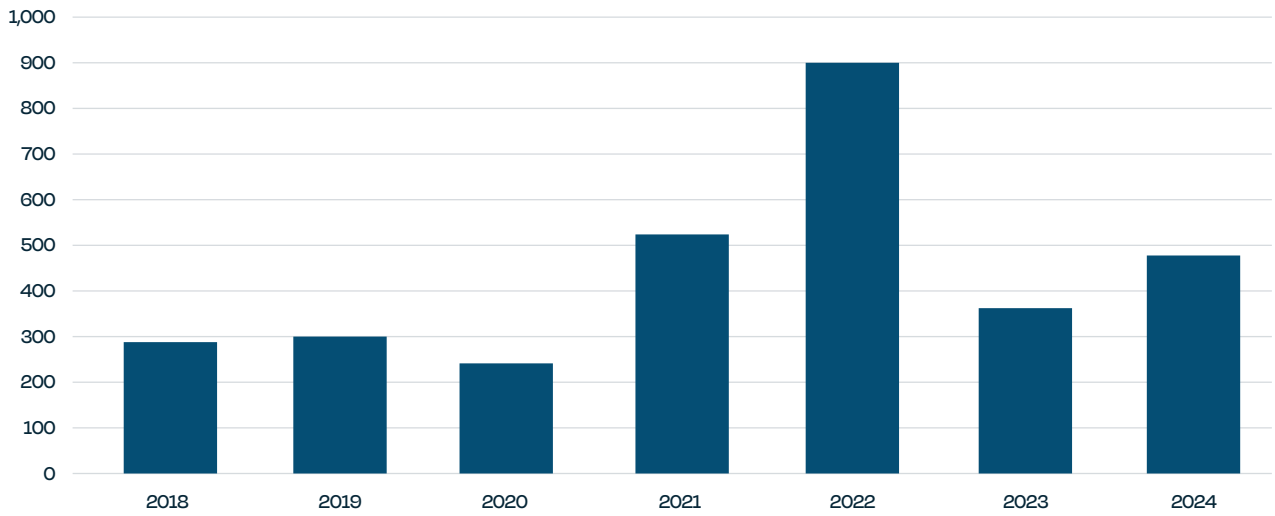


Figure 1: Received Social Housing Applications

Year	Number of social housing applications on waiting list
2018	3,172
2019	2,597
2020	2,380
2021	1,294
2022	1,437
2023	1,576
2024	1,679

Table 1: Applications on Waiting List



Applications Classified as Priority

Table 2 shows the number of applications that are considered high priority. In 2024, 604 applications were classified as such.

High priority applications	Number of applications
Sharing / Overcrowding	295
Refugee Status	18
Mobility Difficulties	28
Disability	33
Homeless – Rehabilitation Programme	16
Homeless – Eviction	35
Homeless – CSA	73
Homeless – Domestic Violence	13
Referred from Agencies	14
Overcrowding	44
Lack of Sanitary Facilities	4
Substandard Conditions	31

Table 2: Priority Applications Type

Gender Differences

During 2024, 474 new social housing applications were accepted. These applications involve 516 main applicants—65.9% female and 34.1% male. Table 3 shows that the gap between male and female applicants has been gradually declining over the years.

Year	Male	Female
2022	26.8%	73.1%
2023	32.0%	68.0%
2024	34.1%	65.9%

Table 3: Applicants' Gender

Age Considerations

The average age of new female applicants is 38, while that for male applicants is 48. The youngest and oldest applicants were both female, aged 18 and 86, respectively. Applications submitted by elders account for 16.3% of total applicants, a marginal decrease from the 19.8% recorded in 2023 and a substantial increase compared to the 13.8% registered in 2022.

A trend of increasing demand for social accommodation among the elderly is also being observed, which may be the result of several factors, including:

- More people retaining community living in advanced age
- An increased number of elderly reported domestic abuse
- A higher incidence of couples separating after long years of marriage (20 years+)
- Elderly being affected by recent developments related to pre-1995 rent regulations

Districts

Table 4 provides a breakdown of the distribution of new applications across districts.

Region	New applications 2024	Relative percentage
Gozo & Comino	24	5.1%
North	46	9.7%
Northern Harbour	112	23.6%
Southeast	80	16.9%
Southern Harbour	155	32.7%
West	57	12%

Table 4: New Applications in 2024 by Districts

Localities

Table 5 shows the applications by the top localities. The table also includes agencies and NGOs due to their significant contribution to the number of applications received. Particular attention is given to the Correctional Service Agency (CSA) as a referring agent.

Locality	New applications 2024
Paola (including applications submitted by CSA)	43
Qormi	28
Birkirkara	23
St Paul's Bay	22
Żejtun (including applications submitted by il-Milja)	22
Żabbar	22
Żebbuġ (including applications submitted by San Blas)	18
Sigġiewi	16
Msida (including applications submitted by YMCA)	15
Valletta	15

Table 5: Applications by Top Localities

Correctional Service Agency (CSA)

Interestingly, 30 of the 43 applications originating from the Paola area were submitted from CSA. Figure 2 depicts the number of applications received from CSA for the period 2018-2024.

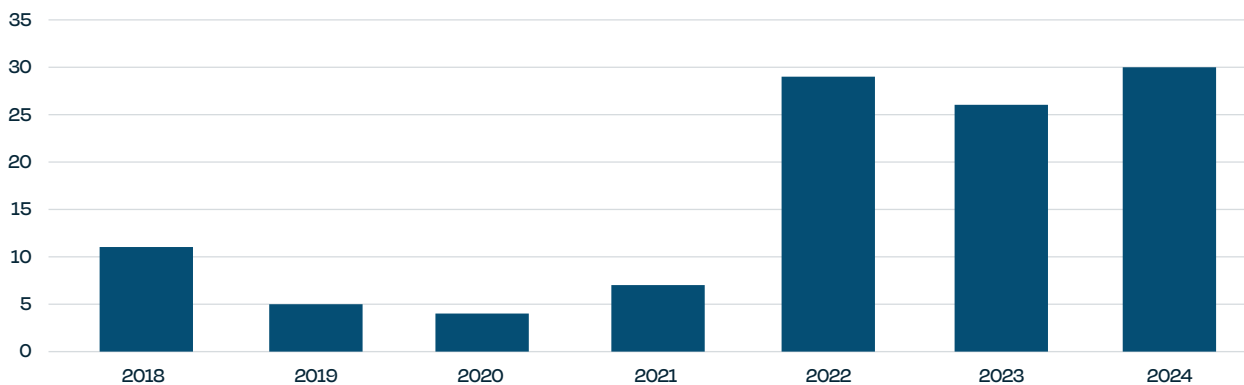


Figure 2: Applications Submitted by the Correctional Service Agency

In 2024, 21 male and 9 female inmates applied for social accommodation. The average age was 40 for men and 30 for women. Towards the end of 2022, an agreement was reached between the Housing Authority and CSA, allowing professionals from the Housing Authority to resume conducting social assessments on CSA premises. Assessments were also conducted with applicants serving their court sentence in facilities other than CSA, like RISE, PIP and Mid-Dlam ghad-Dawl.

Both the Housing Authority and CSA remained committed to this collaboration, investing in more and better-trained personnel to facilitate access to the Housing Authority's services for individuals undergoing rehabilitation. This resulted in a monthly intervention by social welfare professionals within the Affordable Housing Section, alongside an official from the Schemes Section. As part of this initiative, a 'Drop-In' service was introduced within CSA, providing information and guidance on accessing the Housing Authority's services.

Despite all the efforts, the number of social assessments carried out in 2024 dropped from a year earlier. One factor leading to this anomaly is the probability that inmates applying while residing at CSA would have changed their address before undergoing the initial social assessment by social welfare professionals. In most cases, applications would have been submitted very close to their release from CSA.

Applications for Exchange of Property

Applicants already residing in social accommodation might want or need to exchange their dwelling for several reasons. By the end of 2024, 360 tenants had an active application requesting alternative accommodation. In 2024, 121 new applications were received by the Authority, while 21 applications were closed by tenants. Table 6 provides the main reasons given by applicants to exchange their current accommodation.



Reasons for Exchange	Number of applications
Want different locality	31
Closer to relatives	39
Property needing maintenance	8
Medical reasons	25
Too many stairs	120
Neighbourhood problems	19
Want a smaller property	13
Want a bigger property	61
Problems with neighbours	23
Several reasons	2
No reason	16
Others	3
Total	360

Table 6: Reasons for Exchange Applications

A detailed analysis of exchange applications revealed two primary reasons for requesting a move: accessibility challenges and property size, particularly the number of bedrooms.



Accessibility challenges:

40.8% of applicants cited accessibility as their main reason for requesting an exchange. Many lived in buildings without lifts, requiring them to navigate multiple flights of stairs. These applicants were advised to explore options for the installation of a lift or stair lift. Additionally, some residents, particularly in Cottonera and Valletta, faced mobility difficulties due to elevated street levels, even those living on the ground floor.

Property size and bedroom needs:

Requests for more bedrooms were equally matched by those seeking fewer, indicating that tenants were generally allocated a suitable number of bedrooms at the start but experienced changes in family composition over time. Figure 3 provides a breakdown of bedroom demand.

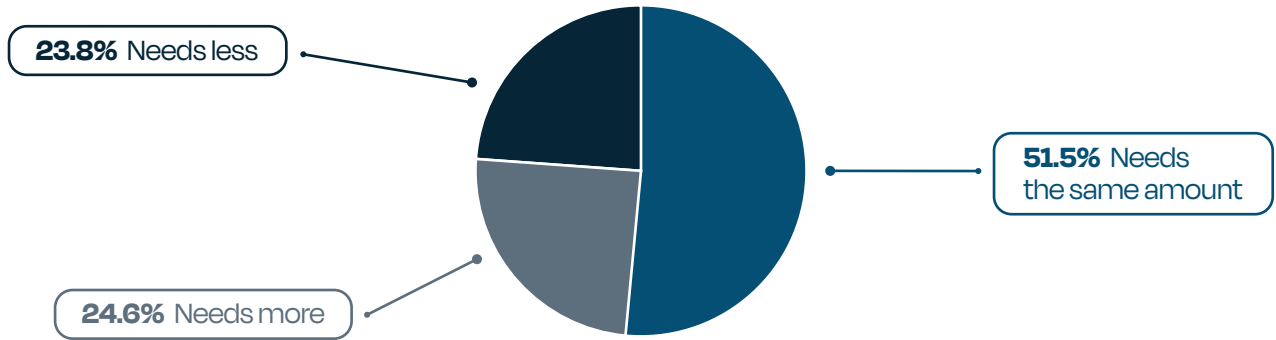


Figure 3: Bedroom Demand

Social Work Team

This section comprises several social welfare professionals primarily involved in the application phase of the allocation process. Social assessments are the most valuable tool for gathering and evaluating information about the applicants' needs. These assessments provide a comprehensive understanding of the applicants' pressing and salient needs, which ultimately determine not only the priority to be assigned but also the type, size, location, and accessibility of the accommodation offered, among other considerations.

During 2024, social welfare professionals set up 1,126 appointments with applicants. Out of these, 1,022 materialised. The latter figure includes 442 follow-up interventions, mainly home visits, before being offered an allocation of a property. There were 633 attempts for an intervention to be carried out at the applicants' current home, resulting in 490 assessments and follow-ups carried out.

1,022
Social assessments
successfully conducted in 2024

Type of Intervention	2023	2024
Follow-up on personal plans (successfully completed)	25	250
Post allocation follow-up with new tenants	16	97
Post allocation follow-up with professionals following new tenants	14	20
Others	16	25
Total	71	392

Table 7: Type of Intervention

Type of Assessment	2024
Social housing (initial assessment)	449
Exchanges	74
Exchanges project	13
Follow-ups of social housing	103
Follow-ups of social housing (initial assessment)	339
Pre-95	7
Personal plans	37
Total	1,022

Table 8: Type of Assessment

Initial Assessments

To better understand the factors motivating individuals or families to apply for social housing, starting in 2022, each vetted and accepted application is referred to the social welfare professionals' team for an initial assessment. Besides identifying the main factors for application, this exercise ensures that urgent cases are handled without delay or unnecessary hardship for applicants. Moreover, during these assessments, applicants are provided with information and empowered to access services and schemes offered by the Housing Authority or community agencies to ameliorate their situation until social accommodation is provided. From inception until the end of 2024, 1,409 initial assessments were conducted, as shown in Table 9.

Year	Social Accommodation (Initial Assessments)
2022	495
2023	465
2024	449
Total	1,409

Table 9: Number of Initial Assessments per Year

Exchange Application Exercise

Between February 2023 and January 2024, all applicants with an active exchange application were invited to undergo a social assessment, which identified the reasons for their desire to move home and included a discussion of alternative options or solutions. Participants were also informed about the process and its implications. In total, 272 assessments were conducted across 36 localities in Malta and 3 in Gozo. This figure excludes interventions related to 173 exchange applications closed by the applicants or those who chose not to participate in this exercise. When considering the total number of new, cancelled and allocated applications, the overall number decreased by 149 by the end of this exercise.



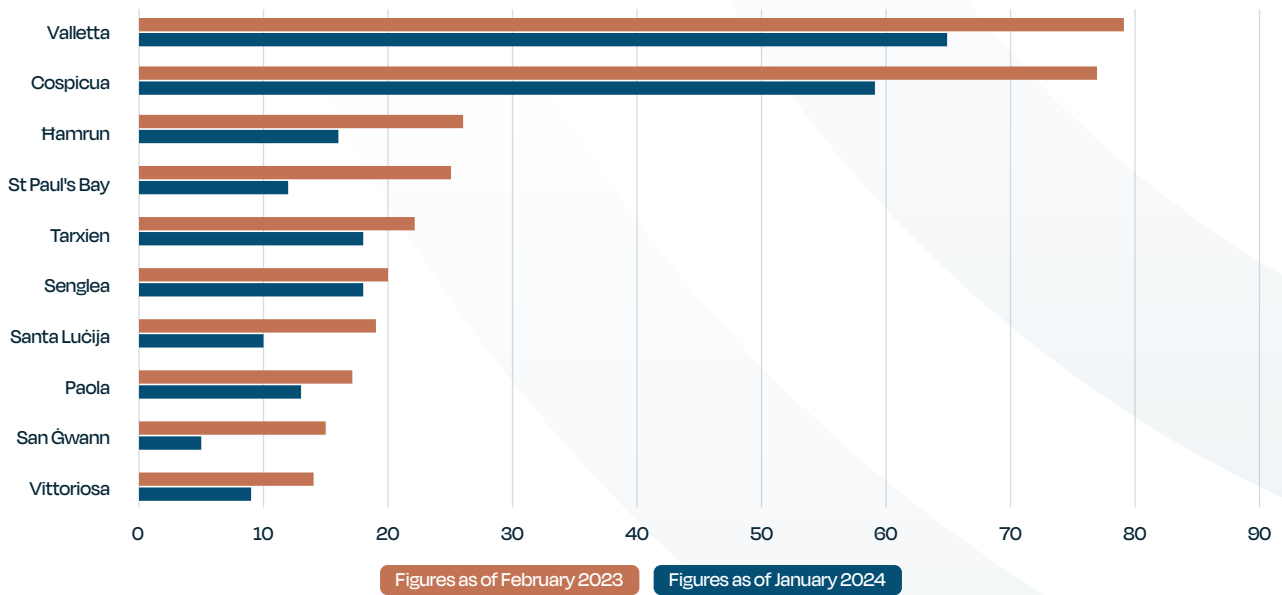


Figure 4: Applications Submitted by the Correctional Service Agency

Localities with the most exchange applications are displayed in Figure 4, with the orange bars reflecting the figures as of February 2023 and the blue bars reflecting the figures as of January 2024. The chart illustrates the shift in the number of active applications after the completion of the exercise, based on the top 10 localities with the highest number of applicants. The results show a decline in applications for each locality, with Cospicua exhibiting the most significant reduction, with 18 closed applications. Proportionally, the largest decrease was observed in San Ġwann.

Personal Plans

In addition to the work performed by Social Welfare Professions regarding social housing applications, the Personal Plan initiative was introduced in 2024. The target group for these plans is tenants who, for various reasons, have fallen behind on their rent payments. Identified tenants are invited to the Housing Authority offices for in-depth discussions about the issues affecting their ability to meet their contractual obligations to help them retain their accommodation. During these discussions, available options are explored, and guidance is provided on community services they can access. Following these meetings, follow-up phone calls are maintained for up to 6 months to monitor progress, with home visits conducted in some instances. Two inmates at CSA also participated in this plan. In total, 250 interventions were held in relation to Personal Plans.

250
Personal Plan
Interventions
held in 2024

Post Allocation Follow-Ups

The provision of accommodation alone is often insufficient to ensure that individuals who require professional support in certain aspects of their lives can continue striving successfully. With community-based services often operating regionally, it is not uncommon for some people to fall through the gaps. The primary goal of follow-ups undertaken by the Social Work Team within Affordable Housing is to urge community professionals—after obtaining tenants' consent—to maintain their engagement with tenants or refer them to colleagues when tenants relocate to a different locality.

Building on this initiative, in mid-2024, it was decided that all tenants would receive a follow-up after allocation to verify whether they have settled in and to address any difficulties related to housing. This led to an almost fourfold increase in follow-up interventions compared to the previous year.

Assistance with Rent Deposit and First Rent

Applicants who have submitted a social housing application and, in the meantime, need to rent from the private market are also being supported. In such cases, applicants receive financial assistance to cover the initial deposit typically required upon contract initiation and, if necessary, the first rent payment. This amount is then reimbursed by the applicant gradually, on the terms set by the relevant section vetting these requests.

Dissemination of Information and Outreach Interventions

To bring the Housing Authority's services and schemes closer to the public, social welfare professionals participated in several informative sessions with representatives from various community services across Malta, alongside agencies such as the Mater Dei Social Work Section, Intake and Family Support Service, Detox Centre, Active Ageing Unit and Gozo Community Police.

A session was also organised in partnership with UNHCR, where translators facilitated communication among representatives from different countries. The same Housing Authority officials participated in the Public Expo, Freshers Week, at several educational institutions and featured on various radio programmes.

Agreements Unit

This unit is responsible for drafting and signing lease agreements with newly allocated applicants, managing contracts of exchanges, handling recognitions, and renewing expired leases. It also oversees payments for maintenance and repair grants to tenants while coordinating temporary accommodation provisions.

By the end of 2024, 733 lease agreements were signed between the Housing Authority and tenants, including 52 signed at the Gozo office. Moreover, the Board of Allocations approved 552 new allocations in 2024. Table 10 provides a breakdown of the types of agreements made and the sources of the properties.¹

	Lands & Housing Authority	Malita	Skema Kiri & NIK Schemes	Total
Allocations	157	237	272	666
Recognitions	56	0	3	59
Exchanges	4	0	4	8
Total	217	237	279	733

Table 10: Agreements Signed in 2024

In addition to the 733 contracts signed, 308 lease agreements were renewed upon expiry, as shown in Table 11. A further 100 tenants were informed of the renewed lease through a letter.

Year of contract expiry	Renewed contracts
2022	14
2023	93
2024	201
Total	308

Table 11: Renewal of Contracts

¹ The allocations include agreements of properties allocated in previous years, especially for Malita properties.

Grant Given on Repairs and Maintenance of Allocated Property

When property keys are returned to the Housing Authority, officials assess whether vacated government properties require refurbishment or maintenance. The Technical Services Unit inspects the premises to compile a list of necessary repairs and their associated costs. This information is then provided to tenants upon signing their contracts. In 2024, a total of €1,208,675 was allocated to these grants—an increase of approximately three-quarters of a million euros compared to 2023. Furthermore, 175 payments were processed, ranging from €100 to nearly €40,000.

Temporary Accommodation

The Housing Authority provides temporary accommodation to its tenants who need to relocate elsewhere when major and extensive repair works need to be performed in their dwelling. Most often, these repairs involve the replacement of roofs or bathrooms, making it dangerous or impractical for tenants to occupy the property in the interim.

In 2024, 6 properties were used for this scope—4 owned by the Housing Authority and the rest leased by the Authority from the private market. One of the leased properties was not retained after being vacated. Furthermore, 2024 was characterised by lengthy stays at temporary accommodations. One family occupied a property for the entire year, while another returned to their home after 10 months—both families started residing in temporary accommodation in 2023. These circumstances limited the turnover of placements between tenants. In total, 7 individuals/families benefitted from 50 months of rent-free temporary accommodation.

Moreover, to assist with the logistics of moving into another property, the Housing Authority also offered the use of garages for storage purposes to tenants requiring temporary accommodation. In 2024, three tenants were provided a garage at no additional cost for their lease.

This service is offered through coordinated efforts among several sections within the Housing Authority, mainly Affordable Housing, Repairs and Maintenance, and Estate Management.



Rent Revisions Unit

The Affordable Housing Section is also responsible for the revisions of rent payments. The intervals of rent revisions vary according to the contract, with most contracts including a rent revision every 2 years to ensure tenants pay a fair rent based on their income. Throughout 2024, rent revision was conducted for 2,180 households. Table 12 shows the changes in rent charges.²

Changes in rent charges	Number of revised rents
Rent increase	356
Rent decrease	248
No change in rent	1,553
Commercial rent charged	23
Total	2,180

Table 12: Changes in Rent Charged

NIK and Outreach Unit

This unit oversees several tasks, including subleasing properties from the private market to the Housing Authority tenants, conducting property viewings for newly allocated tenants before contract signing, and managing the handover and collection of keys for properties after the expiry of contracts without renewal, as well as temporary allocations.

In 2024, the Housing Authority entered into 203 agreements with private property owners who wished to lease their property to the Authority through the Nikru biex Nassistu (NIK) Scheme. This scheme offers advantageous conditions to property owners, including tax-free rental income and rent paid every 6 months in advance. Housing Authority officials view the properties before committing to an agreement to ensure that these are up to the required standards. In fact, 238 viewings resulted in 35 cases where the property was either not accepted or failed to reach an agreement.

203
 Agreements
 signed with
 private property
 owners in 2024

² Commercial rent is charged when tenants fail to submit the requested income documents despite being given several reminders. With no income information on which to compute rent, the commercial rates established by the Housing Authority are charged.

These additional properties complement the government housing stock available for allocation to social housing applicants. The Housing Authority also has an agreement with Malita Investments PLC, through which it pays rent subsidies for apartments built by Malita that are allocated for social housing purposes. Table 13 provides a breakdown of the Housing Authority's expenditure on properties leased through different schemes, while Figure 5 displays the number of NIK properties allocated to tenants over the years.

Schemes	Expenditure 2024
Rent payments to Skema Kiri property owners	€158,173
Rent payments to NIK property owners	€9,320,494
Rent Payments to Malita for social accommodation apartments	€2,807,892
Common Parts payments to NIK property owners	€272,752
Rent payments to RVU property owners	€90,717
Total	€12,650,028

Table 13: Housing Authority's Expenditure on Private Property Leases

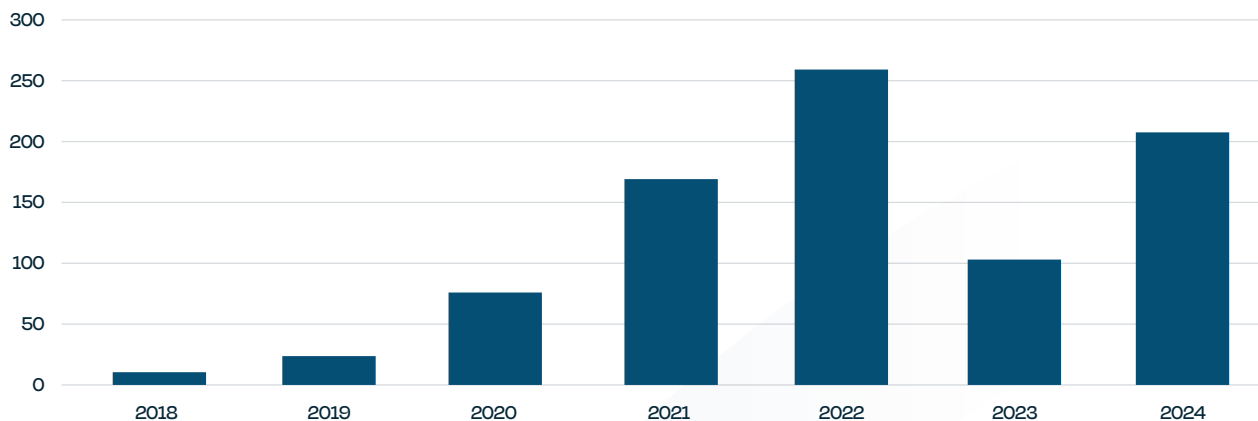


Figure 5: NIK Allocations (2018-2024)

In 2024, 35 contracts between the Housing Authority and property owners were renewed upon expiry, ensuring stability for the respective tenants. Landlords who initially rented their properties through the Skema Kiri years ago are now benefitting from the NIK Scheme conditions.

An additional 23 contracts, set to expire at the beginning of 2025, were not renewed. Affected households were notified months in advance and were allocated alternative properties to ensure a smooth transition. As in previous years, assessments were conducted to determine the best way to meet the tenants' needs, primarily regarding the property size, location, and amenities.

Officials from this unit showed 473 dwellings to prospective tenants and collected 42 keys of properties leased by the Housing Authority through the Skema Kiri, which were then returned to their owners after the contracts expired.

This team also contributes to tasks related to the social housing application process. When overcrowding is a contributing factor in an application, the assessment involves measuring the dimensions of the properties applicants currently reside in. This exercise was performed in 96 dwellings.

Training

Social worker professionals undertook several training opportunities, including First Aid, Public Speaking, Online Safety, working with Microsoft Teams, Supervision, Well-being and Digitalisation courses. Some team members attended training sessions provided by FSWS and other agencies like Aġenzija Żgħażaġh. Team members also participated in a conference held in Dublin organised by FEANTSA, named Housing First, and a summit organised by Housing Europe in Milan.

Digitalisation

The Housing Authority's drive to digitalise its processes gained momentum in 2024, with officials from the Affordable Housing Section involved in the scanning of all pending social housing applications—a task completed by mid-2024. This initiative aims to fully transition processes and tasks to a digital system, eliminating the need for physical applications and files.

