HOUSING AUTHORITY

2025

Annual Report

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

The Housing Authority continues to play a central role within Malta's social framework, with its mission to provide decent and affordable housing opportunities remaining as relevant and essential as ever. Throughout 2025, the Authority further strengthened its position as a pillar of social inclusion, expanding its impact across social housing provision, housing affordability measures, and the regulation of the private rental market.

During the year, the Authority continued to address sustained demand for affordable housing, with particular attention to vulnerable individuals and families. At the same time, it reinforced and expanded schemes that support homeownership and access to sustainable rental solutions, recognising these as fundamental drivers of social stability and mobility.

The Authority's work in 2025 also reflects a clear commitment to improving the quality and resilience of the public housing stock, alongside ongoing regeneration and maintenance initiatives. These efforts increasingly integrate principles of sustainability, accessibility and energy efficiency, ensuring that housing is not only a response to immediate need but a foundation for long-term wellbeing and community development.

In parallel, the Authority continued to consolidate its role as regulator of Malta's private residential rental sector, a responsibility that has become increasingly significant within a dynamic and evolving housing market. Through enforcement, compliance and oversight, the Authority strives to maintain a balanced framework that protects tenants while supporting market stability and higher standards of governance.

The progress achieved during the year is the result of the collective commitment of the Board, management and employees of the Housing Authority, as well as sustained collaboration with public entities, Local Councils and civil society partners. This shared effort continues to strengthen the Authority's capacity to respond effectively to the housing needs of the community.

Looking ahead, it remains essential to continue investing in policies and interventions that enhance housing affordability, access and quality, while keeping people and dignity at the heart of housing policy. The Housing Authority remains firmly committed to advancing sustainable solutions that support more inclusive, resilient and opportunity-rich communities for all.

CEO's Foreword

The year 2025 stands as a defining moment in the continued transformation of the Housing Authority. It is a year where direction met delivery, where strategy translated into measurable outcomes, and where our commitment to people was reinforced through decisive and structured action.

In a context marked by evolving social realities, economic pressures, and rising expectations, the Authority remained firmly in control of its mandate. We strengthened our operational capacity, enhanced our digital infrastructure, and deepened our understanding of housing needs through data-driven insights. This enabled us not only to respond more efficiently but to anticipate challenges before they emerge.

Central to this progress has been our unwavering commitment to good governance and accountability in the use of public funds. Every decision taken throughout the year was guided by a clear responsibility: to ensure that public resources are utilised effectively, transparently, and with measurable impact.

With a 180% increase in beneficiaries over 5 years, we have also achieved an estimated 69% increase in the productivity of our internal operations, in line with our digitisation efforts. We continued to strengthen internal controls, enhance financial oversight, and align our expenditure with strategic priorities that deliver real value to the communities we serve. This disciplined approach ensures not only compliance but also reinforces trust that every euro invested contributes meaningfully towards improving people's lives.

Our work this year was guided by a clear vision: to create a housing system that is accessible, resilient, and centred around people's wellbeing. Through continued investment in digitalisation, we moved closer to a fully integrated and paperless ecosystem, improving both service delivery and transparency. The expansion of our schemes and targeted interventions ensured that support reached those who need it most, with greater precision and impact.

At the same time, we remained focused on long-term sustainability. Housing is not only about supply; it is about stability, dignity, and opportunity. Our initiatives in 2025 reflect a broader shift towards a more holistic model, one that integrates social support, community development, and forward-looking policy design.

This progress would not have been possible without the dedication of our people and the strength of our partnerships. Across government, the private sector, and civil society, we have built a collaborative framework that allows us to act with both agility and purpose.

As we look ahead, our direction remains clear. We will continue to lead with discipline, guided by evidence and driven by a strong sense of responsibility towards current and future generations. The challenges ahead are real, but so is our capacity to address them.

The Housing Authority will remain a cornerstone of stability and progress, firm in its control, and ambitious in its vision.

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. This role has been further expanded throughout the years with the introduction of specialised housing, which moves away from a one-size-fits-all strategy towards a more targeted and inclusive model 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 first-time buyers;
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 for 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, including 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

CEO

Operations

Formations Committee

Chief People and Strategy

Affordable Housing

1. Allocations
2. Stock Management
3. Revisions
4. Profiling
5. Social Mobility

Opportunities

1. Schemes
2. Customer Care
3. Vetting & Registration

Corporate & HR

1. Corporate Services
2. Registry
3. Training & Development
4. Human Resources
5. Gozo Office

Digitalisation, Legal & Communication

1. Pre-95 (Dispute Resolution)
2. ICT & Data
3. Policy, PR & Communication
4. Outreach
5. Legal

Chief Property and Projects

Infrastructure Management

1. Technical Services
2. Repairs & Maintenance
3. Lifts
4. Embellishments
5. Voids

Property Management

1. Estate Management
2. Projects Design & Implementation
3. Office & Facilities Management
4. Compliance

Finance

1. Procurement, Risk Management & Internal Audit
2. Contracts
3. Revenue
4. Accounts & Payroll
5. Credit Control & Utilities
6. Financial Planning & Analysis

Year in Review

277 Employees

includes **36** Internships

14 New leased electric vehicles

Schemes and Opportunities

Expenditure

€50.8M

▲ 25% increase from 2024

Beneficiaries

15,213
families assisted

5,895
families received rent subsidy

7,213 ▲47% from 2024
received the first-time buyer grant

1,330 ▲56% from 2024
families benefitted from housing quality improvement schemes

Strengthening Social and Affordable Housing

Allocations

389
new allocations

Assessments

546
initial assessments

Agreements

404
lease agreements renewed

Publications & Outreach

The Housing Landscape Conference

7
Publications
inc. 2 books and a guide

40
Media Appearances
inc. 13 TV episodes of *Dar u Dinjità*

47
Outreach Sessions

Property and Infrastructure

Regeneration and Embellishment

600+ families benefitted from an investment of €4.27M

Technical Inspections

1,513 inspections following damage reports

Collection of Keys

156 keys collected

Lift Installations

42 new lifts installed

Repairs and Maintenance

1,207 repair works completed, with an investment of **€3.6M**

Construction and Rehabilitation Projects

19 housing units delivered across **4 projects**

Compliance

604 routine inspections on social housing units

875 inspections on private residential leases

Private Rent Registration Contracts

82,000+
rental registration requests handled

37,612
contracts renewed

72,754
active contracts by year-end

314
dispute claims

Housing Authority as Owner & Administrator

6,200+
residential units

Contracts

1,921
contracts signed

Customer Care

108,000+ Calls

29,000 Emails

25,000+ Walk-ins

2,000+ Rent Registration Appointments

81 Mystery shopper score
▲ 12-point increase from 2024

Revenue

24,041
invoices issued for rent, common parts, and ground rent

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Affordable Housing

Affordable Housing

The Affordable Housing Section manages the allocation and ongoing administration of social housing for eligible applicants. Its work covers the main stages of the process, including vetting and assessing applications, drafting and managing tenancy contracts, and conducting periodic rent revisions. Different units within the section are responsible for specific phases, ensuring that applications are processed efficiently, contracts are properly administered, and rent adjustments are carried out in line with established policies. The section is further strengthened by the support of a Social Welfare Office, which provides additional assistance at different phases, from pre-allocation to post-allocation.

The following outlines the main results achieved in 2025. It also refers to additional work carried out during the year to strengthen procedures, improve service delivery, and support the Housing Authority's commitment to providing a reliable and accessible service to its clients.

Applications for Social Accommodation

In 2025, the Vetting Team within the Affordable Housing Section received 876 social accommodation applications. Of these, 562 applications were opened (Figure 1). By the end of the year, 10 applications were still in progress, while 304 were refused due to missing documents or non-eligibility. At the end of the year, after appealing this refusal, 51 of these 304 applications were awaiting a decision from the Revisory Board on whether their requests would be accepted. The total of 876 applications excludes those refused by the Customer Care Section because applicants failed to submit the required documentation.

