



## **Adaptation Works in Dwellings Occupied by Tenants and Owners**

### **1. Purpose of Scheme**

The aim of this scheme is to provide subsidies so that residential premises which both privately Government owned will be rendered habitable to an acceptable standard. Landlords of private dwellings rented to tenants can apply for assistance to eliminate any dangerous structures.

### **2. Definition**

In this Scheme, unless the context otherwise requires:-

"aggregate annual income" has the same meaning assigned to it in article 11 of this Scheme;

"applicant" means a person who applies for the cash assistance to carry out adaptation and improvement works under this Scheme in a dwelling house and when the application is made by two or more persons jointly, application shall include all applicants;

"appointed day" means the day on which this Scheme comes in force;

"the Authority" means the Housing Authority established by section 3 of the Housing Authority Act, 1976, (Cap 261)-,

"beneficiary" has the same meaning assigned to it in section 2 of the Principal Act;

"the Chairman" means the Chairman of the Housing Authority and includes any person authorized to act on his behalf;

"dwelling-house" has the same meaning assigned to it in section 2 of the Principal Act and includes houses owned or leased by the Government, the Housing Authority, the Joint Office, any parastatal body or local Authorities;

"direct owner" includes perpetual emphyteuta;

"emphyteuta" includes a sub-emphyteuta, and emphyteuta has the same meaning assigned to it in Clause 4 of this scheme.

"Financial Institution" means a financial institution approved by this Authority;

"Government" means the Government of Malta;

"ordinary residence" does not include a summer residence;

"prescribed" means prescribed by the Authority;

"recognised tenant" means a person occupying a private dwelling-house under a title of lease from the lessor or under a title of emphyteusis in terms of Clause 4 and recognised as such by the lessor or direct owner and a person occupying a Government owned dwelling-house (ordinary residence) under a title of lease from the Government;

"Principal Act" means the Home Ownership (Encouragement) Act XXIII of 1988;

"owner" means a co-owner and a person holding a dwelling house either under a title of perpetual emphyteusis or on a temporary emphyteusis of forty (40) years or more;

"basic year" means the calendar year immediately preceding the year in which an application under this Scheme is made and with reference to Clause 11;

In this Scheme the singular shall import the plural and the masculine shall import the feminine.

### **3. Applications for Assistance under the Scheme**

- (i) Any person qualified to apply for Assistance under this Scheme may make an application on the prescribed form to the Authority requesting assistance to carry out adaptations or improvements in the said premises occupied by him as his ordinary residence.
- (ii) The Assistance available under this Scheme shall consist of an Adaptation Cash Assistance.
- (iii) An applicant who, on the first date of publication of this scheme in the Government Gazette, has a pending application under any previous adaptation schemes of the Housing Authority, and has not entered into final deed with the Authority as regards that application, the application shall be considered under this scheme. Provided that the administrative charge already paid with the first application will not be refunded.

### **4. Qualifications to Apply for Assistance under this Scheme**

A person shall qualify to apply for Assistance under this Scheme, if on the date of application:

- (i) the applicant:
  - (a) is the owner of; or
  - (b) has on temporary emphyteusis of more than forty years duration from date of original constitution of the emphyteutical grant; or
  - (c) has usufruct on property; or
  - (d) is the recognised tenant / temporary emphyteuta of;

the premises in respect of which he is applying for Assistance available under this Scheme, and must be