Training was provided to officials scanning the applications, alongside the substantial investment made by the Housing Authority in providing tools such as monitors and tablets to support them in performing their duties efficiently.







2024 Annual Report

Opportunities

Opportunities

The Housing Authority manages a diverse set of targeted schemes designed to enhance housing affordability in Malta. These schemes can be grouped into four main categories:

1) Schemes intended to support prospective buyers to become homeowners

2) Schemes to improve rental affordability – this category includes the rent subsidy scheme, known as the Housing Benefit Scheme, and rental assistance for tenants residing in pre-1995 properties

3) Schemes intended to boost the purchasing power of buyers

4) Schemes to enhance the quality of housing by covering property refurbishment expenses



In 2024, the Opportunities Section received 6,400 applications for these schemes. The following is a breakdown of the applications received:

Schemes	Applications 2024
Schemes to facilitate homeownership	
Equity Sharing Scheme (ESS)	192
10% Deposit Scheme (DPS)	147
Social Loan Scheme (SOL)	11
New Hope Scheme (NHS)	14
Sir Sid Darek Scheme (SSD)	182
Sir Sid Darek 2 Scheme (SSD 2)	287
Schemes for rent affordability	
Housing Benefit Scheme (HBS)	1,121
Rent Subsidy Scheme for Properties leased before 1995 (SKP)	596
Schemes to boost purchasing power of buyers	
First-Time Buyers Scheme (FTB)	2,167
Grant on First Residence (GFR)	381
Schemes to improve housing quality	
Adaptation Scheme (ADP)	190
Structural Alterations Scheme (SSP)	12
Disability Scheme (DIS)	851
Rehabilitation of Vacant Dwellings (RVU)	0
Others	
Lift Installation Scheme (LFT)	15
Nikru biex Nassistu Scheme (NIK)	234
Total³	6,400

Table 14: Applications Received in 2024

³ The Scheme Section also oversees the Tax Reduction Scheme. However, given that no applications were received in 2024, this scheme was not reported.

Expenditure and Beneficiaries

In 2024, the total subsidy granted by the Authority for its schemes amounted to €40.8 million, marking a 27.3% increase compared to the previous year. Table 15 provides details of the evolution of expenditure between 2020 and 2024 for these schemes.

Schemes	2020	2021	2022	2023	2024
Schemes to facilitate homeownership					
ESS	€3,670,750	€2,558,888	€5,673,466	€4,258,461	€4,110,097
DPS	€1,944,110	€2,171,937	€1,298,769	€2,545,040	€2,762,932
SOL	€178,438	€222,565	€236,291	€247,815	€256,370
NHS	-	-	€59,788	€27,779	€266,466
SSD	€4,326,062	€3,797,501	€4,967,537	€3,710,759	€4,671,406
SSD 2	-	-	-	-	-
ISS	€437,847	€220,699	€85,242	€4,032	€1,882
Schemes for rent affordability					
HBS	€5,925,136	€7,769,320	€8,414,925	€9,559,129	€10,694,458
SKP	-	€49,140	€1,753,176	€4,862,128	€7,301,315
Schemes to boost purchasing power of buyers					
FTB	-	-	-	€2,631,000	€4,694,000
GFR	€997,350	€1,038,781	€1,094,142	€1,035,619	€1,024,780
Schemes to improve housing quality					
ADP	€464,288	€529,670	€804,684	€659,756	€832,560
SSP	€8,370	€15,895	€33,289	€54,966	€44,141
DIS	€690,616	€787,822	€1,151,242	€2,288,599	€3,986,653
RVU	€65,000	€99,992	€224,170	€137,569	€118,078
Total	€18,707,967	€19,262,210	€25,796,721	€32,022,652	€40,765,138

Table 15: Expenditure on Schemes (2020-2024)

Figure 6 displays the expenditure across the four main categories between 2018 and 2024. In the category covering rent affordability schemes, the chart makes a distinction between the Rent Subsidy Scheme and the Pre-95 Scheme that started in 2021 with the introduction of the Controlled Residential Leases Reform Act of 2021. During this period, the Housing Authority's expenditure rose from €8.8 million to €40.8 million.

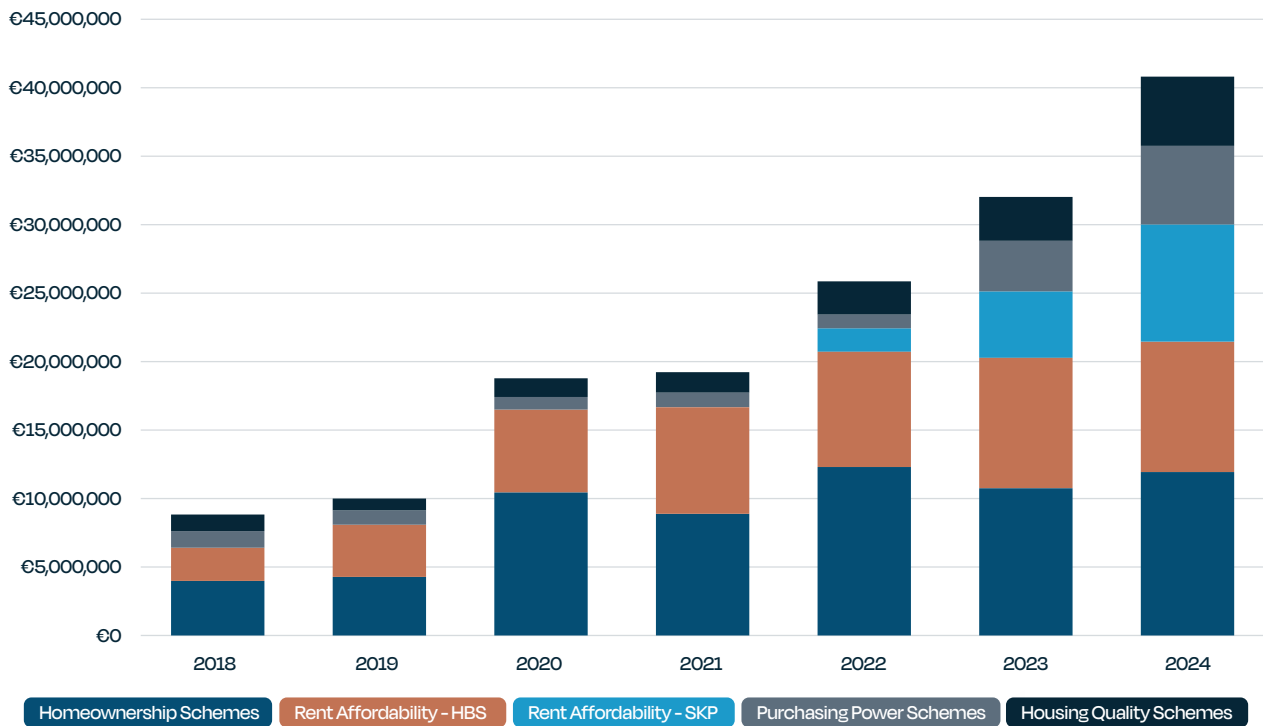


Figure 6: Housing Authority Expenditure



Table 16 shows the number of beneficiaries who benefitted from one of the schemes since 2020. In 2024, the Housing Authority assisted 12,309 households, with the largest two schemes being the First-Time Buyers and the Housing Benefit Scheme.

12,309
Families assisted in 2024

Schemes	2020	2021	2022	2023	2024
Schemes to facilitate homeownership					
ESS	56	44	65	84	68
DPS ⁴	117	125	56	117	116
SOL	114	137	162	174	177
NHS	-	-	7	5	6
SSD	110	106	122	91	126
SSD 2	-	-	-	-	-
ISS	205	185	10	2	1
Schemes for rent affordability					
HBS	3,437	4,040	4,154	4,039	4,070
SKP	-	40	428	1,137	1,640
Schemes to boost purchasing power of buyers					
FTB	-	-	-	2,758	4,909
GFR	344	393	433	377	344
Schemes to improve housing quality					
ADP	176	172	242	184	187
SSP	4	5	10	8	11
DIS	159	180	265	499	653
RVU	3	4	6	2	1
Total	4,725	5,431	5,960	9,477	12,309

Table 16: Beneficiaries

⁴ The number of beneficiaries for the DPS Scheme differs from that reported in Micallef and Schembri (2024) *The Housing Authority's Homeownership Schemes*. Housing Authority publication, September 2024, due to variations in the definitions used to determine the beneficiaries.

Schemes to Facilitate Homeownership

Equity Sharing Scheme – ESS

This scheme applies to individuals over the age of 30 who wish to purchase their own dwelling by acquiring at least half of the property's value from their own funds and a home loan, with the remaining portion purchased at a later stage. The Housing Authority assists the eligible applicants by purchasing the remaining share of the property, up to a maximum of €100,000. Since the launch of this scheme, 383 contracts have been signed, with the Housing Authority's investment exceeding €20 million over five years.

The purchased properties in 2024 were financed as follows:

Equity Sharing Scheme – ESS	
Financing breakdown of properties purchased in 2024 €	
Average share of the Authority in the property purchased by the applicants	€64,876
Average loan granted by APS Bank	€82,275
Average share issued by the beneficiaries	€32,025
Average price of purchased properties €	
Apartment	€180,594
House	€145,250
Maisonette	€182,750
Economic profile of beneficiaries €	
Average income of the beneficiaries	€19,277
Average assets of the beneficiaries	€33,744

Table 17: Property Financing through the ESS

10% Deposit Scheme – DPS


This scheme assists individuals who, despite being eligible for a home loan, lack the liquidity to pay the 10% deposit down payment required when signing the promise of sale. It applies to individuals aged 21 to 39 who intend to purchase their first residential property. The 10% deposit is provided through a personal loan issued by the bank, repayable over 25 years, with the Housing Authority covering the interest incurred over the 25 years or until the loan is fully repaid, whichever comes first.

In 2024, the Housing Authority received 147 applications for this scheme. The status of these applications was as follows:

10% Deposit Scheme – DPS	
Status of applications submitted in 2024	Number of applications
Signed Deeds	6
Promise of Sale signed (10% deposit issued)	85
Applicants with approved applications who are looking for a property	39
Applications Invalid/Withdrawn/Not eligible by Bank	17
Total	147
Expenditure for the Year 2024	€2,762,932

Table 18: DPS Applications and Expenditure

The average price of the properties purchased under DPS was €199,710, while the value of all properties reached €18,173,691.



€199,710
Average property price purchased under DPS

Social Loan Scheme – SOL

During 2024, the Housing Authority, in collaboration with the Foundation for Social Welfare Services, Bank of Valletta plc, and APS Bank plc, continued to offer the Social Loan Scheme, which provides social loans up to a maximum of €140,000 for purchasing a property. Through this scheme, the Housing Authority provides eligible applicants a monthly subsidy of up to €167 for home loan repayments. Additionally, it offers professional notarial services through an assigned notary. In 2024, 11 applications were received for this scheme, with their statuses outlined below:

Social Loan Scheme – SOL	
Status of applications submitted in 2024	Number of applications
Promise of Sale signed	1
Applications approved & applicants looking for a property	8
Pending Missing Documents	1
Withdrawn/Invalid/Postponed Applications	1
Total	11
Expenditure for the Year 2024	€256,370

Table 19: SOL Applications and Expenditure

New Hope Scheme – NHS

This scheme was launched to provide an effective solution for individuals who face challenges in accessing the property market despite being eligible for a home loan from a bank. The main obstacle for these individuals is their inability to obtain a life insurance policy, a common requirement for mortgage approval by banks.

Following an agreement with commercial banks offering home loans, the Housing Authority introduced this scheme to provide loan guarantees to participating banks. This allows banks to offer home loans to individuals facing difficulty obtaining a life insurance policy.

Although the loan amount is not capped, under this scheme, the bank grants a guaranteed loan of up to €250,000 for property purchases, with the Housing Authority offering a guarantee of up to €250,000 through this initiative. In 2024, the Housing Authority received 14 applications for this scheme. The statuses of these applications are outlined below:

New Hope Scheme – NHS	
Status of applications submitted in 2024	Number of applications
Guarantee Issued - Finalised	2
Applicants required to pay the participation fee for Guarantee Issuance	4
Withdrawn/Invalid/Postponed Applications	7
Pending	1
Total	14
Expenditure for the Year 2024	€266,466

Table 20: NHS Applications and Expenditure

Sir Sid Darek Scheme – SSD

In 2024, the Housing Authority received 182 applications, with 126 families purchasing their rented property through this scheme. Under this scheme, applicants who do not possess assets worth more than €150,000 receive a 50% subsidy on the property purchase price.

Sir Sid Darek Scheme – SSD	
Status of applications submitted in 2024	Number of applications
Applications	182
Deed signed	126
Expenditure for the Year 2024	€4,671,406

Table 21: SSD Applications and Expenditure

Sir Sid Darek 2 Scheme – SSD 2

In 2024, the Housing Authority introduced a new scheme to encourage residents residing in eligible social housing properties in Valletta, Senglea (Xatt ir-Risq), Mtarfa, Pembroke, Sliema (Tigné), and Marsascala (Qasam tal-Bujar) to become homeowners and continue using the property as their primary residence. Properties in these localities and areas were previously excluded from the SSD. In less than seven months, the Housing Authority received 287 applications from applicants residing in these localities/areas (see Table 22). The Housing Authority is currently working on the valuations of these properties and has requested the Lands Authority to transfer these properties to proceed with applications.

Sir Sid Darek 2 Scheme – SSD 2	
Locality	Number of applications
Marsascala (Qasam tal-Bujar)	0
Mtarfa	15
Pembroke	54
Senglea (Xatt ir-Risq)	5
Sliema (Tigné)	0
Valletta	213

Table 22: Applications for SSD 2 by Locality/Area



Schemes for Rent Affordability

Housing Benefit Scheme – HBS

The Housing Benefit Scheme provides rental assistance to improve the housing situation and ameliorate the housing burden on low-income households. With the goal of making rents more affordable, the Housing Authority has further enhanced this scheme in 2024 by increasing the annual benefits. Table 23 compares the current benefit with the previous one for different household compositions. 1,001 beneficiaries benefitted from these revisions, with an annual increase of €571,205.

Household Composition	Benefit	
	Old Benefit	New Benefit
Single person	€3,600	€4,200
Single parent with 1 child	€4,800	€5,400
Single parent with 2 children or more	€5,000	€6,000
Two adults no children	€3,600	€4,200
Couple with 1 child	€4,800	€5,400
Couple with 2 children or more	€5,000	€6,000
Three or more adults living together	€5,000	€6,000

Table 23: HBS Benefit Revisions Introduced in 2024

As in previous years, this scheme remained popular, with the Housing Authority receiving 1,121 applications in 2024. Figure 7 outlines the household compositions of the applicants, with single individuals representing the largest category.



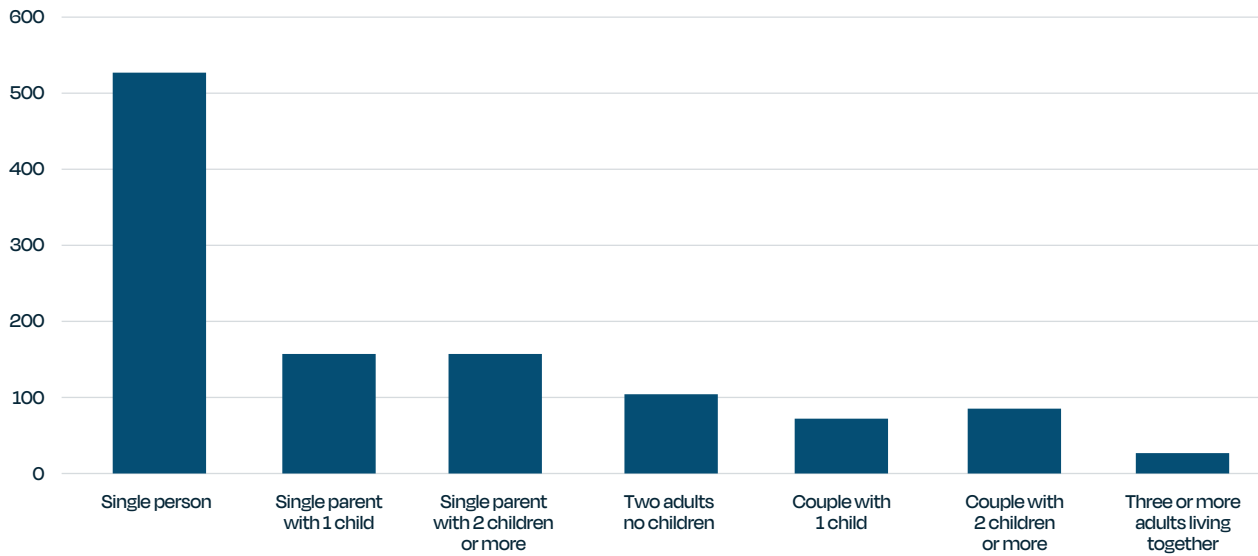


Figure 7: Household Composition of HBS Applicants in 2024

It is a reality that rents in our country have been steadily increasing, which is reflected in the amounts paid by the applicants. Table 24 shows the annual rents of applicants who submitted their applications in 2024 before receiving the subsidy. During 2024, 4,070 beneficiaries received benefits under the HBS, with a total expenditure of €10,694,458—an average of €2,628 per beneficiary per annum.

4,070
Families assisted in 2024
through HBS

€2,628
Average subsidy per family
per year from HBS

Annual Rent	Number of applications
€0 - €1,000	0
€1,001 - €3,000	30
€3,001 - €5,000	70
€5,001 - €7,000	147
€7,001 - €9,000	429
€9,001 - €11,000	219
€11,001 - €13,000	125
€13,001 - €15,000	67
€15,001 - €25,200	33

Table 24: Annual Rent of HBS Applicants in 2024

Another budgetary measure established that the rent subsidy under all active subsidy schemes would not be less than €1,500 per annum. An assessment was conducted to identify beneficiaries receiving less than this amount. By February 2024, all evaluations were completed, increasing the lowest benefits to meet the €1,500 threshold. As a result, 368 applicants benefitted from this measure, leading to an expenditure of €180,396.

Simplification of Measures – HBS

Before developing the workflows to support digitalisation, the first step was to simplify the scheme by removing the need for applicants to submit rent receipts periodically. Instead, benefits are now issued on the first day of each month after verifying the registered rental agreements. Each month, this section reviews rental agreements to verify their validity and discontinues benefits for terminated registrations.

Rent Subsidy Scheme for Properties Leased Before 1995 – SKP

There are two legislations that govern the rent-controlled regime in Malta:

- Letting of Urban Property (Regulation) Ordinance, Chapter 69 of the Laws of Malta, which applies to leases entered before 1 June 1995;

- The Housing (Decontrol) Ordinance, Chapter 158 of the Laws of Malta, which relates to pre-1995 leases in dwellings that are decontrolled and to temporary emphyteusis entered before 1995, which, upon their expiry, were converted to leases.

In both regimes, the rent received by landlords was very low and did not reflect the market rental value, a situation constantly deemed as a violation of the landlords' rights to enjoy their own property.

The amendments introduced through the Controlled Residential Leases Reform Act of 2021 provided landlords with a mechanism to increase the rent payable by the tenant up to 2% per annum of the freehold value of the tenement on the open market, subject to the tenant satisfying the means test criteria shown in Table 25.

Age of tenant	Income	Capital Assets
< 35 years	€28,500	€60,000
> 35 years	€38,000	€90,000
> 45 years	€42,000	€185,000
> 55 years	€44,500	€213,000
> 65 years	€46,500	€245,000
> 75 years	€50,000	€600,000

Table 25: SKP Means Testing Criteria

The reform aims to provide tenants with peace of mind, ensuring that while their rent remains affordable, they will not be evicted from the property where they have spent most of, if not all, their entire lives. At the same time, the landlord receives a fair rent, thus safeguarding the right to enjoy one's property.

The Pre-95 Rent Subsidy Scheme provides financial assistance of up to €10,000 towards rent payments for tenants living in private residential properties in the rent-controlled regime. Under this scheme, the Housing Authority also offers free legal services and support for tenants facing court cases. For elderly tenants in receipt of pension and tenants on social assistance, the Housing Authority covers the entire difference between the previous rent and the new rent established by the Rent Regulation Board (up to a maximum of €10,000 per annum). For working tenants, the Housing Authority covers the difference between 25% of the income and the new rent established by the Rent Regulation Board.

In 2024, the Housing Authority received 596 applications, with a total of €7,301,315 paid to beneficiaries, averaging €4,452 per beneficiary. By the end of the year, the Housing Authority was assisting 1,640 seniors who were receiving subsidies under this scheme.



€4,452
Average subsidy per family per year from SKP

Schemes to Boost Purchasing Power of Buyers

First-Time Buyers Scheme – FTB

In 2024, the Housing Authority continued receiving applications from first-time buyers under the First-Time Buyers Scheme. This scheme is intended for individuals who purchased their first property after January 1, 2022. The grant, amounting to €10,000, is distributed over ten (10) years in €1,000 yearly instalments to eligible applicants who have acquired their property through a bank loan. The scheme is designed to provide financial relief to young individuals during the crucial first years following their major investment, encouraging homeownership.

Since its launch, the scheme has been highly successful, receiving a record number of applications within its first two years—over 6,300. In 2023, the Housing Authority received 4,160 applications, followed by an additional 2,167 in 2024, which includes 1,110 from applicants who signed their deed in 2024. All applicants who purchased their residence in 2022 were reviewed to receive their second payment, while another 2,144 were processed to receive their first payment in June 2024.

6,300+
Applications received in its first two years

The properties purchased in 2023 had a total value of €572,937,271, while the average prices for houses, apartments, maisonettes, and land/airspace were as follows:

Type of residence	Average price
Houses	€380,173
Apartments	€265,610
Maisonettes	€288,752
Plots/Air Spaces	€325,000

Table 26: Average Property Prices under the FTB Scheme

All payments were issued as planned and scheduled (i.e., in June), while applications for contracts signed in 2024 also began being processed.

Grant on First Residence – GFR

The grant under this scheme is intended to assist first-time buyers who have purchased their first property by covering part of the construction and/or finishing costs. Homeowners of first residences who, due to an increase in family size, need to add rooms or make alterations to their property, can also benefit from this grant.

In 2024, the Housing Authority finalised 344 applications with a total expenditure of €1,024,780—an average of €2,979 per application—while it received 381 new applications.

344
Families assisted in 2024 through GFR

€2,979
Average grant per family from GFR

Through a recently implemented budgetary measure, with 101 applicants benefitting from it, the grant for single individuals under this scheme was increased as follows:

Phase	Old Rate	New Rate
Phase 1 – Building up to shell form	€1,398	€3,028
Phase 2 – Finishing	€932	€2,796

Table 27: GFR Revised Rates



Schemes to Improve Housing Quality

Adaptation Scheme – ADP

This scheme provides both homeowners and tenants—whether living in private or government-owned properties—with a subsidy of up to €21,000 to carry out necessary renovation and improvement works in their residences.

Last year, the Authority received 190 applications for necessary works to be carried out in the applicants' homes. These works included replacing bathroom fixtures, changing windows and doors, upgrading lighting and plumbing systems, addressing water ingress and dampness issues, and floor replacements.

In 2024, 187 families benefitted from this scheme at a total expenditure of €832,560, while an additional €588,040 was approved for a further 99 applications.



187

Families assisted in 2024
through ADP

Structural Alterations Scheme – SSP

The SSP Scheme provides a grant of up to €25,000 to assist tenants in removing dangerous structures from buildings leased from private landlords before June 1995. In 2024, the Housing Authority received 12 applications, approving 8, with a total cost of €75,010 and issuing payments amounting to €44,141.

Disability Scheme – DIS

The DIS Scheme is designed for individuals with a disability or a mobility issue, aiming to make their residence more accessible and comfortable, thus ensuring the property is adequate for independent living. Several elderly individuals benefitted from this scheme by installing stairlifts and lifts to improve accessibility in their homes. In 2024, 510 stairlifts, 241 walk-in showers, and 3 lifts, among other equipment, were approved. Consequently, these applicants can continue living in their homes within the community. The Schemes Section experienced a significant increase in applications received, amounting to 851, an increase of 42% compared to 2023.

The statuses of the applications received in 2024 are outlined in Table 28.

Disability Scheme – DIS	
Status of applications submitted in 2024	Number of applications
Finalised	218
Pending	510
Withdrawn / Invalid / Cancelled	60

Table 28: DIS Applications Status

SensAbility Scheme

This scheme offers financial assistance to families to help cover part of the cost of purchasing sensory equipment. Since the launch of this initiative, the Housing Authority received 127 requests for this scheme, resulting in a total expenditure of €344,201. Table 29 shows the statuses of the 30 applications received by the Housing Authority in 2024.

SensAbility Scheme	
Status of applications submitted in 2024	Number of applications
Finalised	6
Pending	21
Withdrawn / Invalid / Cancelled	3

Table 29: SensAbility Applications Status

Rehabilitation of Vacant Dwellings – RVU

In 2024, the Housing Authority did not receive any new applications for the RVU Scheme. However, the expenditure on this scheme was €118,078, covering the rents of properties already leased under this initiative.

Since its introduction, the Housing Authority has approved 27 applications. Upon completion of works, these properties are subleased for social housing purposes. The total amount approved for these applications was €644,809, with €526,731 disbursed.



Digitisation

In 2024, the Housing Authority began the process of digitising its files, transitioning from physical to digital records. To help achieve this goal, the Housing Authority established a project team with representatives from various departments.

The digitisation process commenced with the Authority conducting extensive tests and trials, including scanning files and developing workflows. Several meetings were held to discuss data retention policies, document shredding, the lifecycle of applications, workflow development, process simplification, file preparation for scanning, managing file movements throughout the process, and file reconciliation.

The digitisation kickstarted with the Housing Benefit Scheme (HBS) in July 2024, followed by the First-Time Buyer (FTB), Right to Buy (RTB), and Grant on First Residence (GFR) Schemes. The HBS was the first scheme tackled due to its substantial document traffic, with 7,000 files scanned. Following HBS, the Authority digitised 5,832 FTB files, 389 RTB files, and 2,785 GFR files.