562
New applications in 2025

1,905
Applications on the waiting list at the end of 2025

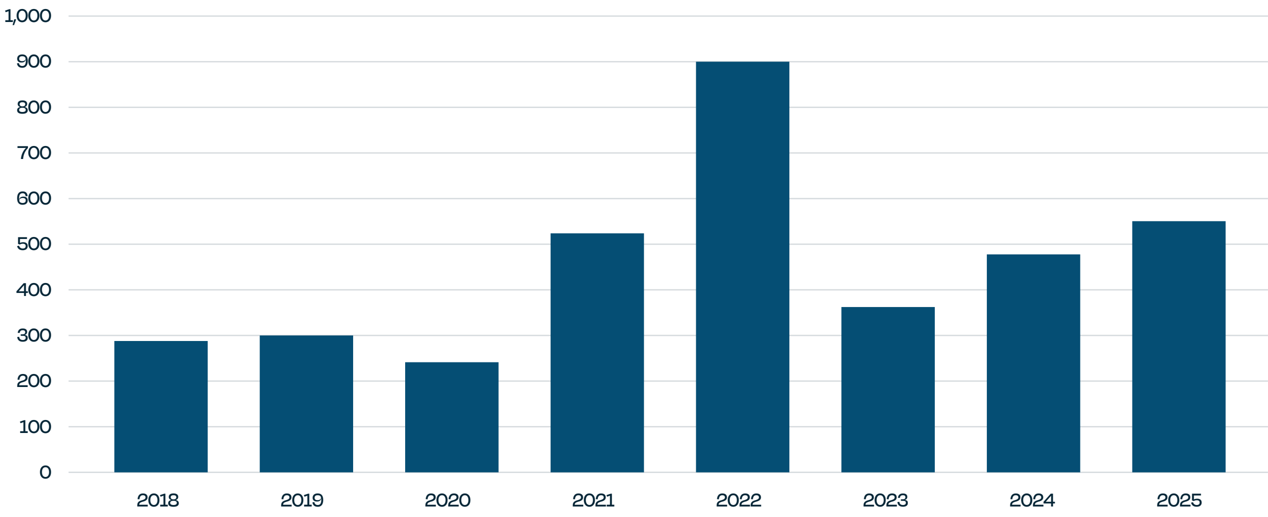
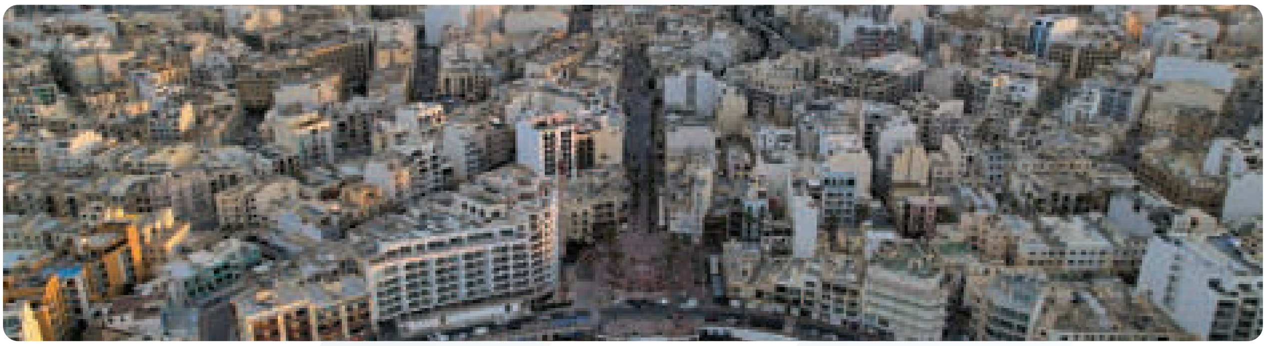


Figure 1: Received Social Housing Applications

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**
2025	**1,905**

Table 1: Applications on Waiting List



Applications Classified as Priority

Table 2 shows the number of applications classified as considered high priority. In 2025, 674 applications were classified as such.

High priority applications	Number of applications
Sharing / Overcrowding	322
Refugee Status	26
Mobility Difficulties	30
Disability	32
Homeless – Rehabilitation Programme	21
Homeless – Eviction	37
Homeless – CSA	122
Homeless – Domestic Violence	3
Referred from Agencies	13
Overcrowding	42
Lack of Sanitary Facilities	2
Substandard Conditions	24

Table 2: Priority Applications Type

During the year, the Vetting Team also processed 89 applications from applicants on the waiting list and updated them to reflect the new address. These cases excluded applicants who had changed address from one institution to another.

Social Welfare Team

The Housing Authority continued investing in the Social Welfare Team. In the last quarter of 2025, the team expanded to 7 members. In the first quarter of 2026, it is expected to continue growing, eventually reaching 10 members by the end of the year.

In 2025, social welfare professionals scheduled 1,061 appointments with applicants. Of these, 973 assessments materialised (Table 3). Of the 594 attempts to conduct initial assessments, 546 were completed. Additionally, 318 follow-up assessments were conducted, mainly via home visits. During the year, 255 interventions were carried out, as shown in Table 4.

973
Assessments completed in 2025

255
Interventions completed in 2025

Type of assessment	2024	2025
Social housing (initial assessment)	449	546
Exchanges	74	72
Follow-ups of social housing	103	29
Follow-ups of social housing (initial assessment)	339	289
Pre-95	7	10
Personal plans	37	27
Total	**1,009**	**973**

Table 3: Type of Assessment

Type of intervention	2024	2025
Follow-up on personal plans (successfully completed)	250	149
Post allocation follow-up with new tenants	97	76
Post allocation follow-up with professionals following new tenants	20	0
Others	25	30
Total	**392**	**255**

Table 4: Type of Intervention

Initial Assessments

In 2022, the Social Welfare Team began conducting an initial assessment for every applicant seeking social accommodation. Since this assessment takes place early in the process, it ensures that the Housing Authority has the necessary information at an early stage, while the applicant is provided with more information about the Authority's services. This year, the team continued to refine its assessment methodologies and implemented necessary changes, resulting in more effective and efficient assessments. The table below shows that in 2025, the Social Welfare Team conducted a record number of initial assessments in a single calendar year. At the end of 2025, the number of initial assessments carried out stood at 1,955, averaging around 489 per year. The Social Welfare Team set a total of 594 initial assessment appointments.

Year	Social accommodation (initial assessments)
2022	**495**
2023	**465**
2024	**449**
2025	**546**

Table 5: Number of Initial Assessments

Gender Differences

Based on information gathered from the initial assessments carried out in 2025, 61.4% of applicants were female, while 38.6% were male. Although female applicants remained the majority, the data indicates that the gap between genders narrowed compared to previous years.

This trend may suggest a gradual increase in male applicants seeking social housing support, potentially reflecting changing socio-economic circumstances, shifts in household composition, or increased awareness of available assistance. At the same time, the higher proportion of female applicants continues to reflect the vulnerability of certain groups, including single mothers and women heading households, who remain among the primary beneficiaries of social housing schemes.

Age Considerations

The average age of new applicants was 42 years. The youngest applicant was 18, while the oldest was 88. 17.5% of applicants were 60+. These figures are similar to those gathered during initial assessments conducted over the past two years. New applicants, aged 18–30, made up 28.4%, a slight decrease from 31.2% in the previous year.

Civil Status

64.1% of all applicants who completed the initial assessment in 2025 were never married. 7.9% of applicants were married, while 22.5% had undergone separation, annulment, or divorce. The rest (5.5%) were widowed.

Nationality

Of all the applications that underwent the initial assessment, 98.2% included at least one person with Maltese nationality. Approximately 2% of applicants were recorded as having dual nationality. Additionally, 10.6% of applicants had lived abroad at some stage of their lives. Of these, 53.6% had resided in countries to which a significant number of Maltese emigrated during the 1950s and 1960s, namely Australia, the United Kingdom, Canada, and the United States of America.