- (ii) (a) one of the couple is a Maltese citizen or a European citizen; and
- (b) he/she and his / her spouse are ordinary residents of Malta and have been so resident continuously for not less than twelve consecutive months immediately preceding the date of application; and
- (c) in the case of married couples who are not legally or *bona fide de facto* separated the application for Assistance under this Scheme must be made by both spouses jointly;
- (d) In the cases where, in the absolute discretion of the Housing Authority, the spouses are considered to be '*bona fide de facto*' separated the application may be filed by one of the spouses who is actually residing in the premises concerned. In such a case, the spouse residing permanently in the premises will qualify even in the cases where the rent receipts are issued in the name of the other spouse; and in this case the person must be a Maltese citizen and an ordinary resident of Malta; and
- (iii) in case of tenants he/she has already entered into a contract of the type referred to in the following paragraph before the appointed day with the lessor or direct owner which is either in its original period or has been renewed or converted into a lease according to law ; and
- (a) the contract is of the following types;
- a contract of lease (a contract of lease includes receipts of rents paid) entered into before the appointed day; or
  - a grant of temporary emphyteusis not exceeding 21 years entered into before the appointed day; and
- provided in all cases the Authority is satisfied in its absolute discretion that there is no collusion between the parties; and
- (b) in the case of an emphyteutical grant, the grant is still current, provided that the emphyteuta has the right to continue to occupy the dwelling house under title of lease on the expiry of the grant; and
- (iv) engaged couples, whose application shall be made in their joint names and both must be over eighteen years of age. In such a case they shall be jointly and severally liable for the carrying out of all the conditions laid down in this Scheme; and
- (v) the dwelling house has been declared by the Housing Authority or by a competent Court or are considered by the Authority sub-standard; and

- (vi) the use of the premises for residential purposes is lawful; and in accordance with the contractual obligations of the lease or of the deed of temporary emphyteusis whichever is the case; and
- (vii) the dwelling house on which subsidy is being requested was built at least fifteen (15) years prior date of application.

## **5. Disqualification**

A person shall not qualify to make an application under this Scheme if:

- (i) applicants have already benefited from any assistance under what used to be known as the "Home Ownership Scheme", from any other schemes issued by the Housing Authority or from any other assistance for the encouragement of home ownership by the Department of Social Housing or by the Lands Department or by the Authority or by any of them jointly; However in the case of one of the applicants who had broken their engagement/marriage on which basis he had so benefited and one party of the couple had transferred to the other party the rights on property on which the subsidy was enjoyed (and were applicable the subsidy enjoyed was refunded in full) the party who had transferred his/her rights can apply under this application.

In this case Clause 5 sub-clause (iv) does not apply as so far as it affects the property on which subsidy was enjoyed.

- (ii) benefited from assistance under any scheme issued by the Housing Authority of the Government for the carrying out of adaptation and improvement works; but if applicant has already benefited under these schemes he can re-apply under this notice provided that:-
  - (a) the adaptation works on which aid is being requested under this scheme are not the same adaptation works for which aid had been granted to the applicant for the carrying out of adaptation and improvement works; and
  - (b) the total amount of the grants enjoyed under the adaptation schemes which the applicant had benefited under it for carrying out of adaptation and improvement works together with the grant to be enjoyed under this Scheme do not exceed together the sum of €14,000 as laid down in Clause 11; and/or
- (iii) a year before the date of application till the approval of the grant of subsidy under this Scheme:-
  - (a) had in his possession immovable property either in whole or in part ownership, either on their own nor in partnership, on absolute ownership or on perpetual emphyteusis and on which a building permit for habitation purposes has been issued or can be issued by the Planning Authority.
  - (b) had in his possession in full ownership or in part ownership, either or together with others, property suitable for habitation purposes or on perpetual emphyteusis or on temporary emphyteusis of more than 40 years duration from date of original constitution of the emphyteutical grant of the said temporary emphyteusis.

- (c) had in his possession holdings or shares in any commercial body which a year prior to application had immovable property or as mentioned in the two preceding subparagraphs.

However an applicant will not be disqualified under this article for the simple reason that he possesses as indicated above a property under absolute ownership or lease if in the absolute discretion of the Housing Authority the premises whether occupied or not are not adequate for accommodation for the applicant/s and his family; and/or

- (iv) the applicant has acquired land from the Government which had been expropriated by virtue of the provisions of the Building Development Areas Act 1983. (Cap. 303) or premises from the Housing Authority, the Department of Social Accommodation, Joint Office or other parastatal bodies; and/or

This clause shall remain applicable at the absolute discretion of the Housing Authority to have the right to accept applications that fall under this clause as long as it considers applications to be genuine.