2024 Annual Report

Rent Registration

Rent Registration

In 2024, the Housing Authority entered its fifth year as the Regulator of the private residential rental market. The Register, created through an online platform, has a regulatory framework that provides a detailed picture of the realities of the local private residential rental market. It also serves as a tool for internal policies to the benefit of both tenants and owners.

This year was crucial for the Authority, as data collected from the Register, along with data gathered and maintained by this section, was used to evaluate the challenges the sector is facing. These insights were presented to the legislator, driving the necessary reforms and amendments to the existing laws. Discussions were held with several stakeholders regarding the various amendments that could be formulated in the Rent Law Chapter 604, the regulatory framework for Private Residential Leases.

The key amendments influencing registration processes, which came into effect on September 1, 2024, primarily allow parties in a contract to add, remove, or replace lessees within the same registration, eliminating the need to terminate the existing contract and registration. This change enhances practicality for stakeholders while preventing clients from having to pay registration fees again.

Another significant amendment introduced allows the leasing of a dwelling to multiple residents who are not living together as a family. This applies when the entire dwelling is leased or divided into separate residential spaces as long as no more than ten (10) residents share the same space. Furthermore, the number of residents, bedrooms, and bathrooms must comply with the relevant regulations.

Customer Relations and Contract Registrations Section

This section maintained frequent communication with the Property Market Section to register the lease contracts. Once these contracts are legally validated, both the landlord and tenant are obliged to comply and to be granted all the necessary rights as per Chapter 604/2019. During 2024, this section answered 116,604 requests, where 48,806 were submitted by telephone and 67,798 through email.

116,604
Requests answered
in 2024

Requests Submitted

Most requests submitted, amounting to 41,124, were regarding the termination of registrations. These requests relate to the procedure for terminating a registration, the obligations and the individual's rights.

The request for general information and assistance on registration, which amounts to 27,664, shows a strong interest in maintaining compliance within the private residential lease market. The number of requests for the issuance of residence permits, which falls under the remit of Identità, has also increased significantly, reflecting a rise in the number of foreigners seeking to obtain them.

Request	Number of requests
General information	9,301
Assistance on registration	27,664
Renewal of contracts	5,497
Termination of registrations	41,124
Tax rebate	691
Legal assistance	304
Requests related to the issuance of the residence permit	6,097
Questions on the number of permitted residents in a property	529
Addition of addresses	6,752
Questions on law amendments	976
Requests for the addition, removal, and substitution of tenants	2,933
Others	2,302

Table 30: Requests Received in 2024

Our Facebook Page

Facebook is another platform that customers use to submit their requests. In 2024, 268 users made enquiries through our Facebook page for general information about the Private Residential Leases Act, their rights and obligations, or their specific registration.

260+
Enquiries received through
the Facebook page in 2024

Registrations Submitted within Our Offices

The number of visits to the Housing Authority's customer care offices for registrations totalled 11,639. Of these, 2,009 were appointments for clients seeking assistance with contract registrations or dispute submissions to the Arbitration Panel, while 9,630 were information requests regarding the rent law.



Characteristics of Contracts Submitted

Most contracts submitted in 2024 were for long leases with a duration of one year or more. Of the 55,718 residential rental contracts submitted in 2024, 38,838 (69.7%) were for long private residential leases for entire dwellings; 3,711 (6.7%) were for long leases for shared residential spaces; 651 (1.1%) were for short private residential rentals for entire dwellings; and 12,518 (22.5%) were contracts representing residential rental of shared space. Following the amendments introduced on 1st September 2024, long leases for entire dwellings now include shared residential space leases, which must have a minimum lease duration of one year. A substantial increase in submissions was observed in 2024, with a 6.5% increase compared to 2023. The number of contracts submitted for long-term leases with a duration of one year or more but less than two years stood at 29,200. A further 8,726 had a duration of two years or more but less than three years, while 4,623 had a duration of three years or more.

Number of Registrations

Once a contract registration is submitted, it is verified to ensure compliance with the requirements and requisites as per Chapter 604/2019 of the Laws of Malta.

As of 31 December 2024, out of the 55,718 new contracts registered, 53,467 were approved, 1,024 were rejected for not qualifying under Chapter 604/2019 of the Laws of Malta (which covers commercial leases, emphyteusis, leases before 1995 and leases for tourist purposes), and the remaining 1,227 were requested for rectification due to shortcomings.

Year	Long Residential Lease	Shared Space Residential Lease	Short Residential Lease
2020	31,078	2,535	652
2021	27,300	3,441	661
2022	30,275	5,506	630
2023	39,533	12,014	752
2024	42,549	651	12,518
Total	170,735	24,147	15,213

Table 31: Number of Rent Registrations (2020-2024)

In 2024, long leases were available both for entire dwellings and shared spaces: 38,838 long lets for whole dwellings and 3,711 long lets for shared spaces, while for short lets, 651 registrations were received for whole dwellings and 12,518 for shared spaces.

Figure 8 plots the distribution of monthly rents in euros for contracts registered during 2024. Around 28% of these contracts have a monthly rent between €700 and €999, while the share of contracts exceeding €1,000 per month stood at 37%. The share of contracts with a monthly rent exceeding €2,000 stood around 3%, with these contracts being predominantly in Sliema, St Julians and Swieqi. Around 13% of leases registered in 2024 were under €400 per month, with the majority of these being for shared spaces.

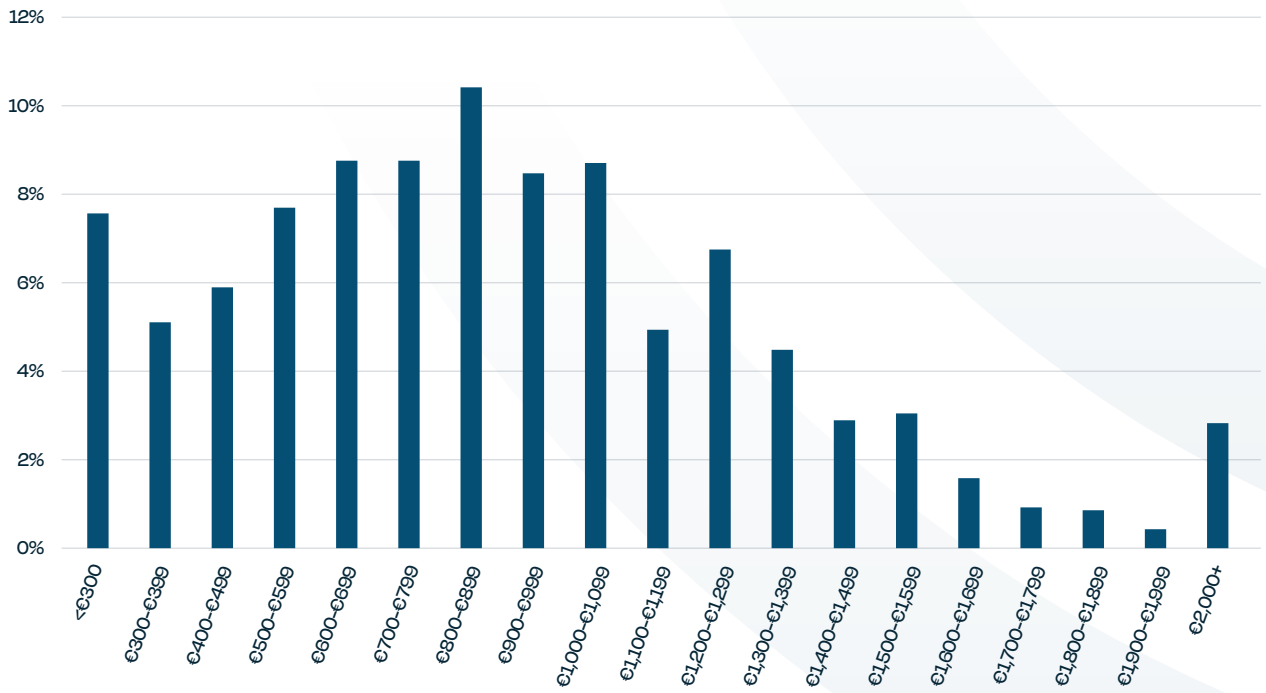


Figure 8: Distribution of Rents Registered in 2024

Express Renewals and Automatic Renewals

The Private Residential Leases Act stipulates that landlords are obliged to issue a notification to their tenants at least three months before the termination date stating whether they intend to terminate the lease upon expiry or to renew it. In the absence of this notice of termination within the specified time, the lease is renewed automatically for another period of one year. In 2024, 26,693 contracts were renewed, with the majority—around 87.1%—renewed automatically.



Terminations of Registrations Before the Lapse of the Agreed Term

In 2024, 34,798 registrations were terminated before the original intended duration of the contract had expired, an increase of 16% compared to the previous year. This amounts to 95 early terminations per day, compared to 82 per day in 2023, 57 per day in 2022, and 42 in 2021.

Terminations can occur through mutual agreement between the parties, if the tenant exits the contractual relationship without notice, or due to contract replacements (for example, when a tenant moves out and is replaced by another tenant moving in). The latter was addressed in the recent amendments in Chapter 604/2019 of the Laws of Malta, which came into force on 1 September 2024. These amendments now stipulate that when a lessee moves out or is added to a contract, the landlord can update their current registration accordingly.

Due to the significant rise in early terminations, a streamlined process was introduced on the online platform by the end of 2023. This allows landlords to complete the de-registration independently, without requiring intervention from the Authority, while still assuming the same legal responsibilities as those handling the registration—all from the comfort of their homes.

Addition, Removal and Substitutions of Lessees

Starting from 1 September 2024, parties can modify a lease agreement by adding, removing, or substituting lessees without terminating the existing contract, registering a new one, or submitting a new registration. For contracts beginning before September 2024, these options are available only if the contract is still within its original duration and has not been renewed. For contracts that start on or after September 2024, the request can be submitted even after renewing the contract.

Within four months of this change, the Housing Authority processed 6,168 requests. Of these, 1,420 requests for lessee removal were approved, while 1,146 were refused. Additionally, 1,701 requests for lessee addition were approved, whereas 1,236 were declined. 138 substitution requests were also processed and approved during the last four months of 2024. The remaining requests were either cancelled by the landlord (38) or still pending (489).

3,259
Approved requests for the
addition, removal and
substitution of lessees in
2024

Active Registered Contracts as of December 2024

66,588

Active registered contracts as of December 2024:

▲ 7.6% from 2023

Active registered contracts stood at 66,588 at the end of 2024. This represents an increase of 7.6% compared to a year earlier. Around 54% of active contracts at the end of 2024 commenced during the same year, with 22% starting sometime during 2023. A further 10% and 7% of contracts started during 2022 and 2021, while 7% of leases have been in place since 2020. Furthermore, 1% of contracts commenced before 2020.

At the end of 2024, approximately 94.5% of active contracts were for long-term leases, with the share of short and shared spaces amounting to 3.1% and 2.4%, respectively. Short lets are on the rise following the amendments in Chapter 604/2019 of the Laws of Malta, which introduced the sublease type, allowing the selection of whether the lease is for a whole dwelling or a shared space.

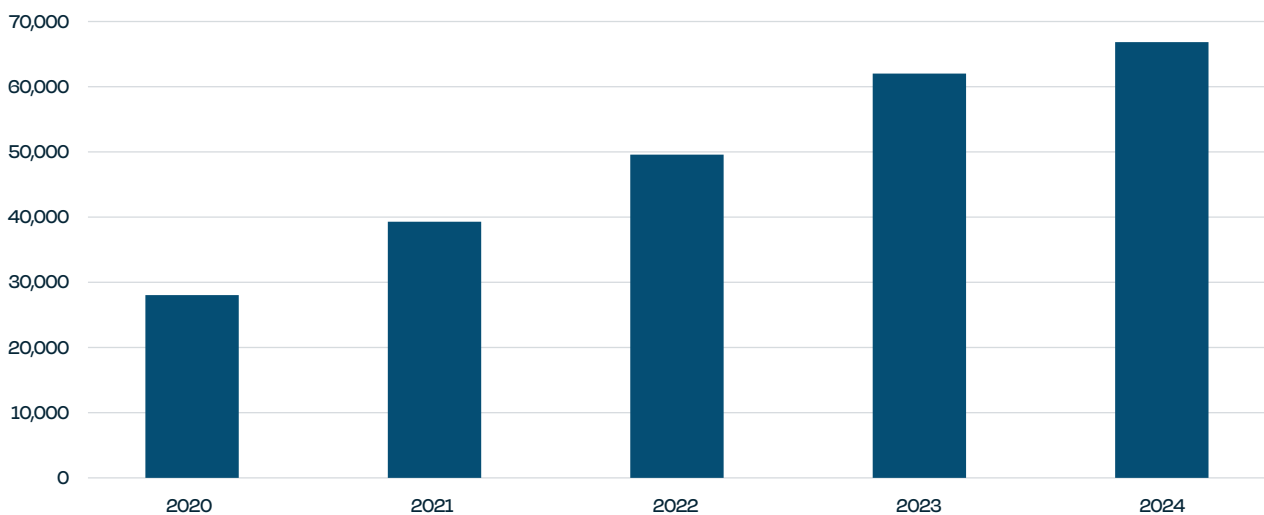


Figure 9: Registered and Active Contracts with the Housing Authority as of 31 December

Administration of the Arbitration Panel

Since its establishment in 2020, the Arbitration Panel has been addressing disputes arising from registered private residential leases, focusing on four main issues: deposits, repairs, damages, and utility bills.

Towards the end of 2024, several amendments were introduced to the law, some of which expanded the Panel's jurisdiction. These changes also introduced new opportunities, including the ability to claim rent and utility arrears, compensation for overstay by the lessee, and expenses related to common parts. Despite being published at the year's end, these amendments have significantly impacted the number of claims submitted.

An increase in claims submitted from the previous year was observed, directly impacting the volume of administrative work related to these claims. In 2024, a total of 249 claims were submitted, with 78 replies made. Additionally, the Panel issued 173 verbal notifications to both parties.

The Panel issued 138 decisions during 2024. Most of these decisions were deposit-related, while utility bills and repairs were the second most common issues encountered by lessors and lessees.

	Claims	Replies to Claims	Issued Notices	Issued Decisions
Total	249	78	173	138

Table 32: Administration of the Arbitration Panel





2024 Annual Report

Property

Property

Infrastructure Management

Works on Repairs, Maintenance, Restoration, and Upkeep of Residential Buildings

The Housing Authority's continual commitment in executing its extensive programme of repairs, structural works, maintenance of common parts and the rehabilitation of all buildings that provide social accommodation is reflected in the results achieved this year, with an allocated investment of over €6.33 million (see Table 33). This commitment is both sustainable and inclusive, while the buildings—many of which were constructed years ago—are being given a new lease of life.

€6,33M

Investment in repairs, structural works, common parts maintenance and the rehabilitation of buildings for social accommodation purposes in 2024

Year	Embellishment / Regeneration (Including LC Scheme)	Repairs & Maintenance (Framework Repairs)
2018	€730,000	€1,554,245
2019	€1,633,000	€2,120,580
2020	€3,011,700	€2,499,079
2021	€2,595,200	€3,252,355
2022	€2,828,400	€3,067,519
2023	€3,494,300	€2,801,401
2024	€2,646,343	€3,683,487

Table 33: Housing Authority's Expenditure on Embellishment & Repairs (2018-2024)



Repairs Services in Rented Properties and Common Areas

The need for continuous repairs and common parts maintenance in social accommodation requires immediate and ongoing efforts in addressing requests submitted by tenants residing in properties rented by the Housing Authority, the Government, or the Joint Office.

This year, 2,273 requests were registered for necessary repairs, both within the properties themselves and in the common areas of the buildings. Tenants can submit these requests by contacting the Housing Authority, or the Authority's officials can lodge a report themselves when damages are noted during inspections or through other complaints.



Figure 10 shows that the highest number of reports were related to drainage and rainwater systems in the common parts or affecting apartments. The next two largest categories were reports concerning apertures, meter cupboards, tiles, handrails, and structural repairs within the residence. These three categories comprise 58% of the reported issues made in 2024. On average, 189 reports were registered each month, with the highest number of reports being received in May (237 reports), while the lowest number of reports were received in December (98 reports).

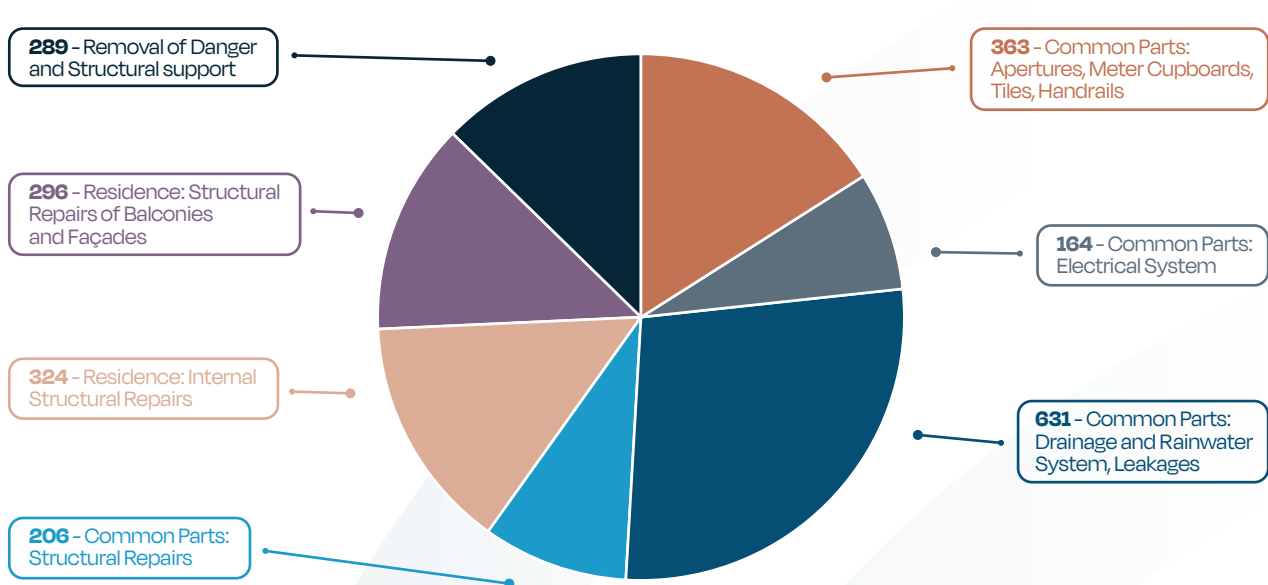


Figure 10: Registered Requests by Type of Repair in 2024



All reports submitted by tenants or third parties are investigated, following a filtering process carried out by the Repairs Administration Team. An inspection is then carried out by technical officers or architects, depending on the case, to initiate the process leading to the completion of repairs.

Throughout the year, approximately 1,056 technical inspections were conducted in response to damage reports. These resulted in 294 cases of structural damage where immediate intervention was required to eliminate the potential hazards and provide support to the structure until the necessary repairs could be carried out.

Additionally, cost estimates were compiled for 967 repair cases. By the end of the year, 1,502 cases were closed, with the necessary work completed and certified repairs amounting to a total value of €3.68 million.

Requests for repairs processed in 2024	
Requests Registered and Processed	2,273
Inspections of New Cases	1,056
Compiled Estimates	967
Completed Works (including interventions for the removal of danger and support)	1,502

Table 34: Requests for Repairs Processed in 2024

During the year, a substantial number of repairs and emergency interventions were successfully carried out across several localities in Malta and Gozo. As shown in Table 35, the expenditure on structural repairs in individual properties amounted to €895,864 (24%), while structural repairs in the common areas of apartment blocks reached approximately €522,259 (14%). Additionally, €1,513,247 (41%) was spent on services and finishes in common areas. Around €36,380 was allocated for emergency interventions, which included the reinforcement of roofs and balconies, as well as the removal of hazardous stone and concrete until proper repairs could be carried out.

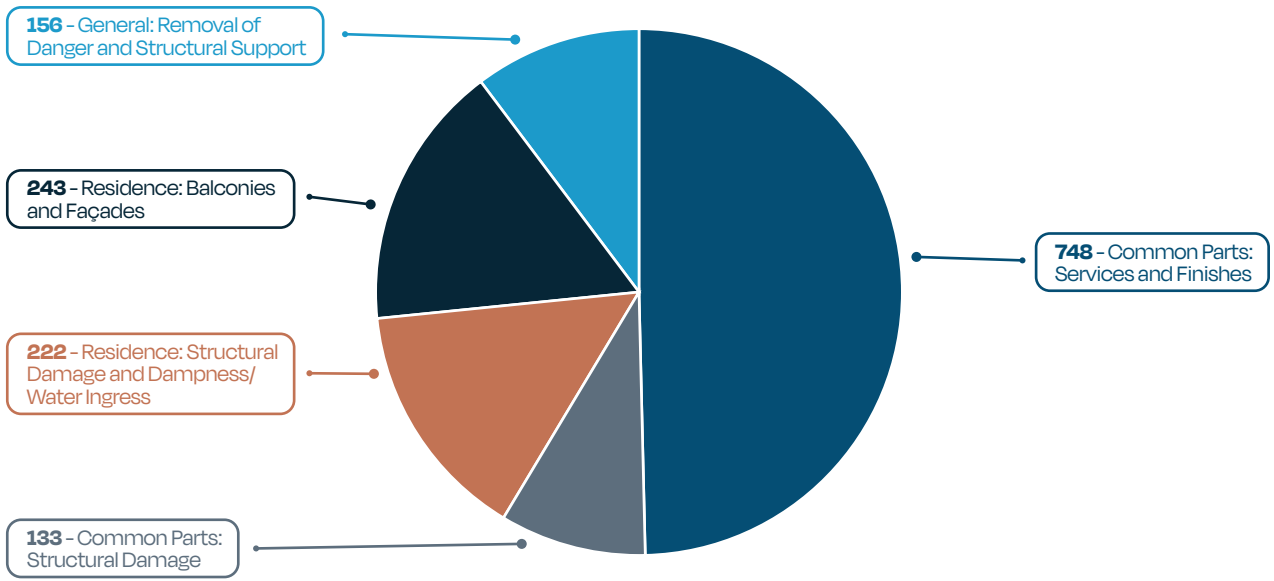


Figure 11: Completed Repairs on Properties in 2024

Type of repairs	Cost
Common Parts: Damaged Services and Finishes	€1,513,247
Common Parts: Structural Damage	€522,259
Residence: Structural Damage and Dampness/Water Ingress	€895,864
Residence: Balconies and Façades	€715,737
General: Removal of Danger and Structural Support	€36,380
Total	€3,683,487

Table 35: Cost of Completed Repairs on Properties in 2024

This year, there was again a notable number of cases where, following an inspection by the architect, it was determined that the intervention required the replacement of roofs and balconies. As a result, applications for Planning Authority permits and other necessary reports, such as Building Construction Authority clearances, had to be submitted before work could begin.

As a rule, structural repairs are accompanied by additional works, such as tile replacements, waterproofing, plastering, and painting, to ensure that the repairs are fully completed from every aspect. This also helps provide adequate protection against the elements, preserving the structure from further damage in the future.

Through the extensive efforts of replacing entire drainage and rainwater pipe systems and the removal of existing asbestos pipes, the Infrastructure Management Section successfully removed and safely disposed of 26.6 tonnes of old asbestos pipes and water tanks from the shafts and roofs of multiple apartment blocks at the cost of €35,700.

All repairs carried out by the Housing Authority in rented residential properties are conducted through private contractors engaged via two Framework Agreements—one for emergency interventions and another for general repairs. Over the course of 2024, 225 work orders, each consisting of multiple jobs, were assigned for various repairs. These were issued under the 2023–2025 framework.

Major Repairs, Restoration and Other Projects

Significant efforts were dedicated in 2024 to large-scale repair and restoration projects on the façades of scheduled buildings. Given their architectural and historical importance, these buildings required specialised interventions to preserve their structural integrity while maintaining their original character.

The restoration works included:

Stone restoration and cleaning, removing accumulated dirt and weathering effects

Repointing and repairing deteriorated masonry joints to strengthen the structure

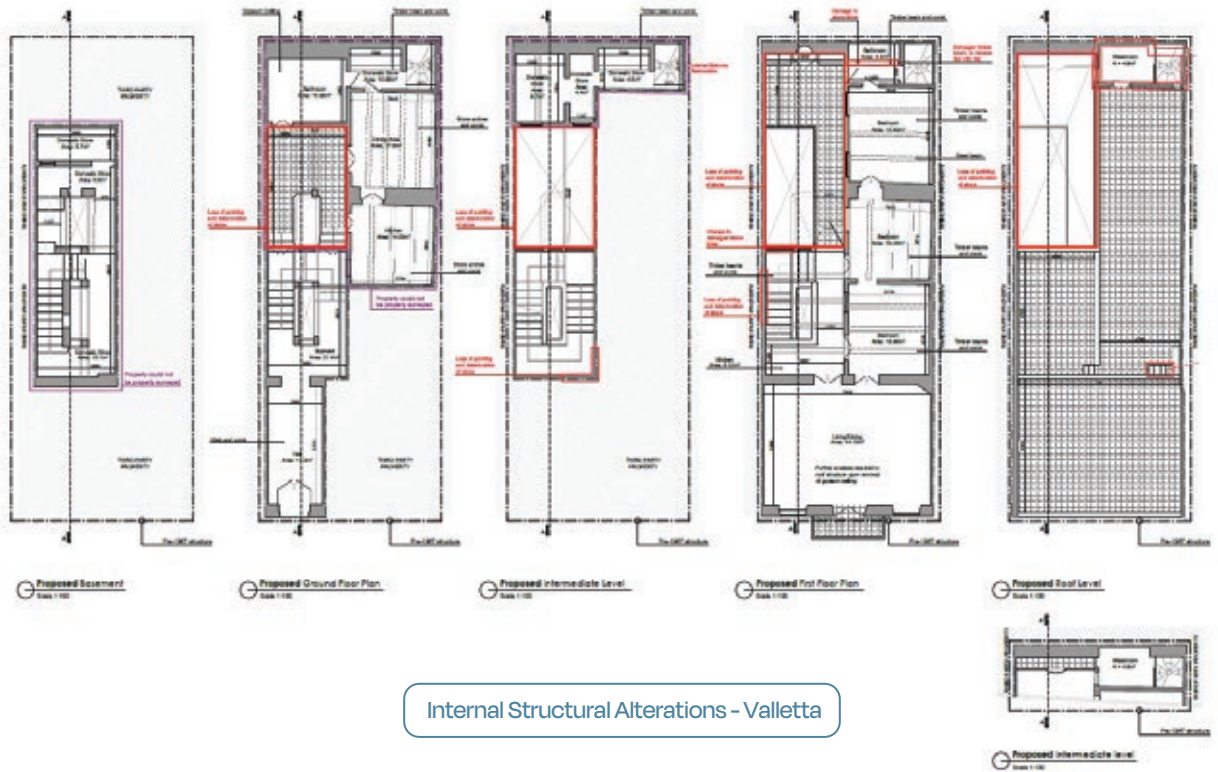
Replacement of damaged or missing architectural features, such as cornices, balconies, and decorative elements

Application of protective coatings to prevent further deterioration due to environmental exposure

These projects not only enhanced the visual appeal of the buildings but also ensured their long-term durability, aligning with national heritage preservation efforts. The works were carried out in collaboration with heritage conservation experts to guarantee that traditional methods and materials were used in the restoration process.