Districts

Table 6 provides a breakdown of new applications by district.

Region	New applications 2025	Relative percentage
Gozo & Comino	32	5.7%
Northern	55	9.8%
Northern Harbour	153	27.2%
South-Eastern	68	12.1%
Southern Harbour	207	36.8%
Western	47	8.4%

Table 6: New Applications in 2025 by Districts

Localities

Table 7 presents the distribution of applications by the top localities, highlighting geographic patterns in demand for social housing. In addition to localities, the table includes agencies and NGOs, given their significant roles in referring applications. The Correctional Service Agency (CSA) stands out as a key referring agent and an important partner in outreach and case identification.

Locality	New applications 2025
Paola	74
Qormi	39
Birkirkara	28
St Paul's Bay	24
Żabbar	22
Ħamrun	19
Valletta	19
Mosta	18
Marsascala	17
Marsa	15

Table 7: Applications by Top Localities

Income and Education Level

43.9% of new applicants rely solely on social benefits, while 35.8% are employed. Only 14.6% of applicants had continued into post-secondary or tertiary education. These figures indicate a correlation between education level and a steady source of income, as well as a link between higher education and a decreased reliance on state social services.

Number of Bedrooms

The demand for one-bedroom properties continued to increase in 2025. This trend reflects a number of underlying demographic and social factors, including an ageing population living independently for longer, an increase in marital separations, lower birth rates, and a growing number of individuals opting to live alone. In response to this shift in household composition, the Housing Authority is expanding its one-bedroom housing stock to better align supply with current demand patterns.

The table below presents the number and percentage of applicants who completed their initial assessment in 2025, categorised by the number of bedrooms required.

Number of bedrooms required	Number of applicants	Relative percentage
1	**229**	**41.9%**
2	**209**	**38.3%**
3	**106**	**19.4%**
4+	**2**	**0.4%**

Table 8: Bedroom Demand

Professionals and Requested Documents

In 2025, the Social Welfare Team requested 177 documents from applicants who needed to substantiate claims made in their social housing applications. More than half of the requested documents were medical. Other requested documents included professional reports, police reports, photographs, and bank documents. 58.4% of these applicants had no mobility issues and could thus be allocated any property type. Almost half of all applicants (45.7%) who completed the initial assessment were under the care of various professionals.

Services Offered by the Housing Authority

Approximately half of the applicants (45.6%) had already used one or more of the services offered by the Housing Authority. Of these, 28.4% used the Rent Subsidy Scheme, while 0.6% benefitted from the First Rent and Deposit Scheme. Additionally, 25.3% had previously applied for social accommodation, and 0.9% had used the various schemes targeted at buyers.

Type of Housing

Regarding current housing circumstances, 39.4% of applicants who completed their initial assessment in 2025 were residing with parents, relatives, or friends, indicating a significant level of housing dependency and limited independent living.

A further 36.5% were renting in the private sector. These applicants paid an average monthly rent of €686 and received an average monthly rent subsidy of €377, equivalent to €4,522 annually. This results in an average net rent contribution of €310 per month. Notably, 61.3% of applicants receiving a rent subsidy received more than €300 per month.

Although rent expenditure negatively affects a substantial number of applicants, a more pressing concern is that the renewal of their yearly rental contracts creates significant instability. In 2025, the Housing Authority introduced a new initiative under the Nikru biex Nassistu Scheme to mitigate the issue, allowing landlords to rent properties with existing tenants to the Authority. Tenants in these properties must already be on the social housing waiting list.

Domestic Violence

A total of 5.9% of applicants reported that they had recently experienced domestic violence. Of these, 75% confirmed during the initial assessment that they were receiving support from relevant professionals or specialised services.

This indicates that while a number of vulnerable applicants are already linked to support networks, a proportion may still require further assistance or referral to appropriate services as part of the housing assessment process.

A further 3.7% of applicants stated that they had been victims of domestic violence in the past. There were a total of 24 cases (4.4%) in which applicants indicated that domestic violence was the primary reason for applying for social housing. These figures are similar to those recorded in recent years.

Of these cases, 9 applicants were living with relatives or friends, 8 were living in institutions, and 7 were renting privately. In 2026, the Housing Authority will launch a new initiative under the Housing Benefit Scheme offering a higher rent subsidy to victims of domestic violence.

Garnishee Orders, Loans and Arrears

16.1% of new social housing applicants have a garnishee order. Apart from age and lack of financial resources, having a garnishee order is another reason applicants fail to secure a loan to purchase property. Furthermore, 6.6% of applicants are repaying a loan in monthly instalments, while 7% are repaying arrears.

Correctional Services Agency (CSA), Other Institutions and Homeless Persons

Correctional Services Agency (CSA)

It is worth noting that in 2025, 57 submitted applications came from inmates at CSA (Table 9). Compared to previous years, this is a record number, almost twice the number of applications in 2024. This increase was also reflected in the number of initial assessments conducted at CSA compared to previous years.

Year	New applications
2020	**4**
2021	**7**
2022	**29**
2023	**26**
2024	**30**
2025	**57**

Table 9: New Social Housing Applications from CSA Inmates

In 2023, the Housing Authority reintroduced initial assessments at CSA. Each month, a social welfare professional from the Affordable Housing Section, along with a member of the Schemes Section, visited CSA to conduct initial assessments and offer a drop-in service. In 2025, a record number of 44 initial assessments were conducted at CSA. There were months when this team visited CSA more than once to keep up with demand. Moreover, 8% of the total initial assessments conducted in 2025 were done at CSA.

39 males and 5 females proceeded with the initial assessment. The average age for males was 38, while the average age for females was 47. It is worth noting that 20.4% of applicants applied in the same year as their release date (2025), while 18.2% had a release date sometime in 2026. The remaining applicants had a release date after 2026 or were at CSA, serving their sentence.

While social housing allocation may provide a long-term solution, the Housing Authority recognises the importance of offering alternative forms of support during the interim period. For this reason, a drop-in service continues to be provided at CSA, enabling inmates to obtain information and guidance on the various housing schemes available, including the First Rent and Deposit Scheme and the Rent Subsidy Scheme, which help applicants secure accommodation and maintain stable housing while on the waiting list.

The Social Welfare Team also conducts initial assessments of inmates currently in residential programmes, namely Rise Foundation, Caritas' Prison Inmates Programme (PIP), and those offered by Fondazzjoni Mid-Dlam għad-Dawl.

Other Institutions and Homeless Persons

In 2025, the Social Welfare Team conducted 30 initial assessments of applicants living in institutions (Table 10). Half of these applicants were following a residential drug rehabilitation programme.

During the same year, the team also conducted 27 initial assessments of applicants who had no fixed address but were applying using a postal address. After consulting with the professionals assisting them, 6 of these applicants used the address of their institutions.

In total, 18.5% of all initial assessments conducted in 2025 were of applicants with no fixed address or who were homeless.

Institutions / Postal Address	Number of initial assessments
Correctional Services Agency (CSA)	44
Residential drug rehabilitation programmes	15
Homeless shelters	3
Mental health institutions	4
Domestic violence shelters	2
Residential services for persons with disability	2
Shelters for pregnant women	2
Aftercare	2
Postal address	21
Postal address (services)	6
Total	**101**

Table 10: Initial Assessments of Applicants in CSA, Other Institutions or Using a Postal Address

A number of applicants who completed the initial assessment had previously spent time at the following institutions: 32 (5.9%) at CSA, 41 (7.5%) in a residential drug rehabilitation programme, and 52 (9.5%) in a mental health care institution. The increase in the number of social welfare professionals within the Social Welfare Team will therefore continue to enhance and consolidate the support provided to professionals working with these applicants in their respective services.