- (v) (a) the aggregate annual income of the applicant/s exceeds the sum stipulated in clause 11; and/or
  - (b) applicant and spouse possess capital exceeding €60,000 during the twelve months (12) preceding the date of application till the approval of the grant of subsidy under this Scheme. These assets do not include the bedroom furniture, sitting room, dining room and kitchen. It also does not include the bathroom. These assets might include shares in any commercial body, immovables or shares in immovables in which case their valuation will be at the absolute discretion of the Housing Authority; Assets shall also include assets held by children of the married couple who are underage; and/or
- (vi) the dwelling house on which subsidy is being requested is in a slum area which eventually has to be demolished; and/or
- (vii) the applicant is a direct descendant or ascendant or otherwise related to the owner up to the two degrees or a co-owner with the lessor.

## **6. Legally or *De Facto* Separated Applicants**

- (i) An applicant who is legally separated from his spouse shall produce a copy of the final judgement of the competent court that pronounces the separation or a copy of the contract of separation.
- (ii) An applicant who is *bona fide de facto* separated person shall produce to the satisfaction of the Housing Authority proof that he/she is actually so separated and in this sense he/she has to produce all documents, sworn declarations, legal declarations and any other proof which he deems necessary to substantiate this fact. It shall be discretionary on the Housing Authority to decide whether the documents submitted suffice to prove the *de facto* separation.

## **7. Method of Application**

- (i) A person qualified to make an application for Assistance under this Scheme shall submit an application in the prescribed form or online (where applicable) and shall deliver the same application personally to the Authority during the prescribed times or online.
- (ii) The prescribed forms can be collected from the offices of the Housing Authority 22 Pietro Floriani Street Floriana, Malta and from the Housing Authority branch 25 Enrico Mizzi Street, Victoria, Gozo or from the Housing Authority website.

## **8. Information**

The Authority may require the applicants to sign and confirm under oath any declaration in any form even under oath it may consider necessary for the carrying out of this Scheme and the applicant shall allow the Authority to inspect his ordinary residence and any other tenement held by him as the Authority may require.

## **9. Administrative Charge and Abandoned Applications**

- (i) Each application for assistance under this Scheme shall be lodged personally by any of the applicants with the Authority or online and that application shall not be accepted unless accompanied by the sum of twenty Euros (€20) as an administrative charge which is not refundable even if the application is not accepted. Additionally the applicant shall pay a charge to cover expenses on researches to be carried out by the Housing Authority on the applicant on his/her behalf.
- (ii) Where any applicant under this Scheme fails to appear on the agreement regulating the enjoyment of the subsidy when asked to do so by the Authority, his application shall be deemed to have been abandoned and any expenses incurred by the applicants in connection with their application shall not be recoverable by the applicants whether or not their application is successful.

## **10. Aggregate Annual Income**

For all purposes of the application, calculation of the aggregate annual income of applicant shall be as follows:-

- (i) the gross income from any occupation, pay and/or salary, overtime, pension and/or other social benefits (excluding children's allowance) earned by the applicants during the basic preceding calendar year.
- (ii) the applicant's income and those of his wife during the basic calendar year from capital assets such as; bank deposits, stocks, shares, loans, rents, investments in commercial enterprises, other investments in property, including capital gains;
- (iii) for the purpose of this application, the aggregate annual income of the applicants shall be the income of the applicant/s determined in accordance with the foregoing paragraphs of this article. Yet the Authority shall not be bound to accept any declaration, documents or information given to it by the applicants or beneficiaries

under this Scheme, should it reasonably consider such declaration, documents or information incorrect or untrue.

- (iv) from the gross annual income of a separated person any amount paid to the other part as alimony will be deducted. This amount will be deducted after a document is provided, signed by the lawyers of both parties, with a declaration that the official amount as declared in the Deed of Separation is in fact being paid.
- (v) From the Annual Income will be deducted the National Insurance Contributions, any disability assistance and any social benefits which the Housing Authority may at its absolute discretion exclude from time to time.