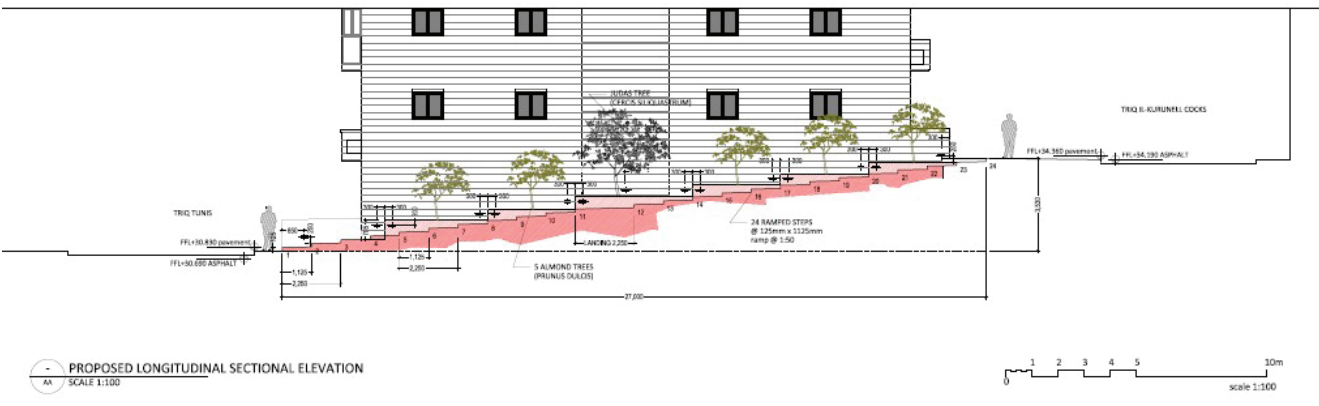
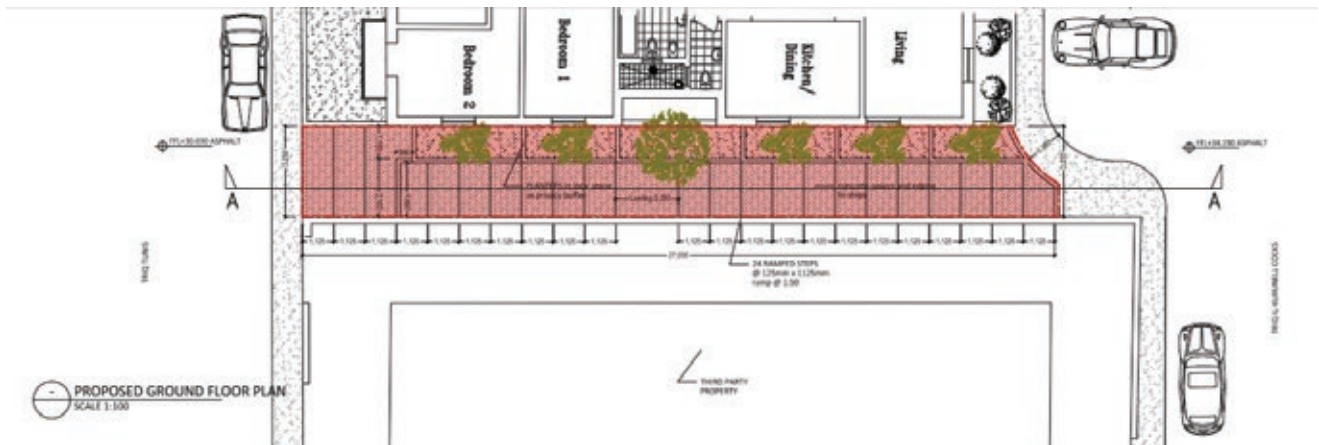
Structural Repairs on Façade - Valletta



Internal Structural Alterations - Valletta



Restoration of Façade, Mapping of Materials – Cospicua



Construction of Public Stairs for Access between Two Roads - Pembroke

Regeneration and Embellishment Projects

In 2024, the Housing Authority continued its ambitious regeneration programme, which has been ongoing for the past ten years. The maintenance and renovation works on various residential buildings constructed in the 1960s and 1970s focused primarily on:

Façade restoration, including stone cleaning, plastering, and painting and pointing of joints

Waterproofing of rooftops to prevent water damage and extend the building's lifespan

General renovation of common areas, improving accessibility and overall aesthetics

The programme covers 62 apartment blocks with 74 entrances, requiring an investment of over €2.6 million. These improvements directly benefit 539 families, enhancing their quality of life by providing a cleaner and more aesthetically pleasing environment, better protection from the elements through preventative measures and increased comfort and safety within residential areas.

The 2024 regeneration programme targeted government housing estates in Hamrun, Fgura, Ta' Ġorni, Cospicua and Żejtun. Additionally, projects initiated in 2023 were completed in Mosta, Birkirkara, Żebbuġ and Mtarfa.



By the end of 2024:

60 apartment blocks were fully renovated

Work remained ongoing on 32 additional blocks, expected to be completed in 2025, mainly comprised of façade works

These extensive efforts continue transforming ageing residential areas into safer, cleaner, and more modern living spaces for many residents.

Renovation of Common Areas with Resident Participation

Through this scheme, the Housing Authority collaborates with Local Councils to encourage tenants of various apartment buildings to participate in the renovation process. The initiative involves appointing an administrator, who is responsible for:

1. Hiring contractors to carry out the necessary works using grants provided by the Housing Authority
2. Overseeing regular maintenance of the common areas after the initial renovation is completed

A total of 21 new apartment blocks were referred following agreements signed with the block administrators to benefit from the financial grant. Out of the 21 new cases, 14 were concluded in 2024, with the remaining 7 receiving letters from the Housing Authority with approval to commence with the quotation process and subsequently approved by the Authority.

The total amount of grants paid during 2024 was valued at €66,563. Grants typically vary between €4,000 and €6,000, depending on the size of the block. Each entrance could consist of 2 to 16 apartments, with grants distributed proportionally based on the number of apartments and the size of the common areas. Over the past seven years, from 2018 to 2024, the total value of financial grants allocated to the Local Council Scheme II amounted to €1,496,865 distributed amongst 265 individual apartment blocks (see Table 36).

€66,563

Investment on the
renovation of common
areas in 2024

The technical team assigned to the scheme carried out site visits to assess the most urgent renovation needs. Residents also received guidance in selecting contractors and planning their renovation works. During the renovation, the Housing Authority’s technical team assisted residents in resolving any issues. Upon completion, the team verified the works and recommended the reimbursement of funds.

Additionally, the Housing Authority directly managed and funded complementary works, including the restoration of parapet walls and repairs of stairwells. These initiatives empowered residents to take an active role in improving their living environment while ensuring that buildings receive long-term maintenance and care.

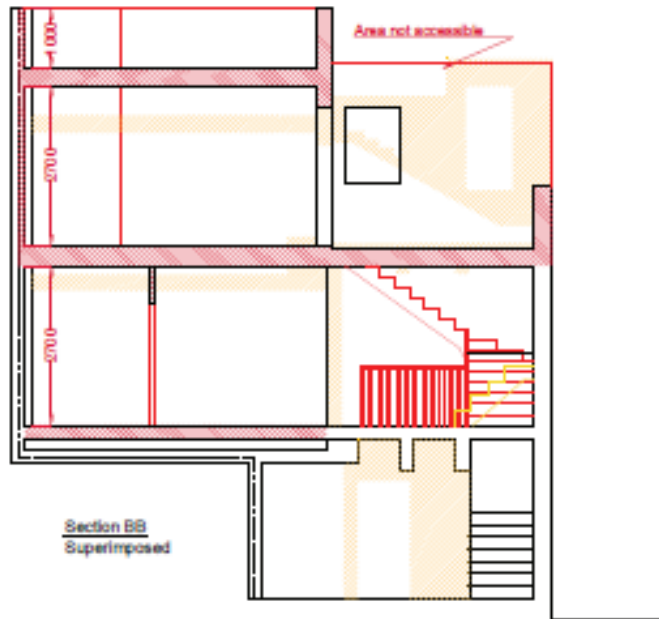
Year	Number of blocks completed	Amount reimbursed
2018	44	€255,803
2019	38	€200,706
2020	35	€237,889
2021	44	€249,166
2022	55	€309,892
2023	35	€176,846
2024	14	€66,563

Table 36: Completed Improvements through the Local Council Scheme II

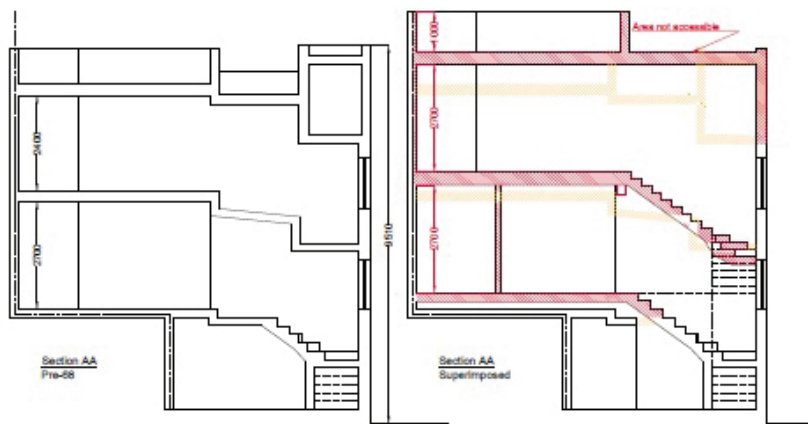
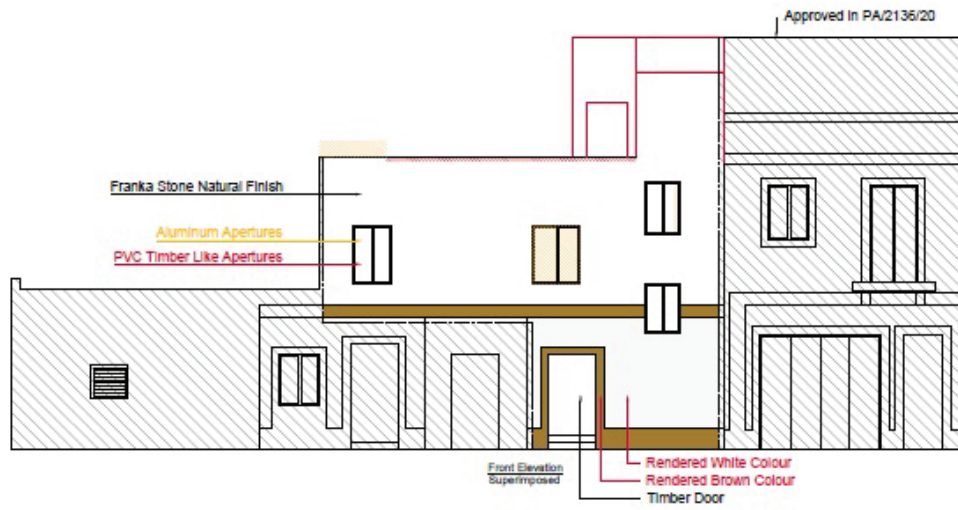
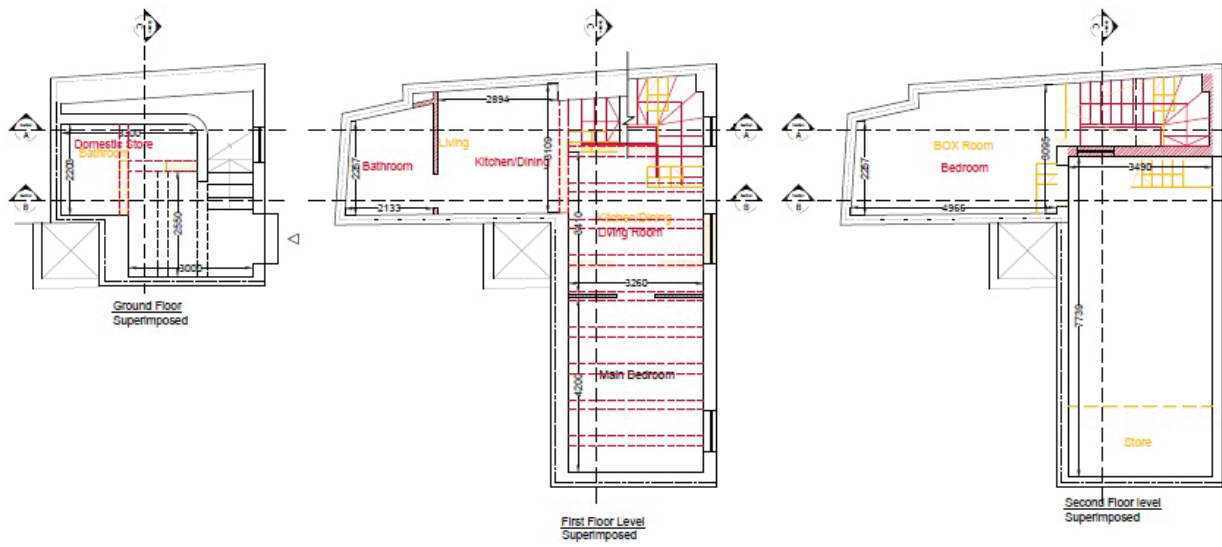
Repairs of Returned Void Properties and Common Areas

Throughout the year, this section of the Housing Authority received 296 new cases for the purpose of future reallocation. Such properties need rehabilitation and hence, the Housing Authority conducts inspections to identify necessary works for the rehabilitation of said properties. Inspections are carried out to determine structural damages or identify situations where properties are uninhabitable due to significant issues. For properties where structural damage is found or deemed unfit for habitation, the Authority undertakes the required repair and structural intervention work.

The Housing Authority manages the repairs through contractors appointed under its supervision. An architect oversees the work to ensure it is completed according to safety standards and technical requirements. The necessary permits for the repair works are obtained by the architect to ensure all legal requirements are met. These actions ensure that damaged or unsafe properties are rehabilitated, making them safe and habitable for future tenants.



Internal Structural Alterations – Luqa



Internal Structural Alterations – Luqa – Drawings Used for Planning Application

Pilot Project Near-Zero Energy Building: Energy-Efficient Renovation of a Social Housing Block in Żabbar

The Housing Authority has partnered up with the University of Malta, through the Institute for Sustainable Energy, to collaborate in the field of sustainable energy and building energy performance.

The overall aim of this project is to carry out a deep energy renovation of a single Housing Authority block to achieve near-zero energy performance (NZEB). This will serve as a pilot project showcasing best practices. The lessons learnt from this project could enable the replication of such energy upgrades in other social housing buildings, in line with the requirements of the Energy Performance of Buildings Directive (EU) 2018/844, which encourages the renovation of public authority buildings as of 2021.

The energy efficiency measures to be implemented in the project include:

Application of external insulation on exposed walls (façade and courtyard)

Application of roof insulation

Replacement of existing external windows and doors with energy-efficient ones

Installation of domestic hot water heat pumps instead of electric hot water boilers

Installation of split-unit reversible heat pumps for air conditioning

Installation of energy-efficient appliances (plug-load)

Installation of roof-mounted photovoltaic panels

Installation of Building-Integrated Photovoltaics (BIPVs)

In 2024, the Housing Authority acquired the necessary planning permit and issued and awarded the first call of tenders that are due to commence. The second and third calls of tenders have been compiled and forwarded for publication. The investment in this project is expected to reach €2 million.

LFT Scheme – The Installation of Lifts in Government-Owned Blocks

The Housing Authority is currently administering a scheme wherein residents of social housing blocks may apply for the construction and installation of passenger lifts. Should applicants meet the eligibility criteria, the Housing Authority will proceed with the project at its own expense, contingent upon the approval of all relevant authorities. To facilitate this initiative, in 2024, the Housing Authority has established a framework agreement with several contractors, covering both civil works and the supply and installation of lifts.

The Infrastructure Management Section takes pride in its track record, installing and commissioning a large number of lifts annually, positioning the Authority as a leading contracting body in lift installations. Furthermore, the section collaborates with all major and reputable lift suppliers in Malta.



Lift Administration

The Authority also manages the administration of 171 lifts. In relation to these lifts, officials processed 356 payments for repairs and maintenance, amounting to a total expenditure of €114,850.

171

Lifts administered by the
Housing Authority

ERDF Co-Financed Funds from Local and European Sources – Project ERDF.08.043

In 2016, the Housing Authority identified funding opportunities through the European Regional Development Fund (ERDF) to enhance accessibility in social housing areas, particularly for individuals with mobility challenges. This project is co-financed by European Regional Development Funds (ERDF) and local funding, reinforcing the commitment to sustainable urban development and improved living conditions in social housing communities.

This project focuses on the regeneration of social housing areas, aiming to enhance the quality of life for residents through various improvements. The key initiatives under this project include (a) installation of lifts to improve accessibility in residential blocks; (b) upgrading of common areas, including embellishment works and energy-efficient measures; and (c) landscaping projects to aesthetically enhance the surrounding environment, creating more accessible, safe, and visually pleasing spaces.

The project ERDF.08.043 – Regeneration of Social Housing Areas has now completed its official eighth and final year. This initiative represents a total investment of €15,230,912 (inc. VAT), of which €9,866,920 (inc. VAT) is co-financed by the ERDF. 110 lifts are being installed as part of the project. In 2023, the Housing Authority requested additional co-financing for 55 more lifts being carried out in parallel through the LFT Scheme.

By the end of 2024, a total of 107 lifts were completed, with 12 new lifts installed in 2024. The structural works and lift installations were carried out across several Government Housing areas, including Cospicua, Marsa, Pietà, Paola, Santa Luċija, Tarxien, Valletta, Żebbuġ, and Żurrieq.

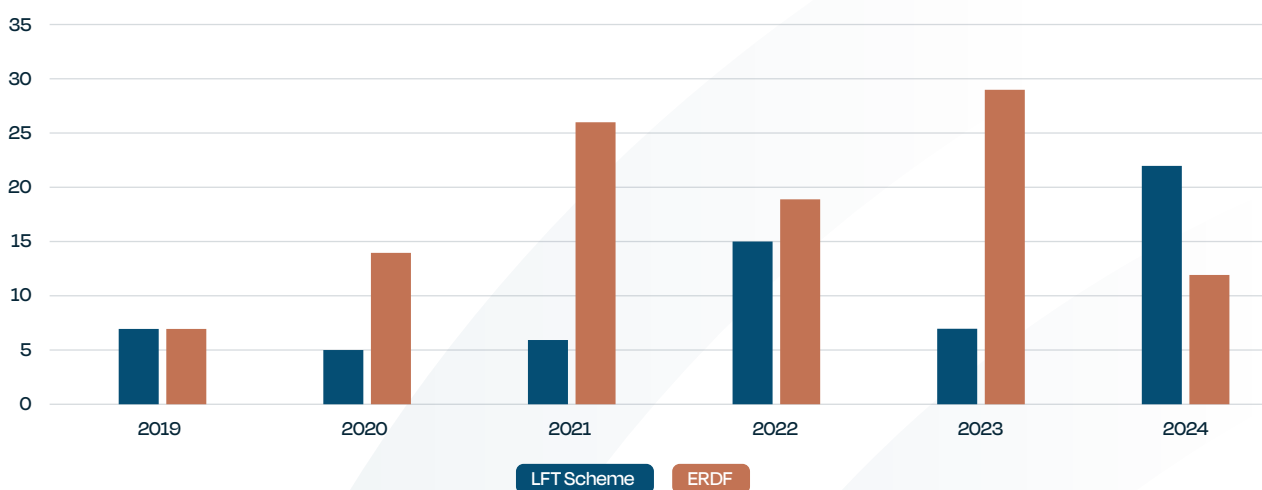


Figure 12: Installation of Lifts in Government Blocks

Replacement of Old Lifts

As part of the initiative, old and small lifts older than 25 years were replaced with modern six-passenger lifts. By the end of 2024, residents in the Government Housing areas of Pietà and Valletta were underway to receive two brand-new lifts, significantly improving accessibility and mobility within these buildings.

Installation of Lifts under the LFT Scheme and Enhancement of Common Areas

During 2024, 10 lifts were completed and handed over to residents, while another 18 lifts were finalised and are set to be delivered to residents in 2025, following certification in accordance with legal requirements. Work also commenced on 34 new projects, bringing the total number of lifts worked on during the year to 63.

Urban Beautification Projects in Public Spaces around the Blocks in Social Housing Areas – Landscaping Projects

In 2024, work continued up to completion on the urban regeneration projects in public spaces around the blocks in social housing areas of Marsa, Mosta, and Santa Luċija. In collaboration with architects and technical experts in Building Services, the projects were inaugurated on the following dates to be enjoyed by residents:



3
 Landscaping projects inaugurated in 2024

Marsa **Mosta** **Santa Luċija**

Marsa Landscaping Project - 26 February 2024
Mosta Landscaping Project - 28 March 2024
Santa Luċija Landscaping Project - 22 April 2024

Payments

By the end of 2024, the Authority processed 105 payment requests totalling €1,021,314 (inc. VAT). Of this amount, €107,286 consisted of reimbursement claims to the Housing Authority.

Property Management

The Housing Authority, as the owner or administrator of 6,200 residential units, promotes schemes that allow residents in social housing to become homeowners. To achieve this, every year, in coordination with the Lands Authority and through the preparation of detailed property surveys, the Housing Authority facilitates the transfer of properties so that it becomes the owner and can offer residents the opportunity to become homeowners at a subsidised price.



Land Registration of Properties

One of the responsibilities of the Authority is registering its properties with the Land Registry after the government transfers ownership. In 2024, the Authority analysed 64 cases, taking the necessary action to register 41 of them with the Land Registry.

Property Transfer

In 2024, the Estate Management Section continued its ongoing work related to the transfer of government-rented residential properties to the Housing Authority. This process involves preparing site plans that indicate the location of the property, as well as detailed plans which delineate the boundaries of each floor in the case of apartment blocks. Additionally, plans are prepared to ensure that the transferred property can be registered with the Land Registry.

In 2024, 57 residential units/buildings and 94 plots forming part of the Home Ownership Scheme (HOS) were transferred to the Housing Authority. Furthermore, 65 residential properties and 2 commercial properties, currently under a preliminary contract, were also transferred. For these transfers, 35 sets of detailed plans were prepared.

HOS and Asset Valuation

Between the late 1970s and early 1990s, 7,580 plots were allocated to beneficiaries to build their homes. Many of these beneficiaries are now seeking permission from the Housing Authority to demolish their existing homes and develop them into multiple apartments. Beneficiaries are required to pay 25% of the land's value as determined by the Housing Authority or secure a mortgage for the same amount if the apartments are intended for their children. In 2024, 60 HOS plot properties were valued.

The Authority also issues various schemes that specify the maximum asset value applicants can have to be eligible for a subsidy. Professionals from the Estate Management Section assess the value of the applicants' properties based on asset research findings. In 2024, 46 asset valuations were conducted, including property measurements (where necessary) and plan preparation to determine property sizes.

Homeownership Schemes

Throughout the years, the Housing Authority created many opportunities for tenants and individuals to become homeowners through various initiatives, such as the Home Ownership Scheme, Sale of Property by Notice, and the Right to Buy Scheme.

Currently, the Housing Authority offers tenants the opportunity to purchase their residence through the Sir Sid Darek and Sir Sid Darek 2 Schemes. Launched in 2024, the Sir Sid Darek 2 Scheme is enabling even more tenants across various localities in Malta to become homeowners.

The application process involves measuring the property, common areas, and roof to create detailed plans outlining the boundaries of the areas to be sold or granted the right of use. The property valuation is based on the size of these areas, along with other relevant parameters.

In 2024, a total of 215 applications under both schemes were processed. These schemes have significantly contributed to recent statistics, which report that one family is being assisted every two days in becoming a homeowner.

Property Sales through Tenders

This section manages garages, shops, and storage units built as part of social housing projects. These properties are sold through a tender process. As part of the tender issuance process in 2024, 3 plans and valuations were prepared for each property.

Record Keeping and Property Plans

The Authority maintains information on approximately 30,000 properties allocated by the Government, the Joint Office, or the Housing Authority itself, through various schemes, as well as plans for government-built residences. In 2024, 91 plans were completed for beneficiaries requesting information.

Additionally, this section assists other departments by providing necessary information, ranging from property plans to ownership details. One of the processes this section supports is applications for Energy Performance Certificates (EPCs). In 2024, assistance was provided to 150 cases where sets of plans were supplied to other sections to proceed with these applications.