Follow-ups

It is standard practice for the Social Welfare Team to conduct a follow-up assessment visit approximately six months after the initial assessment at the applicant's current dwelling. In 2025, the team carried out 289 follow-ups. There were also 29 follow-ups of other social housing applicants, resulting in a total of 318 follow-up assessments. The number of appointments for these follow-ups issued in 2025 was 355.

318
Follow-up assessments completed in 2025

Site Plans and Showings

As part of the social housing application process, on-site inspections may be conducted at the applicants' current residence. These inspections include measuring the dwelling to assess space, suitability, and living conditions in line with established standards. This process ensures that applications are evaluated fairly and accurately, allowing the Housing Authority to determine eligibility and housing needs based on verified information. During the 2025 reporting year, a total of 97 dwellings were inspected.

In 2025, 390 properties were shown to social accommodation applicants. During this important step in the allocation process, applicants were given the opportunity to view properties that matched their assessed needs, household size, and preferred localities. Property viewings play a crucial role, allowing prospective tenants to see the home before moving in, helping them make informed decisions, and ensuring the accommodation is suitable for their needs.

Income Exercise

In 2025, the Housing Authority revisited the eligibility criteria of pending applications. Information was gathered on applicants who are in employment, receiving social benefits or pensions, and those receiving a foreign pension. Where needed, applicants were asked to submit various income documents, including FS3, profit & loss statements, and foreign pension documentation.

This exercise also served as a basis for analysing the needs of all social housing applicants. The youngest applicant was 18, while the oldest was 94. The average age was 47, with males averaging 52 and females 44. A total of 70% of applicants were female. The number of bedrooms required compares well with that stated by new applicants during initial assessments (referenced earlier in the document). Requests were mainly for one-bedroom properties, followed by two-bedroom properties.

A demographic analysis shows that several applicants prefer an allocation in the Northern Harbour region. In fact, this region shows the largest increase when comparing the number of applicants from each region to the preferred allocation region. In the event of an allocation, the following are the most preferred in ranking order: Birkirkara, St Paul's Bay, Msida, Żabbar, and Qormi.

In 2026, the second phase of this exercise will begin, and, whenever possible, the Housing Authority will continue to support applicants who need to amend their applications.

Applications for Exchange of Property

In the reporting year 2025, the Housing Authority received 92 new applications from tenants wishing to exchange the property leased to them by the same Authority. At the end of the year, the number of people who intended to exchange property was 393 (Table 11). The following are the main reasons given by tenants for requesting an exchange:

- Accessibility and mobility issues;
- Change in locality;
- Need for a bigger property.

92
New applications for exchange in 2025

During 2025, there were 72 exchange assessments. These assessments took place in the applicants' current homes. Of these, 63 exchange assessments were done in Malta and 9 in Gozo. The highest number of exchange applications came from Valletta, St Paul's Bay, Cospicua, and Paola, accounting for approximately 40.3% of all assessments executed in 2025.

27.8% of these applicants have at least one family member who is under the care of a professional. More than half of these applications (52.8%) are from tenants whose current home is leased from the private sector by the Housing Authority. Furthermore, in 2025, the Social Welfare Team conducted another 4 assessments related to exchange requests.

72
Exchange assessments completed in 2025

Reasons for exchange	Number of applications
Want different locality	31
Closer to relatives	44
Property needing maintenance	12
Medical reasons	24
Too many stairs	124
Neighbourhood problems	21
Want a smaller property	14
Want a larger property	65
Problems with neighbours	29
No reason	23
Others	6
Total	**393**

Table 11: Reasons for Exchange Applications

Pre-95

In cases of court evictions, the Social Welfare Team is also tasked with conducting assessments of tenants living in dwellings with rents dating back to 1995 or earlier. Assessments are also conducted in some cases where the tenant must now pay a rent much higher than the rent subsidy (SKP) they are receiving. During this year, there were 10 such cases. Contrary to expectations, the number of cases remained stable compared to previous years. During the 2025 reporting year, 13 allocations were made.

New Allocations and Exchanges

In 2025, the Housing Authority made 389 housing allocations. Of these, 319 were standard social housing allocations, 13 were for tenants in long-standing "pre-1995" tenancies, 53 were through the housing exchange programme, and 4 involved direct exchange between applicants.

389
Housing allocations made in 2025

Recognitions

In 2025, there were 98 requests for recognition. Of these, 93 applications were processed, while 5 were refused at the application stage. The Housing Authority accepted 105 recognition applications, of which 100 people signed a contract once recognition was given.

Other Board Decisions

In 2025, the Housing Authority took the necessary steps to kickstart the process of collecting keys from 16 tenants. In cases where the tenants do not comply, this automatically sets in motion the eviction process. During the year, 20 cases were discussed, though no final decision had been reached by the end of 2025. A further 7 cases were also discussed that year.

Personal Plans

Personal Plans are designed to support tenants who are in arrears and at risk of defaulting on their rent, helping them manage their payments and avoid eviction as part of the Housing Authority's preventive measures. From the last quarter of 2023, the Social Welfare Team carried out Personal Plans for several tenants who were in arrears with the Housing Authority. In addition to the work done by the Social Welfare Team, the Legal and Credit Control Sections were also involved. During 2025, a total of 27 Personal Plans were conducted, with the Social Welfare Team working on 44 cases. There was a total of 149 interventions.

An analysis of data from the project's start date shows that, in 2024 and 2025, payments from cases where an intervention was made exceeded €125,000. In 2025, a total of 273 payments were made. In addition to this work, other initiatives included supporting tenants to start paying off their utility and/or other arrears, providing guidance on seeking employment, and offering advice on other community services.

Post Allocations Follow-Ups

In 2025, a total of 76 interventions were made for applicants who were allocated a property during that year. The main aim of these interventions is to enquire whether tenants have settled in, and any queries or issues are dealt with by a member of the Social Welfare Team or, if not, referred to the relevant section.

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 2025, 421 lease agreements were signed between the Housing Authority and tenants, including 27 signed at the Gozo office. Moreover, the Allocations Committee approved 389 new allocations in 2025. Table 12 provides a breakdown of the types of agreements made and the sources of the properties.[1]

421
Lease agreements signed with tenants in 2025

[1] The allocations include agreements of properties allocated in previous years, including for Malita properties.

Type of agreement	Lands & Housing Authority	Malita	Skema Kiri & NIK Schemes	Total
Allocations	129	15	171	315
Recognitions	98	0	2	100
Exchanges	3	0	3	6
Total	**230**	**15**	**176**	**421**

Table 12: Agreements Signed in 2025

Renewal of Contracts

Alongside the 421 contracts signed, 404 lease agreements were renewed upon expiry, as shown in Table 13.

Year of contract expiry	Renewed contracts
2022	14
2023	93
2024	201
2025	404
Total	**712**

Table 13: Renewal of Contracts

Grant Given on Repairs and Maintenance of Allocated Property

When property keys are returned to the Housing Authority, the Technical and Maintenance Unit is responsible for conducting an assessment to determine whether the vacated government properties require refurbishment or maintenance. The unit inspects each property, identifies any necessary repairs, and estimates the associated costs. This information is subsequently communicated to tenants at the time of contract signing. In 2025, a total of €2,178,832 was allocated to these grants, representing an increase of approximately €1 million compared to 2024 and €1.75 million compared to 2023. Additionally, 213 payments were processed, with amounts ranging from €146 to nearly €30,000.

The table below summarises the localities where the highest use of these funds was made in 2025.

Locality	Number of payments	Amount
Cospicua	22	€191,637
Valletta	27	€173,313
Paola	7	€114,385
Birkirkara	7	€91,974
Santa Luċija	12	€71,211

Table 14: Localities with the Highest Use of Funds

The table below summarises the localities where the largest amounts of these grants were approved in 2025.