The Chairman of the Authority may refuse to accept any declaration of income of the applicants if, in the Authority's absolute discretion decides that this is incorrect or untrue.

In this case the Authority is to refer the matter to the Appeals Board of the Housing Authority appointed by the Housing Authority Board, in order to establish the income of the applicants/beneficiaries. The decision of the Appeals Board will be final and shall bind both the Authority and the applicants/beneficiaries. The applicants/beneficiaries effected by this provision have the right to make written objections to the Appeals Panel.

## 11. Adaptation Cash Grant

### (i) Percentage of Adaptation Cash Assistance

The adaptation cash assistance subsidy shall be based on the aggregate annual income according to the following schedules:

Aggregate Annual Income for a Basic Calendar Year	Percentage of Subsidy Payable to Applicant Family	Percentage of Subsidy Payable to Applicant Family
€	Up to 4 members	5 members and more
€ 0 - €12,182	100%	100%
€12,182.01 - €16,182	70%	80%
€16,182.01 - €20,182	50%	60%
€20,182.01 - €24,182	30%	40%
€24,182.01 - €26,182	10%	20%
€26,182.01 and more	Nil	Nil

Member of the Family is to include only:-

- (1) the applicant, and
- (2) children living in the household including fostered children, grand children (*neputijiet*) or children related to the applicant up to the second degree even in the collateral line. The children must be:-
  - (i) not married; and

- (ii) dependent on the applicant; and
- (iii) not gainfully employed; and
- (iv) under 18 years of age.

The age limit must not apply to persons registered as disabled.

**(ii) Adaptation Cash Assistance**

- (a) Subject to what is stated below, an applicant, who qualifies for Assistance under this Scheme may apply for assistance from the Authority by way of an Adaptation Cash Assistance up to a maximum of €14,000 for the purpose of rendering the private dwelling house of an acceptable standard should it be, at the time of the application, of a sub-standard level or dangerous.
- (bi) The Adaptation Cash Assistance up to a maximum of €10,000 may be granted only for the purpose of assisting tenants in carrying out the following works or improvements, namely:
  - (1) the replacement of old water and electricity installations;
  - (2) improvement works in the bathroom if below an acceptable standard or where a bathroom is not installed in the premises, the installation of a bathroom;
  - (3) repairs/replacement of floor tiles to render premises to become habitable;
  - (4) repairs/replacement to an old drainage system or its substitution;
  - (5) repairs/replacement of external doors and apertures and balconies, as the case may be, 'which are not of an acceptable standard;
  - (6) the provision of water proofing to the roofs of the dwelling house.
  - (7) appropriate improvements and damp proofing works as permanent solutions to eliminate problems of rising damp which cause inconveniences to occupiers.
  - (8) Professional fees and permit fees (only if a MEPA permit is required)

- (bii) The Adaptation Cash Assistance, in case of landlords of rented properties, up to a maximum of €4,000 may be granted only for the purpose of assisting the applicant in carrying of works related to structures as follows, namely:
  - (1) repairs to dangerous structures;
  - (2) necessary repairs to structure
  - (3) Professional fees and permit fees (only if a MEPA permit is required)

***Landlords of rented properties can apply under this scheme for assistance to carry out adaptations works in ONLY ONE property.***

- (biii) The Adaptation Cash Assistance up to a maximum of €14,000, in case of owner occupiers may be granted only for the purpose of assisting the applicant in carrying out of adaptation works as well as works related to structure as follows, namely:
  - (1) repairs to dangerous structures;



- (2) necessary repairs to structure;
- (3) Professional fees and permit fees (only if a MEPA permit is required);
- (4) the replacement of old water and electricity installations;
- (5) improvement works in the bathroom if below an acceptable standard or where a bathroom is not installed in the premises, the installation of a bathroom;
- (6) repairs/replacement of floor tiles to render premises to become habitable;
- (7) repairs/replacement to an old drainage system or its substitution;
- (8) repairs/replacement of external doors and apertures and balconies, as the case may be, 'which are not of an acceptable standard;
- (9) the provision of water proofing to the roofs of the dwelling house;
- (10) appropriate improvements and damp proofing works as permanent solutions to eliminate problems of rising damp which cause inconveniences to occupiers.