Lease Renewal Valuations & Tenders

The Records Section ensures that renewed leases reflect private market rates. This is done through comprehensive property valuations before finalising the rental figure. In 2024, the Records Section processed over 3 valuations for garage and shop leases tendered to the public. Additionally, 4 valuation reviews were also conducted on those properties used by NGOs, government entities, and local councils.

Digital Record Keeping Systems & Geographic Information System (GIS)

In 2024, the Housing Authority undertook significant efforts to transition from traditional record-keeping methods to a comprehensive digital database. This integration, managed by the Estate Management Section, allows immediate access to property information for all users. The system was designed to enable other departments to incorporate their data, providing a holistic view and facilitating efficient transactions across all sections.

The Estate Management Section contributed by linking various details and features to the central stock database, making it a comprehensive hub for all properties that have been managed by or benefitted from schemes offered by the Housing Authority. This included the digitisation of drawings, old property records, and the creation of relationships between units both at the block and project level. By consolidating this information, new connections were established between properties, tenants, and contract details, further enriching the database. These enhancements are instrumental in preparing for the implementation of GIS tools, which will strengthen operations and record-keeping processes.

The potential of GIS was explored further in 2024, supported by training for our technical team. This internationally recognised tool ensures the precise management and analysis of property information to enhance operational efficiency and data accuracy.

Moreover, improvements in data quality and consolidation enabled the creation of interactive dashboards, aiding in more informed decision-making. In 2024, 3 dashboards were developed to provide clearer insights: one displaying statistics at an individual unit level, another at a block level, and a third showcasing Energy Performance Certificate (EPC) records compiled by the Housing Authority over the years. These dashboards offer accessible, real-time data to support operational needs and strategic planning.

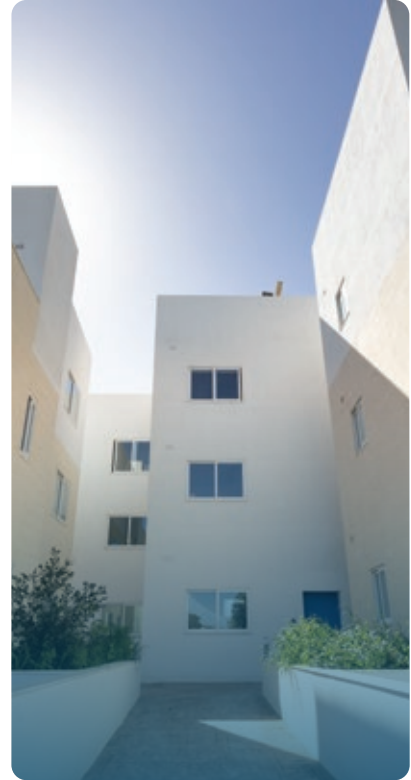
Construction of New Social Housing

In 2021, the Housing Authority signed an agreement with the National Development and Social Fund (NDSF), which led to an allocation of €66 million towards the development of social accommodation on sites already owned by the Authority. This financial commitment is enabling the Housing Authority to accomplish the construction and finishing of approximately 560 residential units and 480 car spaces, envisaged to be completed by 2028.

All properties will be built and fully finished to high standards and, once completed, will be allocated to families and/or individuals eligible for social housing accommodation. The project design takes into consideration sustainability measures to minimise utility bills for prospective tenants. Although the Housing Authority entrusted the design, project management, cost planning, and execution of this social housing development to a separate government entity, it still retained its primary role as a decision-maker with the important responsibility of scrutinising all aspects pertaining to design, procurement, progress, cost, and expenditure.

In 2024, after experiencing a significant slowdown in progress, which negatively impacted the project's timeline, the Housing Authority took the lead in implementing a recovery strategy in collaboration with the project management entity responsible for the execution. The actions implemented by the Housing Authority through its direct intervention include the establishment of a dedicated project monitoring team, the introduction of more rigorous health and safety measures, a more efficient and accountable procurement process, direct procurement of lifts through the Housing Authority Lifts Framework Agreement, and the creation of an improved reporting system for projects and cost management. All these were intended to lead towards better efficiency, cost visibility and achievement of targets. The actions initiated by the Housing Authority in 2024 achieved noteworthy results, particularly the enhancement of the projected timeline, resulting in earlier completion dates and shorter waiting times for allocating social housing to eligible applicants.

Blocks in Triq Wied il-Knejjes, Luqa



By the end of 2024, two sites—one in Triq Wied il-Knejjes, Luqa and another in Triq l-Indipendenza, Żebbuġ—were fully constructed and finished. This resulted in 41 apartments, 9 maisonettes and 57 car parking spaces available for allocation. Meanwhile, housing projects at sites in Siġġiewi and Mellieħa, comprising 13 apartments and 5 car parking spaces, were also in an advanced construction stage, with building services and finishing works also underway. These units are expected to be completed by 2025. Construction work in the largest site at Wied Hesri, Siġġiewi, comprising 189 apartments and 167 car spaces/garages, has also commenced following the excavation of the site. Additionally, various tenders for construction and turnkey works at seven other sites in Kirkop, Paola, Qrendi, Siġġiewi and Żebbuġ were at different stages of preparation, publication, and evaluation, in line with the project programme that schedules the commencement of the execution phase in 2025.

2 Sites Constructed & Finished in 2024:

41 Apartments

9 Maisonettes

57 Car Parking Spaces



Triq l-Indipendenza, Żebbuġ



Triq Napuljun Caruana Dingli, Mellieħa



Wied Hesri, Siġġiewi

Meanwhile, in preparation for the eventual allocation of apartments and car spaces in Luqa and Żebbuġ, a new strategy for condominium management of the common parts of leased units was devised. A tender for the procurement of condominium management services was drafted and published; however, there was no successful bid. The conditions relative to the new administrator system were also aligned with the conditions of lease agreements.

Rehabilitation of Dilapidated Properties

It is a waste that certain government-owned residential properties in urban cores, particularly Valletta and Cottonera, have remained vacant for years due to being deemed unfit for habitation purposes and falling into a state of extreme disrepair. One of the budget measures undertaken by the Housing Authority in recent years was to rehabilitate those derelict properties that had the potential to be allocated for social accommodation.

The Housing Authority identified seventeen such properties in various localities, 8 of which are in Valletta, 4 in Cottonera, 3 in Rabat, 1 in Żejtun and 1 in Siġġiewi. As expected, the rehabilitation cost of these properties is exorbitant, with an estimated €8 million to generate just 40 residential units. Despite the high cost and challenges associated with building and alteration works in predominantly inaccessible sites, the Housing Authority has invested in this project to give new life to these properties, ultimately preserving local heritage while removing related dangers and eyesores.



By the end of 2024, three of these dilapidated properties in Vittoriosa, Cospicua and Valletta were successfully rehabilitated, resulting in eight apartments available for social housing allocation. Meanwhile, rehabilitation works were also underway on two other properties in Żejtun and Valletta, comprising six apartments. Permits were approved for six other sites, with preparation works ongoing for the publication of tenders for related works. As for the remaining sites, permit applications were submitted and are being processed.

3 Dilapidated properties rehabilitated in 2024:
Vittoriosa **Cospicua** **Valletta**

8 apartments available for social housing



Works Underway at Kamarata, Valletta



Works Underway at Triq Sciortino, Żejtun

While the Housing Authority entrusted the execution of these projects to a project management entity, its role remains instrumental in overseeing the design, procurement, progress, and financing of these projects. In 2024, the Housing Authority replanned the rehabilitation programme whereby properties in the worst structural conditions were identified and given priority for execution. The programme envisages that all identified properties undergo the rehabilitation process to be rendered suitable for social housing allocation within a span of three years.





2024 Annual Report

Compliance

Compliance

The Compliance Department of the Housing Authority consists of two main sections, one focusing on private residential leases and one on general social housing. The compliance and enforcement of both sections are intended to ensure adherence to housing regulations and strive to maintain the integrity of the rental market and social housing policies, respectively.

Compliance Department – Private Residential Leases Section

The Housing Authority's Compliance Department (Private Residential Leases Enforcement Section) played a pivotal role in ensuring adherence to rental regulations in Malta throughout 2024. The section's commitment to enforcing Chapter 604 of the Laws of Malta has significantly contributed to the regulation of the private rental market, the prevention of fraudulent claims, and the protection of tenants' rights.

Key Achievements and Performance Indicators

Throughout 2024, this section significantly intensified its enforcement efforts, leading to notable increases in inspections, administrative fines, and legal actions. The following provides an in-depth analysis of key performance metrics achieved throughout the year:

Total Number of Inspections Conducted

A total of 615 inspections were conducted to assess adherence to housing regulations. These inspections were classified as follows:

Overcrowding Inspections: 39 cases involved properties suspected of exceeding the permissible occupancy limits as per Chapter 604 amendments

False Declaration Inspections: 14 cases were investigated following reports of potential misrepresentation by tenants or landlords regarding lease agreements, rental amounts, or property ownership

Other Inspections: 562 inspections covered a broad spectrum of compliance matters, including unregistered leases, non-compliance with tenancy registration obligations, and other housing irregularities

Investigation of False Declaration Cases

False declarations are a serious breach of regulatory obligations, often involving individuals misrepresenting property details to gain undue benefits. In 2024, 14 investigations involved verifying ownership claims, rental agreements, and the authenticity of provided documentation. Where sufficient evidence was found, enforcement actions were initiated.

Initiation of Legal Proceedings (Police Reports – Kwerela)

In cases where serious breaches or fraudulent activities were identified, formal legal proceedings were initiated. In 2024, 5 cases were escalated to the police through the filing of kwerela reports, leading to further investigation and the potential prosecution of offenders.

Pending Reports

At the end of 2024, 106 pending reports were under review. These cases, in various stages of investigation and enforcement, require additional verification, legal assessment, or follow-up actions before reaching a resolution.

New Cases

The Housing Authority received 606 new cases in 2024, arising from complaints, referrals, and proactive enforcement measures. These cases reflect the increasing public awareness and reporting of housing irregularities, further emphasising the need for continued vigilance and enforcement.

Closed Cases

Throughout the year, 791 cases were successfully closed. Compliance was achieved through enforcement actions, adherence to compliance instructions, ratification of the shortcomings in the registrations, legal determinations, or dismissal due to insufficient evidence.

Delivery of Enforcement Notices

Enforcement notices were issued in 151 cases where violations were identified.

Delivery of Arbitration Panel Notifications

The Arbitration Panel plays a crucial role in resolving disputes related to lease agreements and other matters. A total of 1,067 notifications were issued, ensuring that concerned parties were informed of proceedings and were required to respond accordingly. This high number reflects the growing reliance on arbitration as an effective mechanism for dispute resolution.

Right of Entry Inspections Mandated by Court

In certain cases, the Housing Authority sought the court-mandated right of entry to conduct necessary inspections. 17 such court orders were obtained, allowing enforcement officers to perform inspections and gather evidence in cases of suspected non-compliance.

Court Sittings

Legal proceedings necessitated attendance at 115 court sittings throughout the year, with these sessions involving the prosecution of housing violations. This court's involvement underscores the legal rigour applied in enforcing compliance.

Court Judgements

In 2024, court rulings were issued in 28 cases:

15 judgements were ruled in favour of the Housing Authority, reinforcing the legitimacy of enforcement actions and setting legal precedents for future cases

12 judgements were ruled against the Housing Authority, often due to procedural challenges, insufficient evidence, legal interpretations and, in some instances, police court-related shortcomings. The Compliance and Enforcement Section made substantial strides to strengthen regulatory oversight within Malta's housing sector. The year 2024 was characterised by an increase in enforcement actions, a high rate of case resolutions, and effective legal interventions. Moving forward, continued refinement of compliance strategies, enhanced legal preparedness, and improved public awareness will be key to maintaining the integrity of the social housing system and mitigating abuse.

Enhanced Regulatory Measures

Following the legal amendments introduced on 1 September 2024, which enforce stricter regulations on overcrowding and false declarations, the Compliance Section has strengthened its enforcement strategies to ensure adherence to the law. These enhanced measures aim to deter violations, promote transparency, and improve regulatory efficiency. Below is an elaboration on the key initiatives implemented:

Increased Collaboration with the Malta Police Force and Other Regulatory Bodies

Recognising the importance of inter-agency cooperation, the Compliance Section has intensified its collaboration with the Malta Police Force and other regulatory bodies, including the Planning Authority, Malta Tourism Authority, Environmental Health Directorate, and Identità. This coordinated approach ensures a comprehensive enforcement mechanism where information is shared effectively, enabling

swift action against non-compliant landlords and tenants. Joint inspections and data exchange protocols have been established to streamline investigations, ensuring that cases of overcrowding and false declarations are handled with precision and efficiency.

Development of a Streamlined Process for Issuing Administrative Fines and Escalating Repeat Violations

To enhance the effectiveness of enforcement, the Compliance Section has developed a structured and standardised process for issuing administrative fines, including clear guidelines for issuing fines to first-time offenders and a progressive penalty system for repeat violations. If an offender fails to rectify a violation after receiving an initial fine, criminal charges shall be issued in line with the legal thresholds established under Chapter 604. Furthermore, provisions will be introduced to escalate persistent non-compliance to criminal proceedings where necessary to ensure that severe breaches are dealt with through legal action.

Implementation of Targeted Inspections Based on Data-Driven Risk Assessments

To optimise resource allocation and enforcement impact, the Compliance Section has adopted a data-driven approach to inspections. Advanced risk assessment methods are used to identify high-risk properties and individuals based on various indicators, such as inconsistencies in rental registrations, previous violations, anonymous reports, and demographic density data. By leveraging data analytics, enforcement officers can focus their efforts on the most critical cases, thereby increasing detection rates and ensuring more efficient regulatory oversight.

Challenges and Solutions in Compliance and Enforcement

The Compliance and Enforcement Section has made significant strides to strengthen regulatory oversight and ensure adherence to established policies. However, several key challenges have emerged, necessitating targeted solutions to enhance the effectiveness of enforcement measures. Below is an in-depth examination of these challenges and the strategic approaches employed to mitigate them.

High Rate of Repeat Violations

One of the most pressing challenges faced by the Compliance and Enforcement Section is the persistence of repeat violations. Some offenders continue disregarding regulations even after initial charges, undermining compliance efforts and necessitating a more robust approach.

To address this issue, the section is working on introducing and implementing a structured penalty escalation mechanism. The new system introduces increasing fines for repeat offenders, ensuring non-compliance becomes increasingly costly and unsustainable. Additionally, expedited legal

proceedings shall be introduced for persistent violators, reducing the time frame for initiating legal action. This approach will act as a deterrent while ensuring swift accountability for those who repeatedly breach regulations.

Resource Constraints

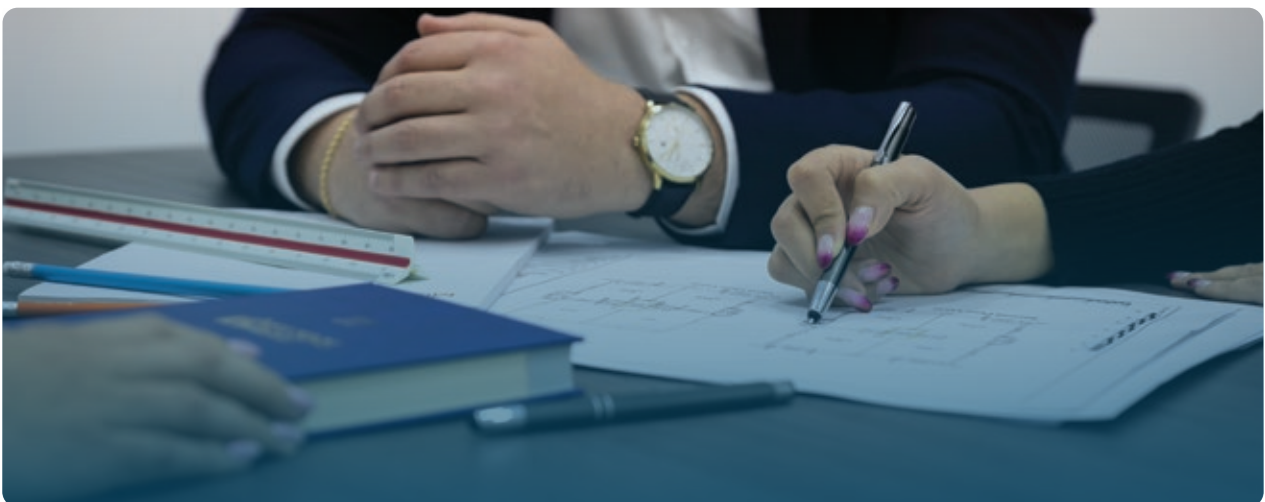
The effectiveness of compliance and enforcement measures heavily relies on the availability of adequate personnel and resources. Limited staffing and logistical support can hinder timely inspections, investigations, and enforcement actions.

To bolster operational capacity, a focused effort has been made to recruit and train additional compliance officers. The recruitment strategy prioritises individuals with expertise in regulatory enforcement, legal interpretation, and investigative procedures.

Legal Ambiguities in Enforcement Procedures

The effectiveness of enforcement actions is occasionally hindered by legal ambiguities that create uncertainty in procedural applications. Inconsistent interpretations of regulations can lead to challenges in implementing uniform enforcement measures.

To address this concern, continuous consultations with legal experts and stakeholders have been prioritised. These consultations aim to refine and clarify Standard Operating Procedures (SOPs), ensuring that enforcement actions are based on well-defined legal principles. Regular reviews and updates of the SOPs help to maintain consistency, minimise ambiguities, and ensure that enforcement officers have clear guidelines to follow. Additionally, collaboration with the Legal Department ensures that any legislative gaps are identified and addressed through policy amendments where necessary.



Compliance Department – General Social Housing Section

The Compliance Department (General Social Housing Section) encompasses several divisions, each playing a vital role in ensuring that the Housing Authority's operations run smoothly and in compliance with regulations.

Government Routine Inspections

In 2024, a total of 698 routine inspections were conducted across various localities in Malta (see Fig. 13). These inspections are essential in providing the Authority with a clear understanding of the situation in the properties, as well as minimising property abuse.

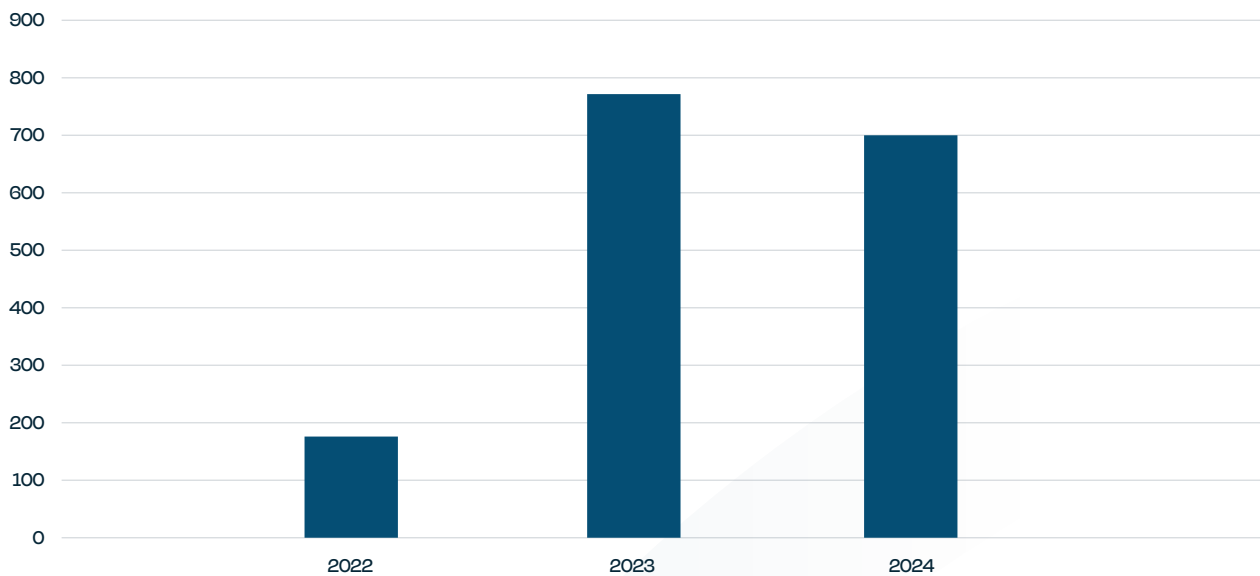


Figure 13: Routine Inspections by the General Social Housing Section

Administrator Payment Incentive (API)

One of the primary objectives of this section is to establish resident associations within the blocks that benefitted from the *Il-Binja Tiegħi, id-Dar Tiegħi* Scheme, ensuring that the common areas are properly maintained and kept in good condition. In 2024, 24 new associations were established, and 145 administrators were re-elected. Staff in this section carried out 360 inspections to facilitate 248 payments to the block administrators who participated in this scheme. As a result, each block benefitted from approximately €6,000 worth of work to repair and maintain the common areas, ensuring they remain in good condition and are well-kept for the residents.

General Inspections / Enforcement of Common Areas

In 2023, an amendment to the Housing Authority Act came into effect, whereby individuals who leave objects that obstruct common areas, land, or properties owned or administered by the Authority—or over which the Authority exercises any rights—may be subject to enforcement. These obstructions interfere with the rights of third parties or the Authority itself, despite notifications sent by the Authority through judicial letters. Under this amendment, an order must be issued to remove the obstruction within fifteen (15) days from the service date. The Chairman, or officials delegated by the Chairman, have the authority to remove the obstructive items.

In 2024, staff conducted 215 general inspections and 144 inspections on common areas. Common areas include hallways, stairwells, balconies in apartment blocks, and garages (where the Authority is still the garage owner). Following these inspections, it was found that there was a need to replace certain door locks, conduct cleaning, and perform other related works.

Nikru biex Nassistu Scheme

The officials of the Compliance Department were instrumental in enforcing the regulations imposed by the Housing Authority on residents. As part of this effort, the section initiated necessary procedures to introduce systems where Authority officials act as intermediaries between tenants and landlords in cases of disputes, breaches of regulations, and property damages. In fact, the section developed a centralised data system to better manage work related to enforcement and repairs, making it more accessible.

In 2024, a total of 346 cases were reported. These cases varied from structural damage, disputes between tenants, and reports of irregularities.

Additionally, the section began performing routine inspections of units under the NIK Scheme, with 258 inspections carried out in various localities across Malta in 2024. Through these inspections, the Housing Authority is gaining better visibility of the properties and tenants residing in units.

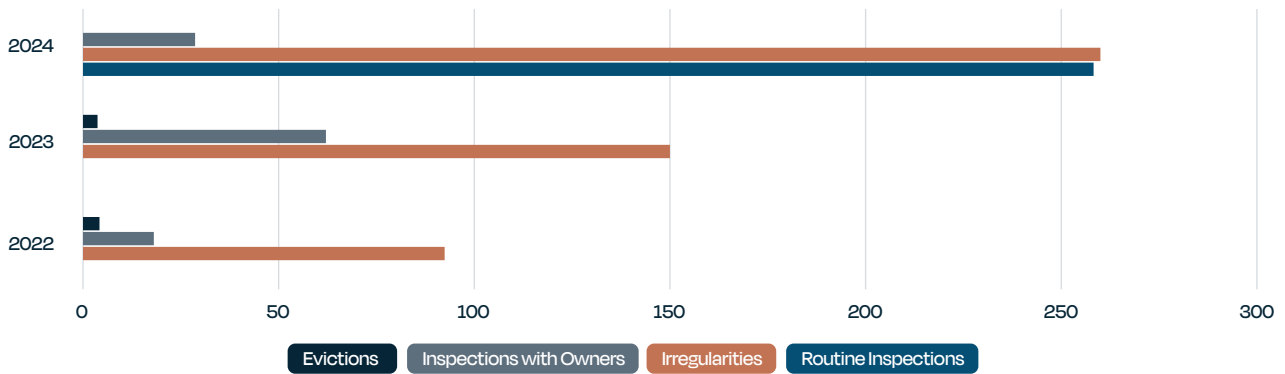


Figure 14: NIK / SK Inspections

Termination of Skema Kiri Units

The section is responsible for returning the keys to the property owners, and a process of conducting inspections with property owners has been implemented. When the property is in satisfactory condition, the keys are returned to the owner, and the change of utility forms for electricity and water are completed. However, if the inspection reveals significant damage caused by the tenants, the Housing Authority evaluates the damage and calculates the monetary compensation. In 2024, 29 leases expired, resulting in a total compensation of €97,244 for damages to the property owners.

Home Ownership Scheme (HOS) Inspections

Several inspections are conducted when owners submit applications for alterations, demolitions, or rebuilding of properties. To proceed with such applications, the applicant must pay an allocated amount as part of the process. These inspections are carried out to verify whether any development work has commenced, which is crucial for the Legal and Contracts Sections, as officers provide the necessary information to confirm whether the work has started as outlined in the application. In 2024, staff conducted 119 HOS inspections.

Utilities Inspections

The work involved in this type of inspection includes reading meters for compliance and revenue purposes, as well as assisting administrators in completing the change of consumer forms. Staff conducted 197 utility inspections in 2024.

Elderly Scheme

Since May 2023, the Senior Citizens Budget Measure was transferred to the Compliance Department. This section is responsible for collecting keys from elderly individuals who have moved from rented homes to elderly care homes. Those elderly individuals who choose to do so benefit from a 20% reduction in the amount deducted from their pension, which is applied to the care home rate. In 2024, 29 elderly individuals benefitted from this scheme.

Verification of Occupancy Inspections

The Housing Authority carried out 483 occupancy inspections to verify that legal tenants are complying with the Authority's regulations. Any irregularities observed during these inspections were followed up, and necessary actions were taken where applicable.

Cases of illegalities, contract breaches, and irregularities are referred to the Ad-Hoc Board of the Housing Authority for further discussion and action. This includes enforcement actions and eviction proceedings, where necessary.

These inspections were essential for the Compliance Section. They led to the termination of rental agreements and the referral of cases to the Ad-Hoc Board. Such inspections have proven effective in regaining possession of properties and eliminating illegalities and irregularities.

Evictions

The Compliance Section successfully continued to enforce the new eviction law on government property. A total of 9 evictions were carried out in collaboration with the Planning Authority, officials from the Lands Authority, and the Police Force's assistance. During these evictions, officials encountered various forms of abuse, which were subsequently referred to the relevant authorities for further action.