Locality	Number of approved grants	Amount
Valletta	20	€351,320
Cospicua	13	€258,457
Santa Luċija	9	€166,767
Birkirkara	7	€149,201
Floriana	8	€139,209

Table 15: Localities with the Largest Amounts of Grants Approved

Temporary Accommodation

As in previous years, the Housing Authority continued to provide temporary accommodation to its tenants who needed to move out of their homes temporarily due to major repair or renovation work in their dwellings.

At the beginning of 2025, 5 properties were being utilised for this purpose. This number decreased to 3 when the only property leased from the private market became unavailable upon termination of the lease, and another property was allocated as permanent accommodation following an administrative decision. 9 family units were assisted through this service, for a total of 32 months.

This is the result of joint efforts among several sections within the Housing Authority, mainly the Affordable Housing, Repairs and Maintenance, and Estate Management Sections. With the aim of increasing the number of available units, several properties have been identified and earmarked for renovation to be made available for temporary accommodation as of 2026. This demonstrates the Authority's commitment to ensuring tenants are provided with safe accommodation without additional financial burdens.

Rent Revisions Unit

The Housing Authority reviews rent every two years, in accordance with the contractual clauses that set out the mechanism for calculating rent. During 2025, 1,418 tenants had their rent revised (Table 16).

1,418
Rents revised in 2025

Changes in rent charged	Number of revised rents
Rent increase	328
Rent decrease	111
No change in rent	877
Commercial rent charged	102
Total	**1,418**

Table 16: Changes in Rent Charged

Nikru biex Nassistu

The *Nikru biex Nassistu* (NIK) Scheme remained a core instrument of the Housing Authority's affordable housing strategy during the reporting year. The scheme leverages collaboration with private property owners to secure residential units, which are then allocated to eligible households at affordable rents, ensuring social protection while optimising the use of existing housing stock.

Scheme Objectives

The scheme is designed to:

- Increase the supply of affordable rental housing;
- Provide long-term housing stability to vulnerable and low-income households;
- Incentivise private owners to lease properties through secure and predictable agreements;
- Reduce pressure on traditional social housing stock.

Operational Overview and Key Statistics

In 2025, the *Nikru biex Nassistu* Scheme recorded the following performance indicators:

- New applications: 253 applications;
- Finalised agreements: 120 units;
- Refused or withdrawn properties: 18 units;
- Active lease agreements: 1,376 agreements;
- Lease duration: 10 years.

These figures demonstrate the scheme's effectiveness in shielding beneficiaries from market rental volatility, while promoting housing security.

Financial Performance

- Advance payments to landlords: Rent paid six months in advance, ensuring income stability for property owners.
- Annual rent adjustment: 2% increase applied in line with contractual agreements.

The predictable financial structure continues to make the scheme attractive to private owners while remaining sustainable for public finances.

Property Management and Maintenance

Ordinary maintenance is the tenant's responsibility, while structural and major repairs are the owner's responsibility. At the end of the 10-year lease period, properties are jointly inspected by Housing Authority officials and the owner(s). Any damages are assessed in accordance with fair wear and tear principles.

Impact and Outcomes

Throughout the year, the scheme:

- Increased access to adequate housing for vulnerable households;
- Reduced reliance on emergency and temporary accommodation;
- Encouraged the mobilisation of vacant or underutilised private properties.

The *Nikru biex Nassistu* (NIK) Scheme continues to support social inclusion by enabling beneficiaries to reside within established communities rather than segregated housing areas.

Schemes	Expenditure 2024	Expenditure 2025
Rent payments to Skema Kiri property owners	€158,173	€16,520
Rent payments to NIK property owners	€9,320,494	€10,249,356
Rent Payments to Malita for social accommodation apartments	€2,807,892	€3,682,777
Common Parts payments to NIK property owners	€272,752	€308,153
Rent payments to RVU property owners	€90,717	€85,294
Total	**€12,650,028**	**€14,342,100**

Table 17: Housing Authority's Expenditure on Private Property Leases

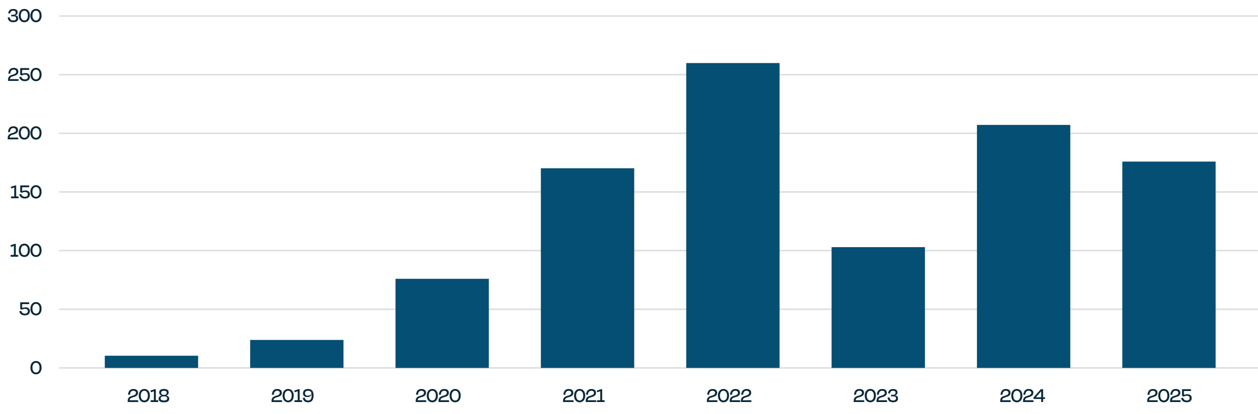


Figure 2: NIK Allocations (2018-2025)

Challenges and Forward Planning

The main challenges identified include sustained high demand, rising market rental prices, and the need for continuous monitoring of property standards. Throughout the year, work continued on strengthening contractual clauses and internal procedures to safeguard the Housing Authority from additional expenses following lease expiry, particularly for furnished properties.

The *Nikru biex Nassistu* Scheme remains a vital and effective mechanism in addressing housing affordability challenges. Supported by stable statistics and consistent uptake, the scheme continues to deliver tangible social and economic benefits, reinforcing its role as a cornerstone of the Housing Authority's long-term housing policy.

Outreach Unit

During the year, members of the Social Team at the Housing Authority participated in several informational and outreach sessions, including meetings with professionals in the social sector.

Throughout the year, the Authority's primary focus was on promoting the services it offers that may benefit older individuals. 15 meetings were organised across 15 different Day Centres in Malta, and an additional meeting was held at the request of a group of older people who meet informally.

The two schemes that generated the greatest interest among older individuals were the Scheme for Persons with Disability, which assists individuals with mobility difficulties, and the Subsidy on Adaptation Works Scheme, which focuses on the refurbishment of residential properties.

Other schemes and services promoted included Social Housing, Exchange, Recognition, Pension Incentive, as well as the Sir Sid Darek, Sir Sid Darek 2, *Nikru biex Nassistu*, and Pre-1995 Rent Subsidy Schemes, along with other services available to persons residing in properties where their lease commenced before 1995. Through these 16 meetings, a total of 438 older persons were reached.

Another session was also held in San Blas, targeting individuals who are currently using various services offered by Caritas. Additional meetings were held with professionals in social services, including Youth in Focus and staff from various community-based services.

Members of the same team also participated in the Public Service Expo held in May, as well as in Freshers' Week at the University of Malta and at MCAST Paola, which took place during the final quarter of 2025.

While it is anticipated that these meetings will continue in the coming year, plans are also in place to organise additional meetings with groups from different sectors.

Training

Throughout the year, social welfare professionals within the Social Team attended training sessions on various topics, including Artificial Intelligence, Supervision, services offered by the Foundation for Social Welfare Services (FSWS), Media, and Public Speaking. Training was delivered both on an individual basis and in group settings, focusing on organisational change and new digitalisation processes.

Several employees from the Social Team also attended conferences and meetings organised by FSWS and other entities, such as Aġenzija Żgħażagħ. Other members undertook training in fire safety, as well as a basic course on the effective use of Maltese and English in the workplace. Additionally, more specialised training on the use of the Maltese language in the workplace was provided to 3 employees.