**(iii) An Adaptation Cash Assistance shall not be awarded by the Authority:**

- (a) for works already carried out prior to the approval of the application made in respect of such works, and unless such works are certified as necessary by an Architect and Civil Engineer appointed by the Authority for the purpose; and/or
  - (b) if it appears to the Authority that the causes giving rise to such works were occasioned through the fault of the applicant; and/or
  - (c) if all permits required by law are not obtained and/or
  - (d) repairs to structures in case of tenants (and this without prejudice to the current rights of the tenants established in the lease agreement and the law); and/or
  - (e) in case of tenants, to carry out the construction of additional room/s and or modifying the existing structural layout in a way that the premises will become more adequate for the needs of the applicant and his family
- (iv) Adaptation Cash Grant approved under this Scheme shall not exceed the total reasonable costs of the works to be carried out as approved by the Authority, and in each case shall not exceed the sum of €14,000

Provided that where the works to be carried out consist only in improvement works in or in the installation of a bathroom, the said cash grant shall not exceed €3,000.

Payments are made upon presentation of fiscal receipts of the works carried out.

- (v) (a) The adaptation works involved are to be considered as viable at the absolute discretion of the Housing Authority. The Housing Authority is to take into consideration the surrounding area and the comprehensive aspect of the project. The works approved by the Authority shall be completed within twelve months from the date of approval authorising the adaptation and improvement works and any assistance paid under the provisions of this Article shall be payable by the Authority only after that the Authority has ascertained that the works have been carried out in

full and as approved by the Authority, against receipts and after compliance with all conditions prevailing by or under this Scheme

- (b) if the applicant cannot occupy the dwelling-house before the works have been carried out:
  - (1) in the case of a married applicant the cash grant shall not be paid before the applicant occupies the dwelling-house;
  - (2) in the case of an application made by an engaged couple they shall occupy the dwelling house within 18 months from the date of the approval of the cash grant.

## **12. Penalty for False Declaration**

If at any time it results that applicants have made a false declaration or given incorrect information/documents for the purposes of any application made under this Scheme, without prejudice to any penalty for which they may have become liable under any other law, applicants shall be liable to the payment to the Authority of a fine equivalent to the sum total of any subsidy from which applicants have benefited under the provisions of the Scheme. They will also be disqualified for a period of five (5) years from benefiting from any scheme made with the approval of the Minister responsible for Housing, and shall forfeit the right to any subsidy under this Scheme.

*This incorrect or false declaration or this submission of incorrect or false documents may also lead to the commencement of criminal procedures*

## **13. Resale and/or Vacation of Premises on Which Subsidy Has Been Granted and Repayment of Subsidies**

- (i) A dwelling house on which assistance has been granted under this Scheme shall be used and occupied by the purchasers/tenants exclusively as their ordinary residence for a period of at least ten years from the date of the final payment of the Adaptation Assistance Grant under this Scheme.

Notwithstanding the above, the Authority may in its absolute discretion and then only in exceptional circumstances in order to avoid or alleviate hardship to any beneficiary of a dwelling house on which assistance has been given under this Scheme gives its consent to the vacation of a dwelling house prior to the lapse of such period subject to any condition it may deem appropriate, including without prejudice to the generality of this scheme, a condition to refund any assistance granted and enjoyed by the beneficiary.

The Authority is entitled to register in its favour a Special Privilege, Special Hypothec and/or General Hypothec according to law for a period of ten years covering the amount of granted being enjoyed under this scheme, without prejudice to other rights at law and this to guarantee the refund of the subsidy are/or cash assistance as well as the observance of all the condition by the beneficiary

A dwelling house on which assistance has been granted under this Scheme shall not be transferred under any title *inter vivos* before the lapse of ten years from the final payment on works carried out under this scheme.