Surrender of Keys

The section worked on the collection of keys in cases where irregularities were identified in properties rented by the Authority. This process is crucial for the Housing Authority to regain possession of the property and reduce instances of abuse.

Keys are collected from various sources, including individuals who have vacated the property, changes in allocations, elderly residents who have moved to care homes or voluntary key returns. In 2024, the Housing Authority collected 203 keys.

203
Keys collected for
property irregularities
in 2024

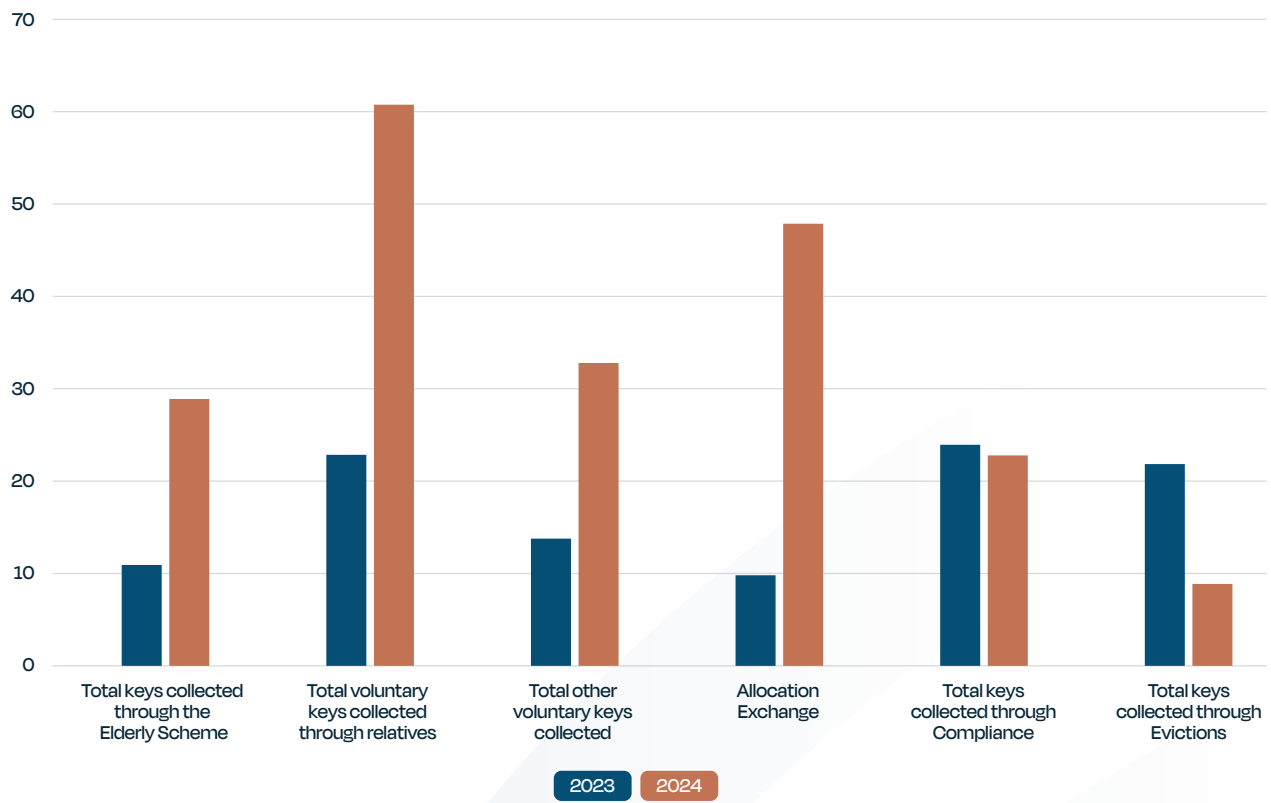


Figure 15: Number of Keys Collected



An aerial photograph of a coastal city, likely Dubai, featuring a marina with numerous yachts on the left and a dense residential or commercial building complex on the right. A large, semi-transparent blue graphic, resembling a stylized 'V' or a large arrow, is overlaid on the image, pointing downwards and to the right. The background is a deep blue sea.

2024 Annual Report

Operations & Support Functions

Operations and Support Functions

Corporate & Human Resources

Structure and Workforce

In 2024, the Housing Authority's organisational structure was internally revised to further enhance and strengthen its operations. The main functions of the Authority are now based on two distinct pillars, and for this reason, the new position of Chief Officer was introduced. In fact, the creation of two positions at this level—Chief Officer People and Strategy and Chief Officer Property and Projects—signals a shift in focus and leadership. The Chief Officers respond directly to the Chief Executive Officer.

In line with this restructuring, new departments were formed to reflect the operational activities of the Authority. In commitment to this, the Housing Authority engaged 29 new employees in various grades during 2024, which were replacing outgoing or reassigned employees.

The Housing Authority's total number of staff stands at 255 members. 200 of the 255 members are Housing Authority employees, whilst the rest are on other working arrangements helping the Authority reach its goals.

To reinforce its structure and increase its attractiveness for highly skilled professionals, the Housing Authority obtained approvals to classify accountants and lawyers within its professional grades, alongside architects and notaries.

Furthermore, the Housing Authority embraced the available schemes to employ student workers and trainee students at MQF Level 6 or 7 studying at the University of Malta and MCAST. The student workers are employed on a part-time basis, subject to their availability and school commitments. The Housing Authority believes that onboarding such students to its workforce is a win-win situation for all parties: the students gain hands-on experience working within an organisation and learn how to build their soft skills while carrying out duties related to their study area, while the Housing Authority is gaining further



exposure and promotion with future generations and employees. In October 2024, the Housing Authority participated in Freshers' Week held at the University of Malta and MCAST to attract potential student workers and trainee students to help promote employment opportunities. As a result, by the end of 2024, the Housing Authority employed a total of 26 student workers and trainee students.

Training and Development

International Training and Conferences

In 2024, the Housing Authority made significant efforts to expand its international presence by actively engaging in conferences, specialised training, and knowledge-sharing initiatives. Staff members participated in international workshops and conferences held in Italy, Egypt, and the Netherlands, where they presented their research, shared insights into Malta's housing landscape, and exchanged best practices with global experts. Additionally, representatives attended the annual global conference for GIS users in the United States to enhance their expertise in geospatial analysis for housing. Furthermore, the Authority remained committed to addressing homelessness, attending official meetings in Belgium and Portugal to collaborate on effective solutions.

GDPR

The Housing Authority places great importance on the General Data Protection Regulation (GDPR) compliance. In view of the sensitive data processed daily by its workforce, the Housing Authority, in collaboration with FSWS, ensures that all staff receive comprehensive training on this subject.

First Aid Courses

In 2024, the Housing Authority continued its commitment to increasing the number of First Aiders within its workforce. Following the completion of the first course in 2023, delivered by St John Ambulance, two additional courses were conducted in 2024. The total number of staff who received this training totalled 35.

Members of staff were trained for: (i) Adult & Paediatric First Aid and (ii) Basic Life Support & Artificial External Defibrillator (AED). Additionally, the Housing Authority is also equipped with three AEDs, strategically placed in its three main office buildings.

35
Employees
received First Aid
training

Customer Care

In collaboration with the Institute for the Public Services, 25 customer care employees within the Customer Care Section received specific training on 'Customer Care for Service of Excellence'. Through this training, employees were trained to identify customers' needs, communicate effectively, and manage complaints and conflicts, among other skills.

Other Local Training

Through the prospectus of training programmes and courses provided by the Institute for the Public Services, members of staff also received training in other distinct areas like Management, Integrity & Ethics, GIS, Human Resources, Electronic Public Procurement, Business Communication, ICDL Advanced, Anti-Racism, Autodesk CAD, EU Data Act, Maltese Law and Wellbeing.

Talks on Wellbeing

Various talks were also organised throughout the year, focusing mainly on wellbeing topics delivered by professionals from Caritas and Sedqa. These sessions provided valuable insights to the attendees, helping them to identify and manage a healthy balance between their personal lives and work through the following:

Dealing with conflict

Motivation

Burnout - what leads to burnout and how to avoid it

Stress management

The effects of drugs and alcohol

Approaching the employee with addiction difficulties

New Offices in Gozo

In 2024, the Housing Authority officially inaugurated its new office space in Victoria, Gozo. These offices comprise a modern and spacious design aimed at enhancing the experience of both the employees and clients. These new offices offer a more professional environment, thanks to the available cutting-edge facilities and well-trained customer care employees.

This office in Gozo acts as an extension to the Housing Authority's Customer Care front office in Floriana to meet the needs of the Gozitan community. All services provided by the main office in Floriana are also fully accessible and offered in the Gozo office to address the unique challenges and requirements of the population.

Customer Care

Customer care is a critical component of any entity, as it plays a significant role in customer satisfaction, loyalty, and the public's perception of the organisation. Our Customer Care understands the value of delivering outstanding customer service and has continuously strived to create the best customer care experience.

In 2024, the Housing Authority's Customer Care experienced challenging changes that affected both our customers and staff. Last year's main change was when the Housing Authority's two Customer Care Sections, previously known as Customer Care and Rent Registration Section, were amalgamated. The merger led to a transitional period where processes were redefined, staff members were assigned new roles and responsibilities, and communication strategies were revised. As a result, for a brief period, this restructuring caused our customers to experience delays, inconsistent responses, and uncertainty about where to access familiar services.

The integration of the two teams led to a mix of challenges. While some employees adapted quickly to the new structure and protocols, others struggled to adjust to new workflows and team dynamics. Training efforts were ramped up, but the initial phase was difficult for both clients and staff to navigate through.

Despite these challenges, the experience also highlighted areas for improvement, including the need for better communication and more effective training strategies. The ultimate aim is that these changes lead to a more streamlined and efficient customer service experience for all parties involved under one roof.

In fact, work to install a new, improved ticketing system began within the same year. This system will enhance queue management, help avoid potential conflicts between clients, and reduce confusion, as two types of clientele use our services within the same premises.

Above all, during this transition, calls, emails, and walk-ins were still handled in a timely manner, with the Authority's services remaining available to all clients despite the ongoing restructuring of the section.

In 2024, the Housing Authority's Customer Care received over:

 **87,000+** Calls |  **81,000+** Emails |  **25,500+** Walk-ins

This was quite the challenge for the Customer Care Team, as they had to respond to a high volume of inquiries across various communication channels. The increasing number of customer interactions placed significant pressure on the team, requiring them to respond quickly and efficiently while maintaining a high standard of service.

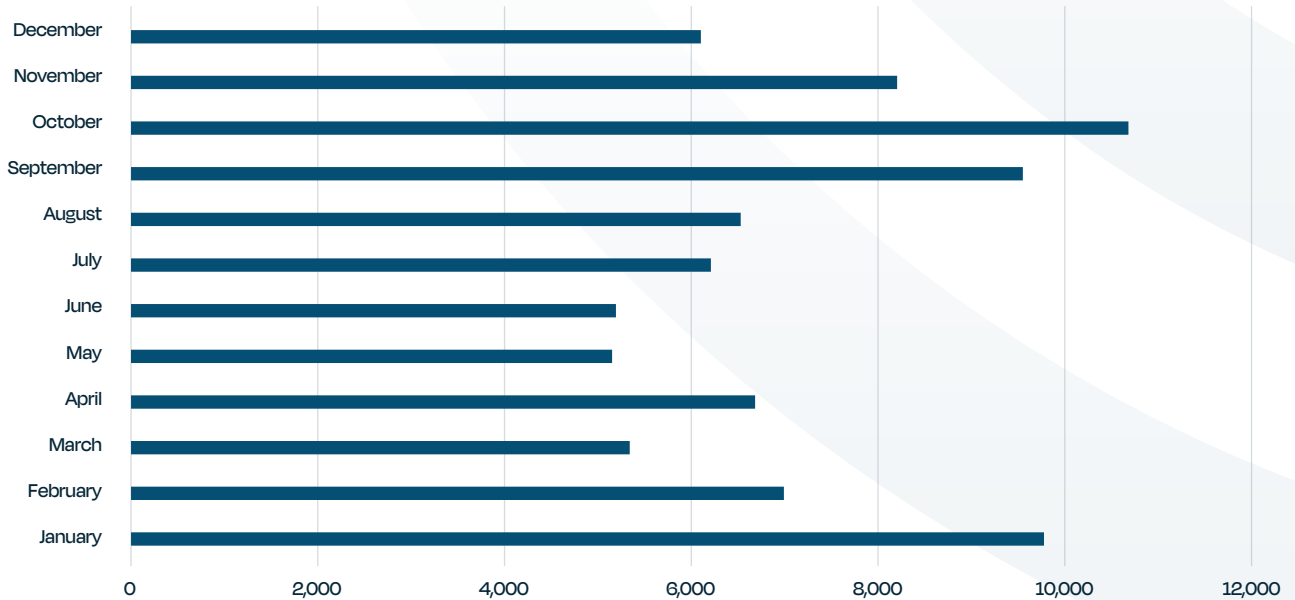


Figure 16: Calls Answered by Customer Care per Month in 2024

On average, 804 calls were taken per agent per month, with a daily average of 9 agents put on customer care duties.



With the large volume of calls, emails, and walk-ins, it was crucial to address all queries promptly to avoid long waiting times and dissatisfied customers. Additionally, many of these interactions required personalised responses, which added another layer of complexity to the workload. The team had to ensure they were not only answering basic queries but also providing tailored support based on the specific needs of each customer.

The Customer Care Section implemented several strategies to handle the increased volume, including an advanced call routing system to ensure customer requests were directed to the appropriate departments or individuals with the right expertise to resolve them.

Extensive efforts were also made to train staff in the Customer Care Unit, equipping them with the best practices and the necessary knowledge to handle challenging interactions. Customer feedback was also used to identify areas for improvement, enabling continuous refinement of the agents' approach and enhancing the overall customer experience.

Despite the challenges, the Customer Care Team's dedication and efforts ensured high customer satisfaction levels throughout the year. However, the transition experience undoubtedly highlighted the importance of continually evolving customer service strategies to meet the clients' ever-growing demands and expectations.

ICT Office and Digitalisation

The ICT Section continued its ongoing work on multiple projects and initiatives aimed at strengthening the Housing Authority's digital infrastructure. A significant investment was made in 2024 for a Document Management System to electronically store physical records in a secure, efficient, and cost-effective manner. To facilitate this transition, 3 cross-departmental groups were formed.

3 Cross-Departmental Teams:

Project Management Team

Data Governance Team

Data Retention & Shredding Policy Team

The **Project Management Team** was established to oversee the implementation of the Document Management System. A key priority was simplifying procedures to reduce bureaucracy and enhance user-friendliness.

The **Data Governance Team** continued to meet regularly to centralise information from various sources while ensuring high data quality. This effort led to the creation of several internal dashboards, providing senior management with real-time access to key information.

In 2024, a **Data Retention and Shredding Policy Team** was formed to develop clear guidelines on data storage, retention periods, and secure disposal in compliance with legal and regulatory requirements.

The first scheme that was digitised was the Housing Benefit Scheme. The scanning of physical documents started in June 2024, with this process being handled by an external contractor while the Authority's staff assisted in the sorting process. Later in the year, the scanning process was extended to cover other schemes like the First-Time Buyer Scheme and the Grant for First Residence, as well as social housing applications. Overall, more than 18,000 files have already been scanned.



In 2024, the ICT Section upgraded the PABX system as part of the Housing Authority's infrastructure expansion. Investments continued in portable technology, equipping employees with communication software and enhancing internal connectivity to ensure a more efficient work environment.

The Authority also prioritised software upgrades and acquired new specialised licences, such as ACAD and GIS, for its professional staff. Furthermore, new digital platforms were developed, allowing clients to apply remotely via portable devices, thus streamlining the application process and reducing the need for in-person visits.

Policy, PR & Communications

2024 has been yet another remarkable year for the Housing Authority's Communications Department, strengthening the Authority's visibility, outreach, and public engagement.

As an organisation offering diverse services and schemes—each aimed at leading the way in the housing sector through a noble mission—this section has been curating the Authority's voice and presence as a key player through various channels and initiatives.



Marketing of Published Reports

One of the Housing Authority's most notable achievements is undoubtedly the knowledge and information made available through its publications and reports.

These studies explore various aspects of the local housing sector and have become an essential resource for stakeholders and interested individuals. With six publications under its belt in just a year, the Authority's reputation is gaining positive momentum as a trusted voice in the housing sector.

The first two studies published in 2024 were 'Compliance in the Maltese Private Residential Rental Sector' and 'Tenant and Landlord Experiences of the Maltese Residential Rental Market'. Both studies focused on Malta's rental market



Scan QR Code to
access all the latest
published reports

following the introduction of the Private Residential Leases Act in 2020. The first study examined the Housing Authority's enforcement efforts to ensure compliance with the lessor's duty to register lease agreements while also analysing the Adjudicating Panel decisions. The latter study evaluated the demographic profile of landlords and tenants, along with their experiences, satisfaction, and awareness levels.

In line with the Authority's commitment to provide biannual updates on registered rental contracts with the Housing Authority, this department also published two studies that provide an update on contracts registered in the second half of 2023 and the first half of 2024, respectively.

The last two publications were part of a 3-part series documenting the Housing Authority's schemes. The first one focused on schemes designed to assist buyers and tenants to become homeowners, while the second report addressed schemes aimed at providing rental assistance to improve housing conditions and reduce the housing burden on low-income households. The third publication in this 3-part series will be released at the beginning of 2025, focusing on schemes intended to increase buyers' purchasing power and make properties more habitable.

To make sure these reports reach the right audience, the Policy, PR and Communications Department has not only focused on improving the quality and consistency of the publications but has also prioritised their dissemination and accessibility.

This has been achieved through strategic social media campaigns, press events and various articles in local news platforms. A major tool that significantly improved transparency and accessibility was the launch of Malta's First Rent Calculator. This interactive online platform is accessible 24/7 and provides access to data related to the private rental market in a user-friendly format.

Expos and Conferences

The Housing Authority maintained a strong presence at various expos and conferences throughout the year.

The Public Service Expo, attended by over 55,000 people, provided an excellent opportunity to promote schemes and services. A key highlight was the full-scale exhibit of a Multisensory Room, which the Authority funds through the SensAbility Scheme. Alongside the exhibit, an interactive presentation of housing research and data was also well-received. It was an opportunity to interact with visitors, explain our services, and guide interested families and individuals towards any assistance that might benefit them.

Another significant milestone was the participation in Freshers' Week expos held at both the University of Malta and MCAST. This unique platform allowed the Housing Authority to connect with young, up-and-coming professionals across various fields of study. It not only helped promote the Authority as a workplace where professionals can contribute to shaping society, but it also positioned it alongside other prominent private-sector brands and key governmental entities. Over 200 students expressed interest in joining the Housing Authority for an internship.

The Authority was also honoured to participate in major conferences organised by MFSA, EY, and KPMG, reaching a broader and more diverse audience.

Public Relations and Outreach

Throughout the year, this section led several impactful campaigns, primarily focusing on the First-Time Buyer Scheme, which saw a record number of beneficiaries. Other notable initiatives included promotions for the Nikru biex Nassistu Scheme and efforts to introduce and educate the public about the new rent law introduced in September 2024.

In addition to strengthening its digital outreach on various social media platforms, the Authority further improved its presence on television and radio. With nearly 40 media appearances, the Authority's key messages have reached a wide audience. Further engagement efforts included over 26 outreach sessions, comprising lectures at the University of Malta and presentations to various stakeholders and NGOs, helping to foster greater awareness of available services and schemes.



6

Published
Studies

40 *approx.*

Media
Appearances

26+

Outreach
Sessions

PR Team Building and Training

A key ingredient in all the successful initiatives mentioned above was the PR Team. This group, made up of dedicated employees from across the Authority, has played an active role in promoting the Authority's work—whether through expos, TV appearances, presentations, or radio interviews. Ongoing training and support have ensured that the team remains well-prepared to effectively represent the Housing Authority.

The success of these communication initiatives is evident in the positive results achieved. By combining strategic marketing, strong public engagement, and a commitment to transparency, this section has helped reinforce the Housing Authority's role as a key player in the housing sector. The Policy, PR and Communications Team remains committed to building on these achievements and finding new ways to connect with the communities we serve.

Legal

The Legal Section is responsible for collaborating with other sections within the Housing Authority to provide legal advice and initiate and follow legal proceedings where necessary.

In 2024, the Legal Section worked on several new projects. This section was pivotal in drafting several retention policies required for the digitalisation project which the Authority has embarked on. It was also involved in the drafting of several MoUs and Data-sharing Agreements between authorities for the sharing of information and data. Furthermore, this section provided legal advice and technical assistance for the transfer of sites between the Housing Authority and the Foundation for Affordable Housing for the construction of affordable housing. For the first time, staff from this section contributed to the writing of a research paper on compliance in the rental market and the decisions of the Adjudicating Panel.



Besides these main projects, the Legal Section continued with its day-to-day tasks, mainly taking the necessary legal action relating to any illegalities, debt collection, evictions, and contractual violations. Whilst considerable efforts are taken to solve cases out of court, when such attempts are unsuccessful, officials within the Legal Section are also obliged to represent the Authority in court cases. These court cases include, but are not limited to, constitutional cases and cases related to the rent increase mechanism under Chapters 69 and 158 of the Laws of Malta. The Legal Section is also responsible for providing evidence whenever summoned, including in cases between private citizens.

Another main task of the Legal Section is the provision of legal advice to other departments within the Authority in day-to-day cases, as well as the drafting and implementation of internal policies. During the year, this unit sent 541 Legal Letters and 103 Judicial Letters. The Legal Section was directly involved in 1,596 court cases and in legal proceedings of 33 evictions.

Pre-95

The Pre-95 Section primarily focuses on providing legal aid to tenants facing court cases related to their tenancy that commenced prior to 30 June 1995. These court cases, filed by the owners/lessors of the property, request a means test on the current lessees to either claim an increase in rent or the immediate eviction of the lessees subject to the provisions stipulated by law.

This section provides immediate legal assistance to tenants through the service of a lawyer assigned by the Housing Authority to assist clients in court cases, primarily those with a Constitutional Court or Rent Regulation Board hearing. The Housing Authority covers any legal fees and aids tenants in depositing rents at the law courts through the 'ċedoli' procedures whenever owners/lessors do not accept rent. In 2024, more than 200 clients made use of this service.

Once a judgement is issued, the Pre-95 Section provides legal services to the lessee for any appeal filed by either the lessor or the same lessee. If the court rules for an increase in rent, the Pre-95 Section continues aiding and directing its customers to submit a form for rent subsidies. If the Court rules for eviction, and the client satisfies the conditions laid out by the Housing Authority, mainly on means testing, the lessees are referred for an affordable housing unit.

In 2024, the Pre-95 Section assisted in 353 court cases during these court proceedings and, in all, had more than a thousand queries with clients during this year.

Contracts

In 2024, a total of 2,801 deeds were signed. Table 37 presents the different types of deeds signed.

Types of Deeds Signed	2024
Garages sold by tender and sale of previously rented government property	136
Preliminary agreements done for SSD and SRP Schemes	149
Final deeds of property where land was transferred to HA by Lands Authority	95
Deeds of redemption	110
Deeds of sale between third parties, including hypothec cancellations, new hypothec registrations, and subsidy refunds	174
Deeds of hypothecs on ADP, DIS, SSP and LFT Schemes	480
Agreements under ADP, DIS, SSP, SOL, HBS and SKP Schemes	1,510
NIK and SK Schemes agreements, lease agreements and lifts	31
Deeds under ESS Scheme (2019)	72
Approval for redevelopment of HOS plots	44
Total	2,801

Table 37: Signed Deeds

Procurement Section

The Housing Authority's Procurement Section was set up over a decade ago. Over the years, the team faced various opportunities, challenges, and changes. In 2023, the procurement's administration fell under a new schedule, namely Schedule 3 of the Public Procurement Regulations (S.L.601.03). By means of this change, the Authority fully administers its own procurement. This change required a thorough revision of processing and procedures. A Procurement Committee was set up to replace the role of the General Contracts Committee (within the Department of Contracts) and the Departmental Contracts Committee (within the Sectoral Procurement Directorate).

Half of the staff within this section have been working for the Procurement Section for over a decade. Their expertise, together with the support of other staff members, eased the transition from Schedule 16 to Schedule 3.

Procurement Committee (PC)

The functions of the Committee are as follows:

1. Making definite recommendations for the publication of tenders
2. Making definite recommendations for the award of the contract or rejection of the Call for Tenders based on the recommendation/s as presented by the Evaluation Committee through an Evaluation Report
3. Evaluating recommendations for modifications to the contract

The Procurement Committee held a total of 14 committee meetings in 2024. During these meetings, a total of 39 tenders were discussed and recommended as follows: Publications (18), Awards (14), Cancellations (3), Terminations (2) and Modifications (3).

Digital Signature

The digital signing of documents was introduced in April 2024. It offers a variety of benefits, making it a highly secure and efficient method for signing documents electronically. The Authority focused on important aspects such as security, authentication, efficiency, legality and compliance, audit trail, integrity of documents and, more importantly, environmental benefits. This initiative was successfully implemented, and since its introduction, all contracts (except for tender contracts), addendums and other documents were digitally signed.

What is Procured

Throughout the year, the Authority procures different types of works. Most of the works procured through the Procurement Section include the supply and installation of lifts in new blocks or the replacement of existing lifts (including work in common parts), repairs (including structural ones), restoration works, drainage works, sustainable projects, and construction and finishes.

The Authority requires various services to implement its projects and enhance its operations. Most of the services procured through the Procurement Section are professional services such as notaries, architects, and lawyers; consultancy services such as Health and Safety and ICT; social work professionals; clerical and cleaning services; thermal imaging services; maintenance of office

equipment for the day-to-day operations; data tracking; shredding services; and pest control services.

Supplies are mostly procured for the day-to-day operations of the Authority, which may include stationery, ICT equipment or systems, ACs, uniforms for staff, Personal Protective Equipment (PPE), furniture and general office supplies, as well as the Authority's car fleet.