Furthermore, two employees from the section were selected to undertake the *Train the Trainers* course, enabling them to deliver several training sessions in the near future.

Overseas Training and Use of CPD Funds

Between 3 and 4 June 2025, a member of the Affordable Housing Team visited Lyon, France, to participate in a study visit organised by EPOCH Practice and the *Biennale de l'Hospitalité*. The visit mainly focused on poverty and the social inclusion of homeless people and migrants.

4 sites were visited, including *Le Faitout*, which supports migrants through the collaboration of four NGOs; *Cocon La Saulaie*, which provides care services to women and their children under the age of three; and two projects managed by the *Fondation Aralis*, which offer supported accommodation and sustainable housing solutions for individuals at risk of social exclusion.

In October, a member of the Social Team represented the Housing Authority at a conference in Munich, which included several study visits to various accommodation-related services.

For the second consecutive year, members of the Social Team used CPD funds to attend training abroad. Two members attended a conference held in London in October 2025, during which topics such as regulation within the social housing sector, enforcement, the use of artificial intelligence, and the challenges faced by individuals experiencing homelessness were discussed.

Another team member undertook several study visits in Munich in November 2025, focusing on services within the affordable housing sector. The same member also attended *BIM Munich*, which featured several sessions on digital services in the housing sector. Together with another colleague, the member attended two further conferences in Munich addressing digitalisation and the application of artificial intelligence in this field.

In December 2025, another team member attended a conference in London focusing on social housing projects being implemented in South-East London. These projects included the development of new residential buildings and renovation work on existing properties. As part of the conference, a site visit was conducted at Parkside Estate in Lewisham. The project comprises 1,225 residential units, delivered across six phases over 10 years, including a community centre, public spaces, and commercial areas.

As a result, every team member who commenced and concluded the year within this service used CPD funds and attended overseas training.

Housing First Training by Housing Europe

In 2025, the Affordable Housing Executive Head was part of Cohort 7 of the Housing First – Train the Trainer programme, organised by Housing Europe and delivered between May and December 2025. The programme concluded with the award of a certificate, enabling the recipient to train others in the Housing First approach at a national level.

Housing First is an evidence-based, person-centred approach that prioritises rapid access to permanent housing for people experiencing homelessness, without preconditions such as treatment compliance or readiness. Housing is recognised as a fundamental human right and a stable foundation from which individuals can address other challenges. Ongoing, flexible support is then provided to help people sustain their tenancies, improve health and well-being, and achieve social inclusion. The training covered all core Housing First principles, practical case studies, and extensive mutual learning with practitioners from across Europe. This experience has strengthened Malta's capacity to implement Housing First in line with European best practice.

Representation on the European Platform

As Malta's representative for Affordable Housing, the Executive Head represented Malta on the European Platform for Combating Homelessness (EPOCH), a key EU-level initiative that brings together Member States, EU institutions, and stakeholders to end homelessness. EPOCH is guided by core principles that focus on preventing homelessness, ensuring access to permanent and adequate housing, providing integrated and person-centred support services, and fostering strong cross-sectoral and cross-national cooperation.

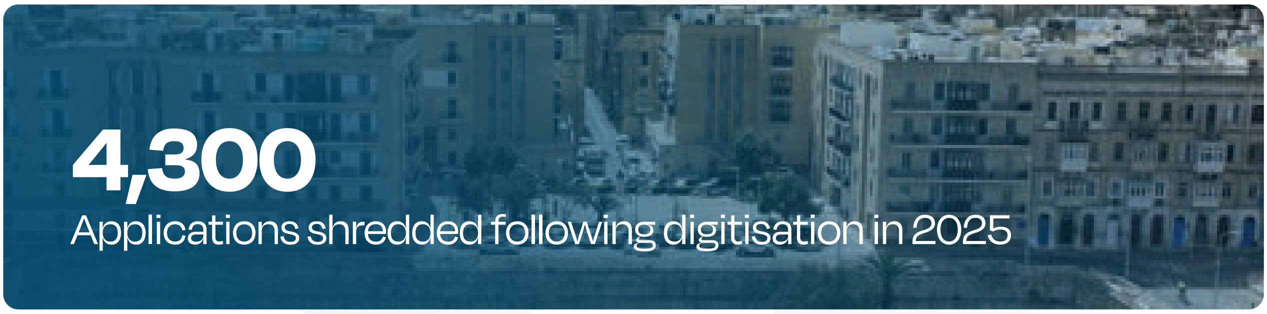
Through active participation in EPOCH, Malta was present in important European lobbying, policy development, and strategic discussions on homelessness. This role enabled Malta to contribute national perspectives to EU-level dialogue, engage in mutual learning with other European countries, and align national approaches with emerging European policy directions and best practices. As a result, Malta strengthened its visibility, influence, and collaboration within the European homelessness policy landscape.

Digitalisation

Digitalisation Social Housing

In January 2025, the Affordable Housing Section eliminated the use of printed applications and digitalised the processes for assessments, property measurements, inspections, allocations, and contracts. In the first quarter of 2025, several employees completed the different stages of the scanning process for all 2024 pending social housing applications, as well as for those opened in the first two months of 2025.

By March 2025, the vetters within the Affordable Housing Section were opening all social housing applications digitally, having fully phased out printed applications. As part of the digitisation process, 1,920 applications were shredded, with a further 2,380 applications shredded due to updates in the Authority's data retention policy. In total, 4,300 printed applications were shredded in 2025.



The following are some of the advantages of the digitalisation process and the simplification of the methodology used:

- Acquired more physical storage space previously taken up by pending and cancelled applications;
- Eliminated the need to carry applications from one office to another;
- Increased efficiency when moving applications from one section to another;
- Eliminated the risk that an application might end up in the wrong section;
- All documents earmarked for an application are now uploaded digitally;
- Files can now be accessed more efficiently;
- Applications can now be accessed by multiple employees simultaneously;
- The application process (from submission to completion of the initial assessment) was shortened by approximately two to four weeks;
- Reports can now be signed digitally by staff;
- Decreased costs of paper and ink, saving approximately 13,500 sheets of printed paper per year;
- Increased opportunities to work from home;
- Tablets are used instead of files when carrying out home visit assessments;
- Both applicants and staff can now sign electronically during home visits.

Digitalisation NIK

In May 2025, the Affordable Housing Section concluded the first phase of the digitalisation process for all applications relating to properties leased by the Housing Authority from the private sector. During this phase, only material related to the owners was scanned. Content related to tenants will be scanned in a later phase. The first phase involved a large team of employees who updated databases, prepared approximately 2,250 files, scanned them, and randomly checked the scanning process to ensure all relevant documents were scanned properly. After this process, the documents that had to be retained in their original format were set aside to comply with the Authority's data retention policy. This project presented a unique challenge: these were the only files that had been partially scanned (the part relating to the landlords). Another challenge was ensuring that the work carried out within the different sections of the Housing Authority could continue uninterrupted.

Furthermore, all applications within the NIK Scheme were opened digitally in May 2025, except for those processes that need to be completed after the allocation phase. A member of the team trained all employees working within the Affordable Housing, Customer Care, Estate and ARMS Sections in the digitalisation process.

Digitalisation Conclusion

The Housing Authority trained its employees in digital processes to achieve all goals related to social housing applications. Further investment was made in electronic equipment to support office work and fieldwork when visiting applicants in their homes. This investment included the acquisition of monitors, tablets, screen protectors, and privacy screen protectors, ensuring all employees have the necessary resources at hand.

During 2025, employees updated databases to support the digitalisation process and assisted other sections as needed. The Housing Authority remains committed to continuing its investment in employee training as it moves towards full digitalisation.