- (ii) Subject to the provisions of paragraph (i) of this Article, any dwelling-house on which assistance has been given under this Scheme shall not be transferred under any title, other than transmission with *causa mortis*, unless the beneficiaries comply with the following provision of this article where the transfer of the dwelling house on which assistance has been granted is to take place, the beneficiary shall give one months notice of his intention to transfer the said dwelling house and the Chairman shall there upon terminate any arrangement for the subsidy under the scheme.
- (iii) The provisions of sub-clauses (i) and (ii) of this clause shall also apply *mutatis mutandis* where the beneficiary does not continue to occupy the dwelling-house as his ordinary residence. In this case any subsidy granted shall be paid back to the Authority.
- (iv) Where the works applied for, are to be effected in a house that is not owned by the applicant, the latter shall be solely responsible to obtain the necessary permits from the owner to effect such works and changes. It shall be the responsibility of the applicant to ensure that the necessary works and changes shall not prejudice in any way the title of lease, emphyteusis or any other title that sustains his possession and occupation of the house. The Authority shall not be responsible if the applicant loses his title due works or changes carried out under this scheme. It is noted that any works effected by virtue of this scheme shall be deemed to be works effected by the applicant and not by the Authority that shall be merely subsidising the price of the works. Thus the Authority shall not be responsible for the works done, which responsibility shall fall solely on the applicant.

#### **14. Broken Engagement**

- (i) In the case of a joint application by engaged persons where the engagement is subsequently dissolved:
  - (a) both applicants shall, within thirty days from the date of such dissolution, give notice thereof to the Chairman; and
  - (b) the Chairman shall immediately suspend the payment of the adaptation cash assistance pending investigations and his final decision thereon; and
  - (c) the applicants shall, within thirty (30) days from the date of the notice mentioned in paragraph (a) of this sub-clause and in accordance with and subject to the conditions laid down in this Scheme, jointly request in writing authority to transfer under a title of sale or perpetual emphyteusis the dwelling-house in respect of which their application had been approved; and
  - (d) the applicants shall, within 3 months from the date of the approval of their request made according to paragraph (c) of this sub-clause, transfer the said dwelling-house as aforesaid:

Provided that the Chairman may extend the mentioned period of three months as he deems fit.

- (ii) Where the applicants fail to comply with the provisions of paragraph (a) of sub-clause (i) of this clause the provisions of paragraph (b) of the same sub-clause shall apply from the date that the Chairman becomes otherwise aware of the dissolution of the engagement or from the date on which the Chairman in his absolute discretion establishes as the date on which the engagement has been broken.

## **15. Duration of Scheme**

This Scheme shall remain in force for a period of 12 months from the date of its publication in the Government Gazette, and shall be automatically renewed for further periods of one year each unless a Notice to the contrary is published in the Government Gazette indicating that the scheme has been withdrawn.

## **16. Right of refusal**

Notwithstanding anything contained in the foregoing provisions of this Scheme, the Authority shall have the right, at its absolute discretion, to refuse any application and its decision will be final and not subject to scrutiny.

The Authority shall have a right to stop and, or withdraw this scheme and it shall have the right to change its conditions even retrospectively and thus this scheme does not bestow acquired rights. Such change shall not make the Authority subject to any action for damages. An application that has been accepted may be withdrawn and, or refused if the conditions of the scheme are changed after the acceptance of the application.

## **17. Request for additional works**

Beneficiaries under this scheme and any other previous Housing Authority adaptation schemes may benefit for additional improvements after 5 years have elapsed from the date when all items approved under the original application have been certified complete by the Housing Authority Architect.

## **18. Amendment of Scheme**

The Authority shall have the right to make any amendments to this Scheme by publication of the said amendments in the Government Gazette. Such amendments might be made applicable retroactively.

## **19. Interpretation**

In case the Maltese text differs from the English text, the Maltese text will prevail.