Types of Procurements

Tenders

In line with the Public Procurement Regulations (S.L.601.03), three types of procurement procedures were used throughout the year:

Open Procedure: Any interested economic operator may submit tender offer/s in respect of tenders issued using the open procedure. This is the most common procedure used by the contracting authorities.

Framework Agreement: An agreement between one or more contracting authorities and one or more economic operators, the purpose of which is to establish the terms governing contracts to be awarded during a given period, in particular with regard to price and, where appropriate, the quantity envisaged.

Negotiated Procedure without prior publication: Contracting authorities consult the economic operators of their choice and negotiate the terms of a contract with one or more of these: (a) Where no tenders or no suitable tenders or no requests to participate or no suitable requests to participate have been submitted in response to an open procedure or a restricted procedure, provided that the initial conditions of the contract are not substantially altered and that a report is sent to the Commission where it so requests; or (b) where the works can be supplied only by a particular economic operator.

17 tenders, with a total estimate of €13,413,283 (excl. VAT), were issued in 2024, while 18 tenders were evaluated. Of these, 14 were successfully awarded €20,810,792, with the remaining being cancelled. The published tenders were issued for the provision of internal auditing, payroll services, health and safety, risk management, demolition, excavation and construction works, restoration works, supply of low-emission electric vehicles, and construction of lift pits for the installation of lifts.

During this year, the Authority issued the last Call-Offs, which originated from a Framework Agreement issued in the previous years for the supply and installation of lifts. This last batch of 22 Call-Offs was issued by June 2024, with a total estimate of €1,022,141 (excl. VAT), while a total of 27 were awarded for €1,061,017.

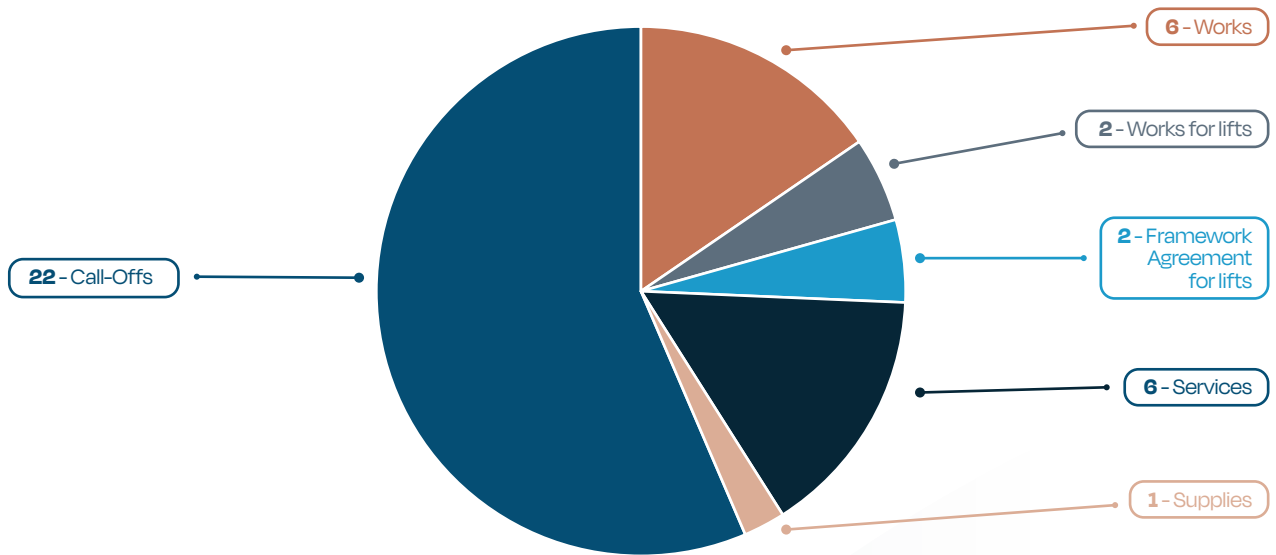


Figure 17: Issued Tenders & Call-Offs

Quotations

Quotations can be obtained through a Request for Quotations (RFQ) or a Call for Quotations (CfQ). During the year, 283 RFQs were issued for works, services, and supplies with a value of €267,573 (excl. VAT). 3 CfQs were issued for services with a value of €29,836 (excl. VAT).

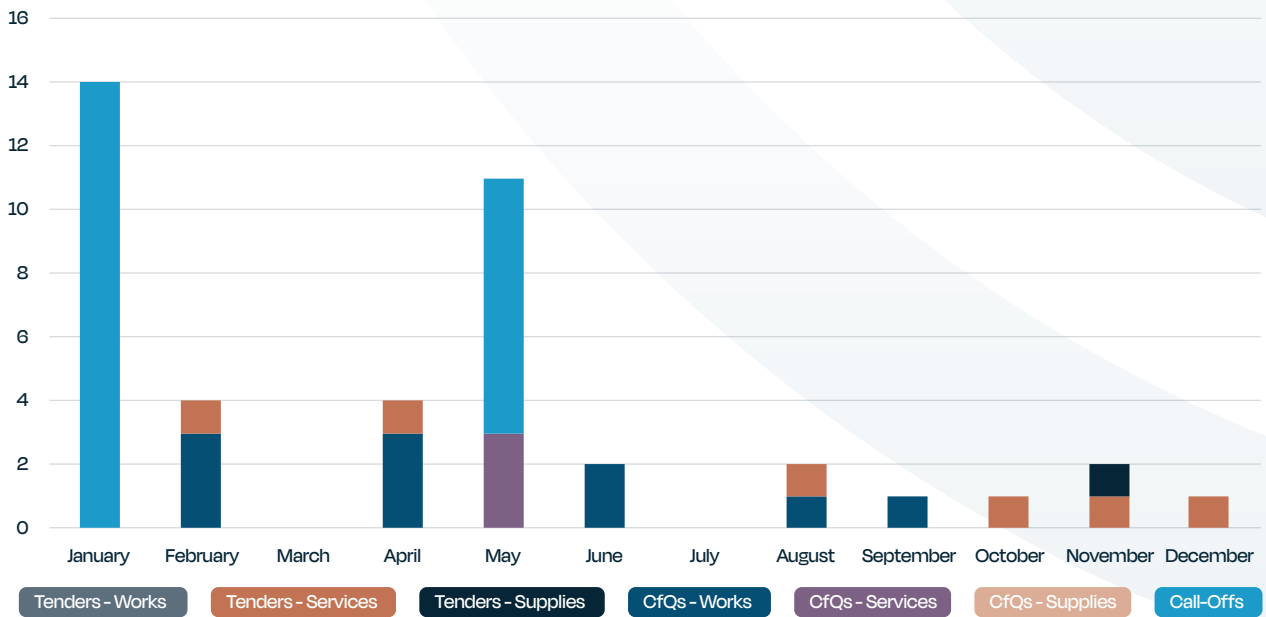


Figure 18: Monthly Breakdown of Publications

The above publications received a total of 144 offers (bids), as illustrated in the table below:

Type of procurement	Number of bids
Tenders - Works	45
Tenders - Services	35
Tenders - Supplies	3
CfQs - Works	0
CfQs - Services	9
CfQs - Supplies	0
Call-Offs	52
Total	144

Table 38: Number of Bids Received

Expressions of Interest (EOIs)

In response to the need for specific services to ensure continued compliance and operational efficiency, the Authority issued 2 EOIs in 2024. The scope of these EOIs was to invite individuals and/or firms and recognised partnerships to submit their interest in giving a professional and/or technical service to the Housing Authority at fixed rates. The first EOI required the following roles: Warranted Architects, Warranted Architects specialising in Structural Engineering, Warranted Architects specialising in Restoration and Structural Engineering, Warranted Electrical Engineers, Land Surveyors and Draughtspersons. The second EOI required the services of lawyers. A total of 52 interests were received for EOI 1, while 83 interests were received for EOI 2.

2 EOIs
Issued in 2024

135
Interests received



Digitalisation

Over the last few years, the Procurement Section has dedicated extensive efforts to minimising paper usage. Towards the last quarter of 2024, the Procurement Section reviewed its files and finalised a retention policy in preparation for a fully paperless system. This transition was in line with one of the main aims of the Housing Authority: to digitalise its systems and procedures.

As of November 2024, the Procurement Section transitioned to a completely paperless system, eliminating the need for physical paperwork. This shift is allowing the Authority to manage all documents digitally, streamlining workflows and reducing its carbon footprint.

Finance

A total of 1,778 payments amounting to €9.7 million were processed throughout the year. The payments made are illustrated in the table below.

Year	2022		2023		2024	
Payment type	Number of payments	Expense	Number of payments	Expense	Number of payments	Expense
Works	591	€7,982,667	672	€8,346,933	742	€7,031,644
Services	634	€1,426,059	797	€1,549,071	649	€2,272,450
Supplies	318	€213,603	435	€303,174	387	€365,703
Total	1,543	€9,622,329	1,904	€10,199,178	1,778	€9,669,797

Table 39: Payments Made in 2022, 2023 and 2024

In 2024, a significant portion of the payments were made to works. Figure 19 illustrates the payments made for works as opposed to payments made for services and supplies.

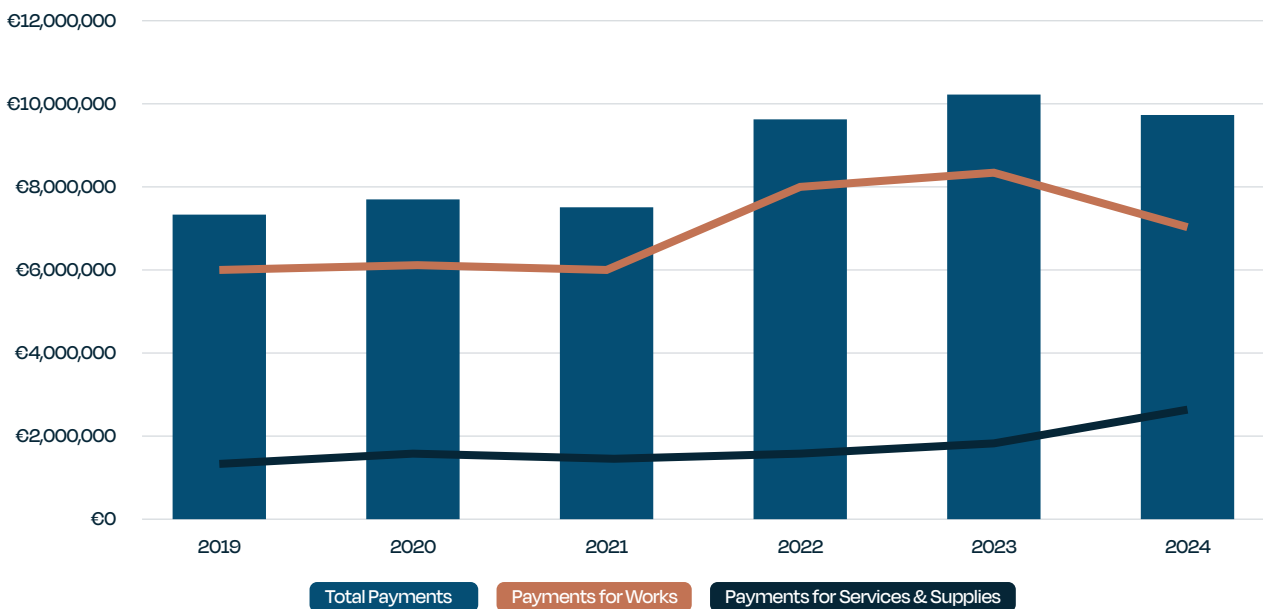


Figure 19: Issued Payments

Revenue

The Revenue Section is responsible for issuing and collecting rents and/or ground rents imposed by the Housing Authority on various properties. As part of the day-to-day work, staff within the section open new accounts into the system, record exchanges and close accounts when the rent is terminated or has expired.

During 2024, a total of 20,654 invoices were issued for rent, common parts, and ground rents. More than 1,300 arrears letters were sent to individuals falling behind in payments. Once arrears exceed the amount established in the policy approved by the Board, files are referred to the Legal Department to issue either a legal or an official letter, as deemed appropriate. During the year, a total of 59 Debtor Agreements were reached for the concerned beneficiaries to pay in monthly instalments.

The section receives payments from 3 primary sources: Local Councils, Housing Authority offices and the Authority's online portal. The main source remains the Housing Authority offices, which account for approximately 58% of the total payments made throughout the year. Nonetheless, thousands of payments were still made through the Authority's online portal, amounting to nearly €450,000, a 2% increase from the amount recorded in the previous year. Furthermore, 2024 marked the first full year in which the Direct Debit System was used for new rental agreements, resulting in 2,647 successful transactions valued at €758,270, yielding a 73% success rate.



20,654

Invoices issued for rent,
common parts and ground rent in 2024





2024 Annual Report

For the Year Ended 31 December 2024

Financial Statements



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Report of the Board Members

For the Year Ended 31 December 2024

The Board presents their annual report together with the audited financial statements of the Housing Authority for the year ended 31 December 2024.

General Information

The Authority was established on 11th October 1976, by an Act in Parliament, entitled Act XV of 1976, known as the Housing Authority Act. The Housing Authority falls under the Ministry for Social and Affordable Accommodation. It has been contributing to the strengthening of Maltese societies ever since its establishment.

Principal Activities

The primary objectives of the Authority are to develop, promote and finance the development of, and to administer, housing estates and other residential and commercial accommodation and related facilities and amenities, to promote and finance home ownership, as well as improve the housing conditions in Malta. These objectives are achieved through the following principal activities:

The development of land by the construction thereon of social housing;

The transfer of housing units, title of which is passed to the Authority by a Presidential Order and Deed of Donation;

The part subsidy of interest paid by owners of premises acquired from the Authority or by owners of houses built on land granted on emphyteusis by the Authority;

The allocation of social housing to members of the public in accordance with the policies laid down by Government;

The distribution of grants and subsidies to families and individuals to improve housing conditions in Malta. This is done through the various schemes offered by the Authority;

The rental of private property by the Housing Authority for a minimum period of ten years and sub-rented at a subsidised premium to social housing tenants as per policy;

The protection of tenants as regulated by the Rent Regulation Board for pre-1995 private property rentals.

Review of Business Development and State of Affairs

During the year, the Authority registered a surplus of €954,230 (2023: deficit of €1,710,544), which is mainly resulting from the increase in government subvention due to cost increases in relation to schemes and grants; particularly, the pre-95 Rent Subsidy given that more beneficiaries are benefitting from this scheme following the unfavourable court ruling towards beneficiaries leading to an increased rent as established by court and resulting in additional subsidies paid by the Authority to such beneficiaries. The increase in costs related to schemes and grants is also attributable to the closure of the EU grant for the installation of lifts in housing blocks, which closed in December 2023. Following the closure of this grant, any subsequent expenditure incurred was financed through the Authority's own funds.

The results are disclosed in the income and expenditure account on page 144.

Events after Balance Sheet Date

No significant events have occurred after the balance sheet date which require mention in this report.

Environmental, Social and Governance Considerations

The Housing Authority in Malta plays a critical role in addressing the environmental, social, and governance (ESG) considerations that are increasingly pivotal in the sustainable development and operational frameworks of public institutions. From an environmental standpoint, the Authority has made strides in incorporating green building standards and energy-efficient practices in its housing projects. Continuous evaluation of its current stock whilst investing in projects which are carbon neutral have been on the authority's agenda in these last years and will be continuing to do so as part of its mission in the coming years. These initiatives not only reduce the carbon footprint of new developments but also promote long-term sustainability and resilience against climate change.

Socially, the Authority is at the forefront of ensuring affordable and accessible housing for all segments of the Maltese population. Its programs aimed at vulnerable groups, including low-income families and individuals with special needs, underscore its commitment to social equity and community well-being. Such initiatives have contributed to an encouraging 82% home ownership rate in Malta, which is considered very positively when compared with the European Union average rate of 69%. By prioritizing social inclusion, the Authority contributes significantly to the social fabric of Malta, enhancing quality of life and fostering cohesive communities.

Governance within the Housing Authority reflects a commitment to transparency, accountability, and ethical practices. The implementation of robust governance frameworks ensures that operations are conducted with integrity, stakeholder interests are safeguarded, and regulatory requirements are meticulously adhered to. This dedication to good governance not only enhances the Authority's reputation but also ensures its operations are sustainable and aligned with best practices in public administration.

Future Developments

The Authority is not envisaging any changes in operating activities for the forthcoming year.

Board Members of the Authority

In accordance with Article 6 of the Housing Authority Act (Cap. 261), the Chairman, Vice Chairman and the other members of the Authority are appointed by the Minister. The Board Members of the Authority are appointed for a term of one year or for such longer period as may be specified in the instrument of appointment. Board Members may be re-appointed on the expiration of their term in office. The Board Members of the Authority who held office during the year were:

Mr Robert Ducker B.Sc. (Hons) Financial Services (UMIST), ACIB - Chairman (reappointed on 13 June 2024)

Mr Kenneth Busuttil B.Ed. (Hons), PGDEL (Melit.) - Deputy Chairman (reappointed on 13 June 2024)

Ms Henriette Cannataci (reappointed on 13 June 2024)

Mr Adrian Farrugia (reappointed on 13 June 2024)

Mr Owen Farrugia (reappointed on 13 June 2024)

Mr Peter Fitzgerald BTEC HND Diploma (Building and Construction, BTEC HND Diploma (Teaching Practice), Electrical wireman's licenses A&B (reappointed on 13 June 2024)

Perit Joseph Grech A&CE (reappointed on 13 June 2024)

Mr Thomas Grima B.Sc.(Hons) Chemistry, Rubber Technologist (reappointed on 13 June 2024)

Ms Deborah Lauria (reappointed on 13 June 2024)

Ms Maria Magri MBA, H. Dip (Melit.) (reappointed on 13 June 2024)

Ms Josephine Spiteri (reappointed on 13 June 2024)

Ms Jennifer Xuereb (reappointed on 13 June 2024)

Board Secretary

Dr Alicia Borg LL.B., LL.D., Advocate (reappointed on 13 June 2024)

Auditors

PKF Malta Limited, Registered Auditors, have expressed their willingness to continue in office and a resolution for their reappointment will be proposed at the Annual General Meeting.

Approved on behalf of the Members of the Authority on 28 March 2025 and signed on its behalf by:



Mr Robert Ducker
Chairman



Mr Kenneth Busuttil
Deputy Chairman

Registered Address:

Housing Authority
22
Pietro Floriani Street
Floriana, FRN1060
Malta

Statement by Board Members

Article 16 of the Housing Authority Act, Cap. 261 of the Laws of Malta requires the Authority to keep proper book of accounts and other records in respect of its operations and to prepare a statement of accounts in respect of each financial year ended in accordance with the provisions of the Act and on the basis of the accounting policies adopted by the Authority. In preparing such financial statements, the Board Members are required to:

Select and apply appropriate accounting policies;

Make judgments and estimates that are reasonable and prudent;

Account for income and charges relating to the accounting period on the accruals basis;

Value separately the components of asset and liability items on a prudent basis; and

Prepare the annual financial statements on a going concern basis unless it is inappropriate to presume that the Authority will continue in operation.

The Board Members of the Authority are also responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position and trading results of the Authority and to enable them to ensure that the financial statements comply with the Housing Authority Act, Cap. 261 of the Laws of Malta. They are also responsible for safeguarding the assets of the Authority and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Board Members are responsible for ensuring that an appropriate system of internal control is in operation to provide them with reasonable assurance with regard to reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.

The Board Members are responsible for the maintenance and integrity of the Annual Financial Report on the website in view of their responsibility for the controls over, and the security of, the website. The financial statements of the Housing Authority for the year ended 31 December 2024 are included in the Annual Financial Report 2024, which is available for viewing or download on the Authority's website. Access to information published on the Authority's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

The Board Members confirm that, to the best of their knowledge:

The financial statements give a true and fair view of the financial position of the Authority as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with the Housing Authority Act, Cap. 261 of the Laws of Malta and on the basis explained in note 1 to the financial statements; and

The Annual Financial Report includes a fair review of the development of the business and the position of the Authority.

Signed on behalf of the Members of the Authority on 28 March 2025 by:



Mr Robert Ducker
Chairman



Mr Kenneth Busuttill
Deputy Chairman

Independent Auditor's Report

To the Board Members of Housing Authority
Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Housing Authority set out on pages 144 to 171 which comprise the statement of financial position as at 31 December 2024, the income and expenditure account, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the balance sheet of the Authority as at 31 December 2024, and of its financial performance and cashflows for the year then ended in accordance with the accounting policies set out in note 2 to the financial statements and have been properly prepared in accordance with the requirements of the Housing Authority Act, Cap. 261 of the Laws of Malta.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board Members are responsible for the other information. The other information comprises the Report of the Board Members but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Report of the Board Members, we also considered whether the report includes the disclosures required by Cap. 261 of the Laws of Malta.

Based on the work we have performed, in our opinion:

The information given in the Report of the Board Members for the financial year for which the financial statements are prepared is consistent with the financial statements; and

The Report of the Board Members has been prepared in accordance with the Housing Authority Act, Cap. 261 of the Laws of Malta.

In addition, in light of the knowledge and understanding of the Authority and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Report of the Board Members and other information. We have nothing to report in this regard.

Responsibilities of the Board Members of the Financial Statements

The Board Members are responsible for the preparation of the financial statements that give a true and fair view in accordance with the accounting policies set out in note 2 to the financial statements and the requirements of the Housing Authority Act, Cap. 261 of the Laws of Malta, and for such internal control as the Board Members determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board Members are responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and

using the going concern basis of accounting unless the Board Members either intend to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board Members.

Conclude on the appropriateness of the Board Members' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board Members regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

Under the Housing Authority Act, Cap. 261 of the Laws of Malta, we are required to report to you if, in our opinion:

We have not received all the information and explanations we require for our audit.

Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.

The financial statements are not in agreement with the accounting records and returns.

We have nothing to report to you in respect of these responsibilities.

The principal in charge of the audit resulting in the independent auditor's report is Mr. George Mangion for and on behalf of



PKF Malta Limited
Registered Auditors
15, Level 3, Mannarino Road
Birkirkara BKR 9080
Malta

28 March 2025

Income and Expenditure Account

For the Year Ended 31 December 2024

	Note	2024 (€)	2023 (€)
Income			
Government Contribution	3.c.	56,750,001	39,183,661
Sale of property	3.a.	14,187,121	10,807,925
Ground rents	3.b.	335,073	336,940
Redemption of ground rents		171,847	215,202
Rents receivable on occupied tenements		3,825,982	3,201,720
Income from Home Ownership Scheme plot developments		1,459,491	1,796,850
Refund of subsidies		677,759	862,064
EU funded grant		107,287	3,888,607
Other income		1,079,614	1,102,688
Total Income		78,594,175	61,395,657
Expenditure			
Cost of housing units sold	3.a.	(6,886,877)	(5,436,107)
Subsidies on sale of housing units	3.a.	(5,147,905)	(4,072,949)
Interest subsidies and loan grants		(85,302)	(67,426)
Schemes and grants		(31,315,689)	(21,152,606)
Common parts and lifts of rented premises		(536,536)	(596,045)
Major repairs and upgrading works		(8,049,734)	(8,346,138)
Rent payable on premises offered for rent		(12,097,720)	(8,612,957)
Wages and salaries	5.	(7,099,041)	(6,336,169)
EU funds project - Regeneration for social housing areas		(392,690)	(3,930,646)
Development costs	6.	(70,000)	(81,344)
Administrative expenses		(5,036,943)	(4,102,972)
Provision for legal claims		(921,361)	(370,807)
Finance costs		(147)	(35)
Total Expenditure		(77,639,945)	(63,106,201)
Surplus/(Deficit) for the year		954,230	(1,710,544)

The notes on pages 150 to 171 form an integral part of these financial statements.

Statement of Financial Position

As at 31 December 2024

	Note	2024 (€)	2023 (€)
ASSETS			
Non-current assets			
Intangible assets	7.	316,955	208,543
Property, plant and equipment	8.	13,152,289	9,093,051
Undeveloped land	9.	43,286,619	42,273,386
Interest in property acquired under equity sharing schemes	10.	20,247,096	15,978,029
Land passed on for development	11.	26,192,027	37,971,414
Developed land held for affordable housing	11.	17,478,648	6,685,402
Loan receivable	12.	500,000	500,000
Trade and other receivables	14.a.	3,215,187	3,675,840
Total non-current assets		124,388,821	116,385,665
Current assets			
Inventory of housing projects for development and resale	13.a.	200,369,050	203,241,418
Other inventory	13.b.	58,353	54,762
Trade and other receivables	14.b.	12,969,257	13,467,456
Cash and cash equivalents	15.	4,583,769	3,981,897
Total current assets		217,980,429	220,745,533
TOTAL ASSETS		342,369,250	337,131,198

Statement of Financial Position (continued)

	Note	2024 (€)	2023 (€)
EQUITY AND LIABILITIES			
Equity			
Endowment capital	16.a.	304,948,411	301,739,345
Accumulated surplus	16.b.	6,278,951	5,324,721
Total equity		311,227,362	307,064,066
Liabilities			
Non-current liabilities			
Other financial liabilities	17.	10,383,894	5,710,164
Deferred income	18.	18,379,908	20,597,234
Total non-current liabilities		28,763,802	26,307,398
Current liabilities			
Trade and other payables	19.	2,378,086	3,759,734
Total liabilities		31,141,888	30,067,132
TOTAL EQUITY AND LIABILITIES		342,369,250	337,131,198

The notes on pages 150 to 171 form an integral part of these financial statements.