2025 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 first-time buyers;

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

In 2025, the Opportunities Section received 6,443 applications for these schemes. The following is a breakdown of the applications received:

Schemes	Applications 2025
Schemes to facilitate homeownership	
Equity Sharing Scheme (ESS)	165
10% Deposit Scheme (DPS)	122
Social Loan Scheme (SOL)	1
New Hope Scheme (NHS)	17
Sir Sid Darek Scheme (SSD)	281
Sir Sid Darek 2 Scheme (SSD 2)	58
Schemes for rent affordability	
Housing Benefit Scheme (HBS)	973
Rent Subsidy Scheme for Properties leased before 1995 (SKP)	493
Schemes to boost purchasing power of first-time buyers	
First-Time Buyers Scheme (FTB)	2,329
Grant on First Residence (GFR)	255
Schemes to improve housing quality	
Adaptation Scheme (ADP)	283
Structural Alterations Scheme (SSP)	26
Disability Scheme (DIS)	1,155
Rehabilitation of Vacant Dwellings (RVU)	3
Others	
Lift Installation Scheme (LFT)	29
Nikru biex Nassistu Scheme (NIK)	253
Total[2]	**6,443**

Table 18: Applications Received in 2025

[2] The Scheme Section also oversees the Tax Reduction Scheme. However, given that no applications were received in 2025, this scheme was not reported.

Expenditure and Beneficiaries

In 2025, the total subsidy granted by the Authority for its schemes amounted to almost €51 million, representing a 25% increase compared to the previous year. Table 19 provides details of the expenditure evolution on these schemes between 2020 and 2025.

Schemes	2020	2021	2022	2023	2024	2025
Schemes to facilitate homeownership						
ESS	€3,670,750	€2,558,888	€5,673,466	€4,258,461	€4,110,097	€4,334,304
DPS	€1,944,110	€2,171,937	€1,298,769	€2,545,040	€2,762,932	€2,068,849
SOL	€178,438	€222,565	€236,291	€247,815	€256,370	€214,904
SSD	€4,326,062	€3,797,501	€4,967,537	€3,710,759	€4,671,406	€6,641,212
SSD 2	-	-	-	-	-	€471,759
ISS	€437,847	€220,699	€85,242	€5,214	€1,882	€919
Schemes for rent affordability						
HBS	€5,925,136	€7,769,320	€8,414,925	€9,559,129	€10,694,458	€10,662,258
SKP	-	€49,140	€1,753,176	€4,862,128	€7,301,315	€10,163,302
Schemes to boost purchasing power of first-time buyers						
FTB	-	-	-	€2,631,000	€4,694,000	€6,820,000
GFR	€997,350	€1,038,781	€1,094,142	€1,035,619	€1,024,780	€1,016,476
Schemes to improve housing quality						
ADP	€464,288	€529,670	€804,684	€659,756	€832,560	€819,733
SSP	€8,370	€15,895	€33,289	€54,966	€44,141	€69,755
DIS	€690,616	€787,822	€1,151,242	€2,288,599	€3,986,653	€7,365,441
RVU	€65,000	€99,992	€224,170	€137,569	€118,078	€98,215
Total	€18,707,967	€19,262,210	€25,736,933	€31,996,055	€40,498,672	€50,747,127

Table 19: Expenditure on Schemes (2020-2025)

Figure 3 displays the expenditure across the four main categories between 2019 and 2025. In the category covering rent affordability schemes, the chart distinguishes between the Rent Subsidy Scheme and the Pre-95 Scheme, which started in 2021 with the introduction of the Controlled Residential Leases Reform Act of 2021.

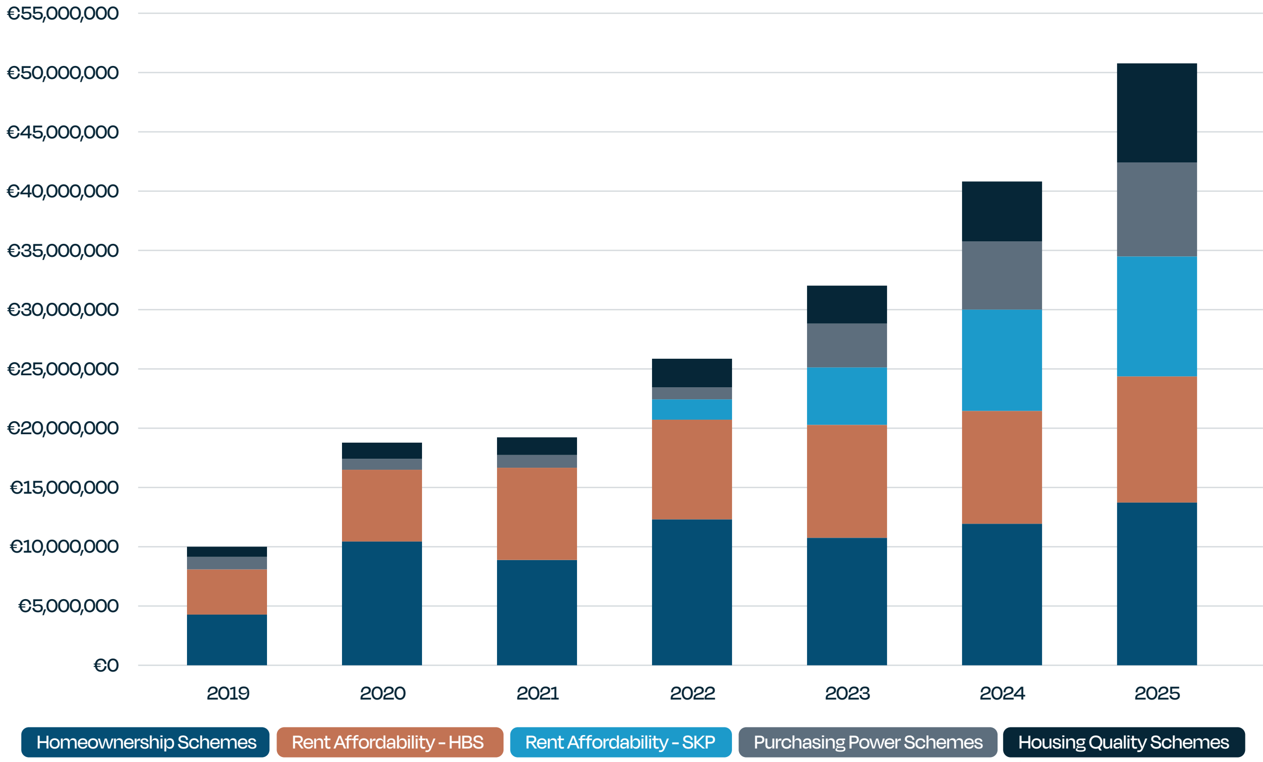


Figure 3: Housing Authority Expenditure

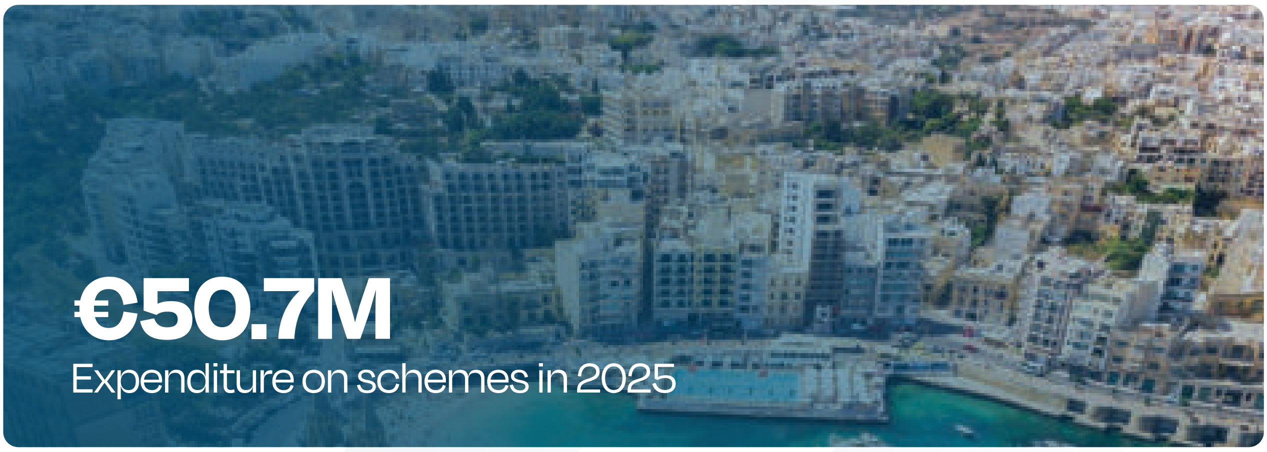


Table 20 shows the number of families that have benefited from the schemes since 2020. In 2025, the Housing Authority assisted 15,213 households, with the largest schemes being the First-Time Buyer and the Housing Benefit Schemes.