These financial statements on pages 144 to 171 were approved by the Members of the Board of the Housing Authority on 28 March 2025 and were signed on its behalf by:



Mr Robert Ducker
Chairman



Mr Kenneth Busuttill
Deputy Chairman

Statement of Changes in Equity

For the Year Ended 31 December 2024

2024	Endowment capital (€)	Accumulated surplus (€)	Total Equity (€)
Balance as at 01 January 2024	301,739,345	5,324,721	307,064,066
Surplus for the year	-	954,230	954,230
Value of properties transferred during the year recognised in equity	3,209,066	-	3,209,066
Balance as at 31 December 2024	304,948,411	6,278,951	311,227,362

2023	Endowment capital (€)	Accumulated surplus (€)	Total Equity (€)
Balance as at 01 January 2023	296,214,117	7,035,265	303,249,382
Deficit for the year	-	(1,710,544)	(1,710,544)
Value of properties transferred during the year recognised in equity	5,525,228	-	5,525,228
Balance as at 31 December 2023	301,739,345	5,324,721	307,064,066

The notes on pages 150 to 171 form an integral part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2024

	Note	2024 (€)	2023 (€)
Cash from operating activities:			
(Deficit) / Surplus for the year		954,230	(1,710,544)
Government funding receivable	3.c.	(56,750,001)	(39,183,661)
Depreciation and amortisation	7,8	466,972	352,583
Movement in provision for doubtful debts and ground rents, rent and common part areas	14.b.	35,309	(13,706)
EU grant on regeneration of social housing		(107,287)	(3,888,607)
Deficit from operations		(55,400,777)	(44,443,935)
Movement in inventories	13.	6,883,286	5,422,205
Movement in trade and other receivables	14.	998,566	(1,596,434)
Movement in trade and other payables	19.	(1,381,647)	632,395
Movement in deferred income	18.	(2,217,326)	(524,934)
Payments made to acquire expropriated land	13.	(832,534)	(10,902)
Cash generated from operations		(51,950,432)	(40,521,605)
Net cash flows used in operating activities		(51,950,432)	(40,521,605)

	Note	2024 (€)	2023 (€)
Cash flows from investing activities:			
Payments to acquire property, plant and equipment and intangible assets	7,8	(4,634,624)	(3,262,703)
Payments for acquisition of property under the equity sharing scheme	10.	(4,429,067)	(5,546,696)
Settlement received from equity sharing scheme	10.	160,000	123,445
Net cash flows used in investing activities		(8,903,691)	(8,685,954)

Statement of Cash Flows (continued)

	Note	2024 (€)	2023 (€)
Cash flows from financing activities:			
Advances received from other government entities	17.	4,673,730	2,206,206
Government funding received	3.c.	57,700,001	40,241,166
Expenditure on grant on first residences scheme		(1,025,023)	(1,035,618)
EU grant received on regeneration of social housing		107,287	3,888,607
Loan advances granted to other government entities	12.	-	(500,000)
Net cash flows from financing activities		61,455,995	44,800,361

	Note	2024 (€)	2023 (€)
Net cash from/(used in) in cash and cash equivalents		601,872	(4,407,198)
Cash and cash equivalents at beginning of year		3,981,897	8,389,095
Cash and cash equivalents at end of year	15.	4,583,769	3,981,897

The notes on pages 150 to 171 form an integral part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2024

1. Basis of Preparation

a. Statement of Compliance

The financial statements have been prepared on the basis of the accounting policies set out below and in accordance with the Housing Authority Act, Cap. 261 of the Laws of Malta.

b. Basis of Measurement

The financial statements have been prepared on the historical cost basis except for the valuation of undeveloped land, land for development and property for development and resale as explained in note 2(c).

c. Functional and Presentation Currency

The financial statements are presented in euro (€), which is the Authority's functional currency.

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognised in the income and expenditure account.

d. Use of Estimates and Assumptions

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

e. Going Concern

The financial statements have been prepared on the going concern basis which assumes that the Government of Malta will continue to provide the necessary funding to the Authority to enable it to continue with its activities.

2. Significant Accounting Policies

a. Intangible Assets

i. Recognition and Measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination are their fair value as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the income and expenditure account in the year in which the expenditure is incurred.

ii. Amortisation

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation

period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the income and expenditure account in the expense category consistent with the function of the intangible assets.

The estimated useful life of computer software is 5 years.

Derecognition of intangible assets

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the income and expenditure account when the asset is derecognised.

b. Property, Plant and Equipment

i. Recognition and Measurement

Items of property, plant and equipment, are measured at cost, which includes expenditure that is directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the assets to a working condition for their intended use, and the costs of dismantling and removing the items and restoring the site on which they are located, less accumulated depreciation and any accumulated impairment losses.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the income and expenditure account.

ii. Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated as it is deemed to have an indefinite useful life. The estimated useful lives are as follows:

Freehold buildings	20 years
Office furniture, fittings and equipment	3-10 years
Motor vehicles	5 years

Depreciation method, useful life and residual value

The depreciation method applied, the residual value and the useful life are reviewed on a regular basis and when necessary, revised with the effect of any changes in estimate being accounted for prospectively.

Derecognition of property, plant and equipment

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset is included in the income and expenditure account in the period the asset is derecognised.

c. Immovable Property

i. Undeveloped Land

This represents various parcels of land, the title of which was passed to the Authority by the Government of Malta by means of a Presidential Order and Deed of Donation.

ii. Land for Development

This represents various parcels of land transferred to another government entity as per agreement signed with the Authority on 5 July 2021 whereby the latter has transferred the parcels of land to the other government entity by title of temporary emphyteusis and in turn the government entity has agreed to lease back and grant possession of the property sites to the Authority to undertake a social housing project, and various parcels of land transferred to a third party as per agreement signed with the Authority on 29 December 2017 whereby the latter has granted a temporary emphyteutical grant to the third party for a period of twenty-eight (28) years. On 28 November 2023, the Authority and the government entity extended the term of the temporary emphyteusis by an additional eight (8) years, such that the revised term will be for a period of thirty-six (36) years.

iii. Property for Development and Resale

Housing projects for development and re-sale comprise:

- Land;
- Units under construction;
- Developed units awaiting finalisation of legal transfer to named beneficiaries;
- Developed units under the administration of the Department of Lands; and
- Developed units rented out to third parties.

Immovable property held under undeveloped land, land for development and housing projects for development and resale is stated according to a valuation model which is aimed to approximate the value at which each property would eventually be passed on to the end user. This model has been arrived at by the Authority's Estate Management Department, and takes into account such parameters as property size, number of storeys, type of property, location and so on.

d. Impairment of Assets

The carrying amounts of the Authority's assets, other than housing projects for development and resale, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income and expenditure account.

e. Trade and Other Receivables

Trade receivables are recognised initially at fair value less provision for impairment. Trade receivables are reviewed for recoverability on a case by case basis and any provision is based on management's assessment of the amount recoverable on each receivable and where this is not easily ascertainable, a general provision of 15% is to be accounted for.

f. Cash and Cash Equivalents

Cash reported in the statement of financial position and statement of cash flows comprises cash in hand and at bank.

g. Deferred Income

Deferred income represents amounts received on the sale of the developed housing units pending finalisation of legal transfer to named beneficiaries and deposits on account of preliminary sale agreements. Such income is credited to the income and expenditure account in line with note 2(l)(i).

h. Trade and Other Payables

Trade and other payables are carried at cost which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the Authority.

i. Provisions and Contingent Liabilities

Provisions are recognised when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that the Authority will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

A contingent liability is disclosed where the existence of the obligation will only be confirmed by future events or where the amount of the obligation cannot be measured with sufficient reliability.

j. Borrowing Costs

Borrowing costs consist of interest and other costs that the Authority incurs in connection with the borrowing of funds. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. In view of the borrowings of the Authority all interest costs were expensed in the period.

k. Government Grants

Government grants are assistance by government, inter-governmental agencies and similar bodies whether local, national or international, in the form of cash or transfers of assets to the Authority in return for past or future compliance with certain conditions relating to operating activities of the Authority. Government grants are recognised when there is reasonable assurance that the Authority will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised in the income and expenditure account when received so as to match them with the expenditure towards which they are intended to contribute. Any grants relating to future periods are recognised as deferred income.

Government grants related to assets are presented in the statement of financial position as deferred income, which is recognised as income on a systematic basis over the useful life of the asset.

l. Income Recognition

Income is recognised to the extent that it is probable that the economic benefits will flow to the Authority and the revenue can be reliably measured. Income is measured at fair value of the consideration received, excluding discounts, rebates and other sales taxes or duty. The following specific recognition criteria must also be met before income is recognised:

i. Sale of Property

Revenue from the developed housing units represents amounts received and receivable and is recognised upon finalisation of the transfer deed. Housing units transferred to the Authority by a Presidential Order, not yet the subject of a sale at the end of the accounting year, are noted in the records of the Authority. The contractual value of these units is recognised as income when legal transfer to the beneficiary is effected.

ii. Interest Income

Revenue is recognised as interest accrues using the effective interest rate, that is, the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument to the net carrying amounts of the financial asset.

iii. Rental Income

Rental income includes rents receivable on occupied tenements from the date of the contract and ground rents receivable on property transferred to the Authority and allocated to beneficiaries on perpetual emphyteusis. It is accounted for on a straight line basis over the lease terms.

iv. Other Income

Other income represents the redemption of ground rents on property transferred to the Authority, refund of subsidies and other administrative income.

m. Cost of Housing Units Sold

On legal transfer of all developed housing units to the beneficiaries, the relevant costs are expensed. The cost of land acquired is written off on transfer of legal title to the beneficiaries.

n. Subsidies**i. Subsidies on Sale of Housing Units**

Subsidies on housing units, representing the difference between the contractual value of the housing units (note 2(I)(i)) and the net sale proceeds, are recognised in the year of sale.

ii. Interest Subsidies

Interest subsidies are expensed as incurred, over the time period during which the beneficiaries pay interest at subsidised rates, on loans taken out to acquire housing units or to develop land granted by the Authority under a title of emphyteusis.

o. Taxation

By virtue of Article 19 of the Housing Authority Act, Cap. 261 of the Laws of Malta, the Authority is exempt from any liability for the payment of income tax, duty on documents and customs duty under any law for the time being in force.

3. Income

a. Sale of Property

	2024 (€)	2023 (€)
Sale of developed property	2,945,087	2,782,846
Sale of property held for rental	11,242,034	8,025,079
Total sale of property	14,187,121	10,807,925
Cost of housing units sold	(6,886,877)	(5,436,107)
Subsidies on sale of housing units	(5,147,905)	(4,072,949)
Gain on property sold	2,152,339	1,298,869

b. Ground Rents

	2024 (€)	2023 (€)
Commercial / subsidised price	335,073	336,940
Total	335,073	336,940

c. Government Contribution

The following were the amounts received by the Housing Authority from the Ministry of Finance and Employment as provided for in the Government's Budget for the years ended 31 December 2024 and 31 December 2023:

	2024 (€)	2023 (€)
Contribution received under Recurrent Vote 21 item 6793 - Housing Authority	10,500,000	6,800,000
Contribution received under Recurrent Vote 21 item 5287 - Housing Programmes	29,300,000	28,882,358
Contribution received under Recurrent Vote 21 item 5405 - Grant for first-time buyers	4,691,000	2,631,000
Additional funds received under Recurrent Vote 21 item 5287 - Housing Programmes	12,259,001	870,303
	56,750,001	39,183,661
Contribution received under Recurrent Vote 21 item 5404 - Expenditure Reporting Schemes	950,000	1,057,505
Expenditure on reporting scheme - Grants on First Residences	(950,000)	(1,057,505)
	56,750,001	39,183,661

During the year under review, the Authority received an additional Government subvention under Recurrent vote 21 item 5287 of €12,259,001 to finance the Authority's costs in relation to its various schemes and grants.

4. Surplus / (Deficit) for the Year

a. Auditor's Remuneration

Total remuneration paid to the Authority's auditors during the year amounted to:

	2024 (€)	2023 (€)
Audit fee	5,310	5,310
Total	5,310	5,310

b. Surplus / (Deficit) for the Year

Surplus / (Deficit) for the year is stated after charging the following:

	2024 (€)	2023 (€)
Audit fee	5,310	5,310
Depreciation and amortisation	466,974	352,583
Total	472,284	357,893

5. Wages and Salaries

a. Wages and Salaries

Payroll costs for the year comprise of the following:

	2024 (€)	2023 (€)
Honoraria	169,988	162,859
Wages and salaries	6,382,466	5,715,785
Employer's share of social security contributions	483,740	417,650
Other board salaries	62,847	39,875
Total	7,099,041	6,336,169

b. Average Number of Employees

The average number of persons employed by the Authority during the year was as follows:

	2024 (No.)	2023 (No.)
Members of the board	13	13
Other board members	36	33
Employees	205	200
Total	254	246

6. Development Costs

	2024 (€)	2023 (€)
Other government entity's funded project (note i)	50,000	50,000
Ta' Cnus Project (note ii)	20,000	31,344
Total	70,000	81,344

(i) This project relates to the construction and finishing of a number of residential blocks located in various sites around Malta where such funding is to be financed from another government entity. As per agreement signed in 2021, the other government entity binds itself to the Housing Authority to finance the construction, finishing and completion of this housing project through an amount repayable after 65 years. Development costs are capitalised as part of property, plant and equipment (note 8.a.). Only the lease of the property sites payable to the other government entity is recognised in the Income and Expenditure Account.

(ii) These affordable housing projects are being developed through a government entity.

7. Intangible Assets

	Computer software (€)
Cost	
At 01 January 2024	948,740
Additions	279,634
Balance at 31 December 2024	1,228,374
Accumulated amortisation and impairment losses	
At 01 January 2024	(740,197)
Amortisation charge for the year	(171,222)
Balance at 31 December 2024	(911,419)
Carrying amount	
At 01 January 2024	208,543
At 31 December 2024	316,955

8. Property, Plant and Equipment

	Buildings under Construction €	Freehold buildings €	Office furniture, fittings and equipment €	Motor vehicles €	Improvements to buildings €	Total €
Cost						
At 01 January 2024	8,043,196	1,170,652	1,816,542	339,935	770,642	12,140,967
Additions	3,778,524	-	163,647	40,075	372,744	4,354,990
Disposals	-	-	-	(16,300)	-	(16,300)
Balance at 31 December 2024	11,821,720	1,170,652	1,980,189	363,710	1,143,386	16,479,657
Accumulated depreciation and impairment losses						
At 01 January 2024	-	(1,084,203)	(1,470,460)	(240,342)	(252,911)	(3,047,916)
Depreciation charge	-	(22,772)	(128,516)	(32,913)	(111,551)	(295,752)
Depreciation released on disposal	-	-	-	16,300	-	16,300
Balance at 31 December 2024	-	(1,106,975)	(1,598,976)	(256,955)	(364,462)	(3,327,368)
Carrying amount						
At 01 January 2024	8,043,196	86,449	346,082	99,593	517,731	9,093,051
At 31 December 2024	11,821,720	63,677	381,213	106,755	778,924	13,152,289

a. Buildings under Construction

This relates to the construction and finishing of a number of residential blocks located in various sites around Malta where such funding is to be financed from another government entity. As per agreement signed in 2021, this government entity binds itself to the Housing Authority to finance the construction, finishing and completion of this housing project through an amount repayable after 65 years. See also note 6.

In addition to the above, buildings under construction also includes capital expenditure in relation to the project providing affordable accommodation to a self-financed project at the site of Tal-Patri, Block B & C, Fgura to attain the objective regarding 'Towards Sustainable Communities: Affordable Housing Initiative'. See note 6.

b. Freehold Buildings

The Authority follows ad-hoc accounting policies for the recognition and measurement of Property, Plant, and Equipment. In accordance with these policies, freehold buildings is measured at cost less accumulated depreciation and impairment losses. Further details of the Authority's accounting policy are provided in Note 2b to the financial statements.

As part of an informational review, the Authority conducted a valuation exercise to assess the fair value of its freehold buildings. The latter comprises the premises in Floriana which serve as the Authority's main offices and administrative headquarters. The valuation was conducted on 2 May 2024 by an independent and professionally qualified external architect, DHI Periti. Based on this valuation, the fair values of the properties were determined to be €2,131,750, compared to the carrying values in the financial statements, which amounted to €63,677. Despite the completion of this valuation exercise, the Authority continues to recognise its freehold buildings at cost, in line with its ad-hoc accounting policies. Accordingly, the valuation is used for informational purposes only and does not impact the carrying values reported in the financial statements.

9. Undeveloped Land

This represents various parcels of land, the title of which was passed to the Authority by the Government of Malta by means of a Presidential Order and Deed of Donation. This land is carried at an architect's valuation.

	2024 (€)	2023 (€)
Balance as at 1 January	42,273,386	42,273,386
Additions	27,091	-
Transfers from another government entity	986,142	-
Balance as at 31 December	43,286,619	42,273,386

10. Interest in Property Acquired under Equity Sharing Scheme

This represents the assistance given by the Authority to first-time buyers who wished to purchase property from the private sector. This scheme was launched in February 2007 but was terminated in 2008.

In 2019, the Authority launched a new Equity Sharing Scheme to aid persons over the age of 40 in becoming homeowners. As from 2023, persons over the age of 30 could also apply for this scheme.

	2024 (€)	2023 (€)
Balance as at 1 January	15,978,029	10,554,778
Additions	4,429,067	5,546,696
Redemptions	(160,000)	(123,445)
Balance as at 31 December	20,247,096	15,978,029

11. Land for Development

	2024 (€)	2023 (€)
Land transferred to third parties (note i)	8,334,983	20,114,370
Land transferred to a government entity (note ii)	17,857,044	17,857,044
Land for development	26,192,027	37,971,414
Developed land (note iii)	17,478,648	6,685,402
	43,670,675	44,656,816

(i) This represents various parcels of land transferred to a third party as per agreement signed with the Authority on 29 December 2017, whereby the latter has granted a temporary emphyteutical grant to the third party for a period of twenty-eight (28) years. On 28 November 2023, the Authority and the third party extended the term of the temporary emphyteusis by an additional 8 years, such that the revised term will be for a total period of 36 years.

(ii) This represents various parcels of land transferred to a government entity as per agreement signed with the Authority on 5 July 2021, whereby the latter has transferred the parcels of land to the other government entity by title of temporary emphyteusis and in turn the government entity has agreed to lease back and grant possession of the property sites to the Authority to undertake a social housing project.

These properties were previously recorded as part of undeveloped land and inventory of housing projects for development and resale (see notes 9. and 13.).

(iii) This represents various parcels of land transferred to a third party whose construction works have been finalised and are currently being used for affordable housing purposes.

12. Loans and Receivables

	2024 (€)	2023 (€)
Loan receivable from other government entities	500,000	500,000
Total	500,000	500,000

The Authority has a non-interest bearing loan receivable from another government entity which was granted on 27 February 2023. Repayment commences 5 years from the date of agreement after which is repayable in monthly instalments of €4,200 over a period of 10 years. This amount was granted by the Authority to assist in covering the financial burdens related to the projects at Tal-Patri in Fgura and the rehabilitation of a property in Kirkop.

13. Inventory

a. Inventory of Housing Projects for Development and Resale

Inventory of housing projects for development and resale mainly represents land, units under construction, developed units awaiting finalisation of legal transfer to beneficiaries, developed units under the administration of the Department of Lands and developed units rented out to third parties.

	2024 (€)	2023 (€)
Land	133,950,992	135,459,725
Construction and development costs	66,418,058	67,781,693
Total	200,369,050	203,241,418

(i) During the year, the Government of Malta transferred to the Authority, by means of deeds of donations, various parcels of land and overlying buildings (consisting of various housing estates) amounting to €2,476,109 (2023: €4,489,398) and €732,957 (2023: €1,035,830) respectively. The cost of the aforementioned land and buildings was arrived at on the basis worked by the Estate Management Department.

(ii) The Authority purchased property during the year for which the total value amounted to €805,443 (2023: €10,902).

b. Other Inventory

	2024 (€)	2023 (€)
Office consumables	58,353	54,762
Total	58,353	54,762

This comprises office consumables such as toners, stationery and cleaning products used in the daily operations of the Authority.

14. Trade and Other Receivables

a. Non-Current Assets

	2024 (€)	2023 (€)
Amount receivable from beneficiaries relating to property sold	3,215,187	3,675,840
Total	3,215,187	3,675,840

b. Current Assets

	2024 (€)	2023 (€)
Amounts due from beneficiaries (note i)	561,325	586,464
Amounts due relating to rent, ground rent, common parts (note ii)	1,938,226	1,785,329
Accrued Income	1,034,454	1,033,969
Prepayments	5,328,902	3,780,972
Deposits on promise of sale scheme	2,249,248	2,022,796
Amounts receivable from related parties	143,376	880,792
Advance payments	1,338,346	3,051,183
Other receivables	375,380	325,951
Total	12,969,257	13,467,456

(i) Amounts due from beneficiaries are net of a provision for doubtful debts amounting to €161,554 as at 31 December 2024 (2023: €155,074).

(ii) As at 31 December 2024, the total amount of provision relating to ground rent, rent and common parts arrears amounted to €297,097 (2023: €268,268).

15. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of the cash flow statement are as follows:

	2024 (€)	2023 (€)
Cash in hand	11,580	191,848
Cash at bank	4,572,189	3,790,049
Total cash and cash equivalents in the statement of cash flows and statement of financial position	4,583,769	3,981,897

The cash in hand and cash at bank closing balances include the following guarantees:

	2024 (€)	2023 (€)
Deposit in a Bank of Valletta Home Assist Loans Funds account for the Housing Authority Repayment Assistance Scheme	1,000,000	1,000,000
Deposit in an APS bank account for the Social loans: Home Acquisition and Contents Plan	600,000	600,000
Deposit in a Bank of Valletta account for the Scheme on 10% deposit for the purchase of property	250,000	250,000
Deposit in an APS bank account for the scheme on 10% deposit for the purchase of a property	250,000	250,000
Umbrella Performance Guarantee required by the Building and Construction Authority for the Avoidance of Damages to Third Party Properties	55,000	55,000
	2,155,000	2,155,000

In addition to the above, as at 31 December 2024, the Housing Authority has pledged the amount of €8,750 (2023: €8,750) in favour of a third party so that the latter could be given a bank loan from Bank of Valletta and eventually benefit from the Social Loan Scheme.

The Authority has an overdraft facility with a local banking institution at its disposal amounting to €4,658,750 (2023: €4,658,750) to be used to honour commitments on house building programs. The facility is subject to an effective interest rate of 2.75% (2023: 2.75%).

16. Reserves

a. Endowment Capital

The endowment capital represents the estimated market value of land transferred for no consideration to the Authority by the Government of Malta by means of a Presidential Order and Deed of Donation. It also includes various parcels of land and overlying buildings (consisting of various housing estates) passed on to the Authority by the Government of Malta during 2012 and 2014 until 2024 by means of a Presidential Order and a Deed of Donation (refer to notes 9, 11. and 13.a.).

	2024 (€)	2023 (€)
Balance at 01 January	301,739,345	296,214,117
Market value of properties transferred during the year	3,209,066	5,525,228
Balance at 31 December	304,948,411	301,739,345

b. Accumulated Fund

The accumulated fund represents accumulated losses carried forward.

17. Other Financial Liabilities

	2024 (€)	2023 (€)
Amount payable to other government entities	10,383,894	5,710,164
Total	10,383,894	5,710,164

The Authority has an amount payable to a government entity as at 31 December 2024 which bears an interest of 1% per annum and is repayable within 65 years from date of agreement. This amount was granted to the Authority for the specific purpose of enabling it to implement the Social Housing Project.

18. Deferred Income

Deferred income represents amounts received on the sale of the developed housing units pending finalisation of legal transfer to named beneficiaries and deposits on account of preliminary sale agreement.

	2024 (€)	2023 (€)
Deferred income	18,379,908	20,597,234
Total	18,379,908	20,597,234

19. Trade and Other Payables

	2024 (€)	2023 (€)
Trade payables	471,425	735,709
Amount payable to other government entities	65,476	823,599
Accruals	659,036	708,264
Advance deposits	292,137	293,620
Deferred income	422,399	421,003
Housing development fund	52,070	351,980
Other payables	415,543	425,559
Total	2,378,086	3,759,734

20. Contingent Liabilities

At balance sheet, the Authority had the following contingent liabilities:

a. Guarantees

Guarantees given on behalf of applicants in favour of:

	2024 (€)	2023 (€)
HSBC Bank Malta p.l.c.	2,336,746	2,720,163
Bank of Valletta p.l.c.	4,247,656	3,886,333
APS Bank Limited	299,379	432,379
BNF Bank p.l.c.	126,000	126,000
Total	7,009,781	7,164,875

b. Litigation

The Authority has a number of pending litigations relating to compensation for requisition orders in previous years and to claims made by contractors on building projects. The outcome of such litigations cannot be determined and the amount of any possible liabilities cannot be quantified at this stage.

21. Commitments

At balance sheet date, the Authority had capital commitments authorised and contracted for in respect of housing projects, amounting to €20,401,838 (2023: €8,750,084).

As at 31 December 2024, the Authority had maximum commitments in respect of grants given on Housing Authority schemes amounting to €3,894,130 (2023: €7,351,639). The Authority also had commitments in respect of rent payable to landlords under 'Nikru Biex Nassistu', 'Skema Kiri' and 'Rehabilitation of Vacant Dwellings' amounting to €9,797,511 (2023: €7,395,696).

22. Comparative Figures

Certain comparative figures have been reclassified to conform with the current year's presentation for the purpose of fairer presentation.

Schedules

Schedule of Administrative Expenses

	2024 (€)	2023 (€)
Advertising	221,380	262,247
Audit fee	5,310	5,310
Bank charges	38,471	38,986
Cleaning	58,425	27,954
Computer expenses	516,570	220,934
Legal and professional fees	2,119,904	1,806,912
Depreciation and amortisation	466,974	352,583
Electricity & water	(63,549)	31,809
Insurance	32,071	20,995
Repairs and maintenance	103,303	49,475
Staff welfare	134,736	105,874
Telecommunication	58,407	51,775
Transport	92,173	95,534
Training	40,214	9,643
Travel - overseas	21,410	8,184
Stationery and printing	253,362	208,646
Rent	344,159	297,783
Sundry material and services	36,631	42,238
Hospitality	71,769	55,944
Increase in provision for doubtful debts	35,309	(13,706)
Eviction and inspection expenses	35,822	72,423
Emergency and tragedy assistance	768	-
Private residential leases unit	86,647	67,252
Pre-1995 rent unit	326,677	284,177
Total	5,036,943	4,102,972



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