15,213
Families assisted in 2025

Schemes	2020	2021	2022	2023	2024	2025
Schemes to facilitate homeownership						
ESS	56	44	65	84	68	57
DPS	117	125	56	117	116	80
SOL	114	137	162	174	177	109
NHS	-	-	7	5	6	13
SSD	110	106	122	91	126	179
SSD 2	-	-	-	-	-	9
ISS	205	185	10	2	1	1
Schemes for rent affordability						
HBS	3,437	4,040	4,154	4,039	4,070	3,893
SKP	-	40	428	1,137	1,640	2,002
Schemes to boost purchasing power of first-time buyers						
FTB	-	-	-	2,758	4,909	7,213
GFR	344	393	433	377	344	327
Schemes to improve housing quality						
ADP	176	172	242	184	187	179
SSP	4	5	10	8	11	10
DIS	159	180	265	499	653	1,141
RVU	3	4	6	2	1	-
Total	**4,725**	**5,431**	**5,960**	**9,477**	**12,309**	**15,213**

Table 20: 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 using their own funds and a home loan, with the remaining portion purchased at a later stage. The Housing Authority assists eligible applicants by purchasing the remaining share of the property, up to a maximum of €100,000. Since the launch of this scheme, 440 contracts have been signed, with the Housing Authority's investment exceeding €24.6 million.

The purchased properties in 2025 were financed as follows:

Equity Sharing Scheme – ESS

Financing breakdown of properties purchased in 2025	€
Average share of the Authority in the property purchased by applicants	€77,413
Average loan granted by APS Bank	€91,744
Average share issued by beneficiaries	€39,472
Average price of purchased properties	**€**
Apartment	€204,539
House	€216,000
Maisonette	€230,875
Economic profile of beneficiaries	**€**
Average income of beneficiaries	€18,667
Average assets of beneficiaries	€38,250

Table 21: 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, up to a maximum of €225,000. 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-year period or until the loan is fully repaid, whichever comes first.

In 2025, the Housing Authority received 122 applications for this scheme. The status of these applications was as follows:

10% Deposit Scheme – DPS

Status of applications submitted in 2025	Number of applications
Signed deeds	3
Promise of sale signed (10% deposit issued)	54
Applicants with approved applications who are looking for a property	49
Applications invalid / withdrawn / not eligible by Bank	16
Total	**122**
Expenditure for the Year 2025	**€2,068,849**

Table 22: DPS Applications and Expenditure

The average price of the properties purchased under DPS was €207,536, while the value of all properties reached €11,206,980.

Social Loan Scheme – SOL

During 2025, 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 of up to €140,000 for purchasing a property. Through this scheme, the Housing Authority provides eligible applicants with a monthly subsidy of up to €167 for home loan repayments. Additionally, it offers professional notarial services through an assigned notary. The Housing Authority is currently in discussions with two local banks regarding the required restructuring of the scheme, which is scheduled for publication in the second quarter of 2026. In 2025, only 1 application was received for this scheme, with its status outlined below:

Social Loan Scheme – SOL

Status of applications submitted in 2025	Number of applications
Promise of sale signed	-
Applications approved & applicants looking for a property	-
Pending missing documents	-
Withdrawn / invalid / postponed applications	1
Total	**1**
Expenditure for the Year 2025	**€214,904**

Table 23: 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 total, this year, the Authority guaranteed 13 loans amounting to €2,218,228. In 2025, the Housing Authority received 17 applications for this scheme. The statuses of these applications are outlined below:

New Hope Scheme – NHS

Status of applications submitted in 2025	Number of applications
Guarantee issued - finalised	9
Applicants required to pay the participation fee for Guarantee Issuance	2
Withdrawn / invalid / postponed applications	5
Pending	1
Total	**17**
Amount of Guarantees Issued in 2025	**€2,218,228**

Table 24: NHS Applications and Expenditure

Sir Sid Darek Scheme – SSD

In 2025, the Housing Authority received 281 applications, with 179 families purchasing their rented property through this scheme (Table 25). Under this scheme, applicants who do not possess assets worth more than €150,000 receive a 50% subsidy on the property purchase price.

179
Families purchased their rented property through SSD in 2025

Sir Sid Darek Scheme – SSD

Status of applications submitted in 2025	Number of applications
Applications	281
Deed signed	179
Expenditure for the Year 2025	**€6,641,212**

Table 25: SSD Applications and Expenditure

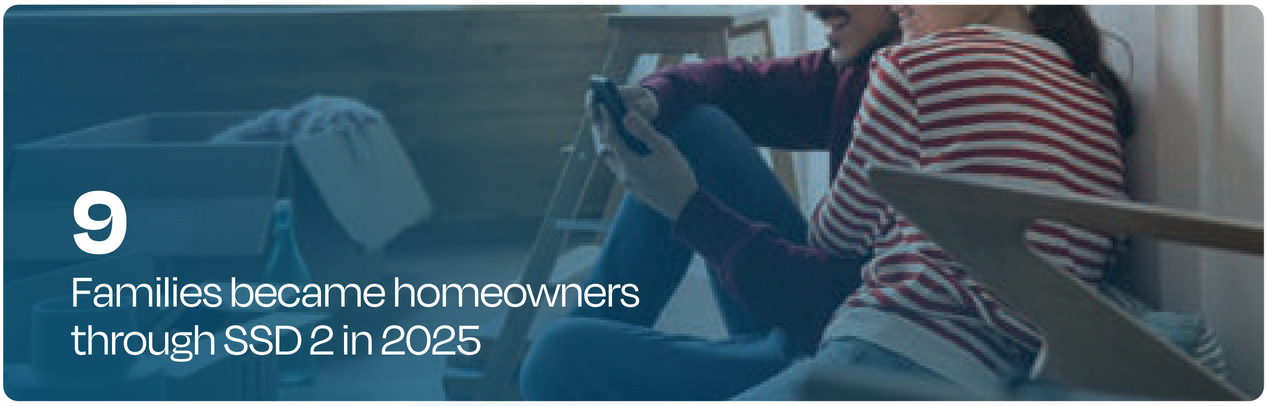
Sir Sid Darek 2 Scheme – SSD 2

The Housing Authority has a scheme encouraging residents of 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. During 2025, the Housing Authority received 58 applications from applicants residing in these localities/areas (Table 26). The Authority is currently working on the valuations of these properties and has requested the Lands Authority to transfer these properties to proceed with the applications. A total of 9 families became homeowners through this scheme during the year, benefitting from a total subsidy of €471,759.

Sir Sid Darek 2 Scheme – SSD 2

Locality	Number of applications
Marsascala (Qasam tal-Bujar)	2
Mtarfa	-
Pembroke	12
Senglea (Xatt ir-Risq)	2
Sliema (Tigné)	-
Valletta	42

Table 26: 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. As in previous years, this scheme remained popular, with the Housing Authority receiving 973 applications in 2025. Figure 4 outlines the household compositions of the applicants, with single individuals representing the largest category.

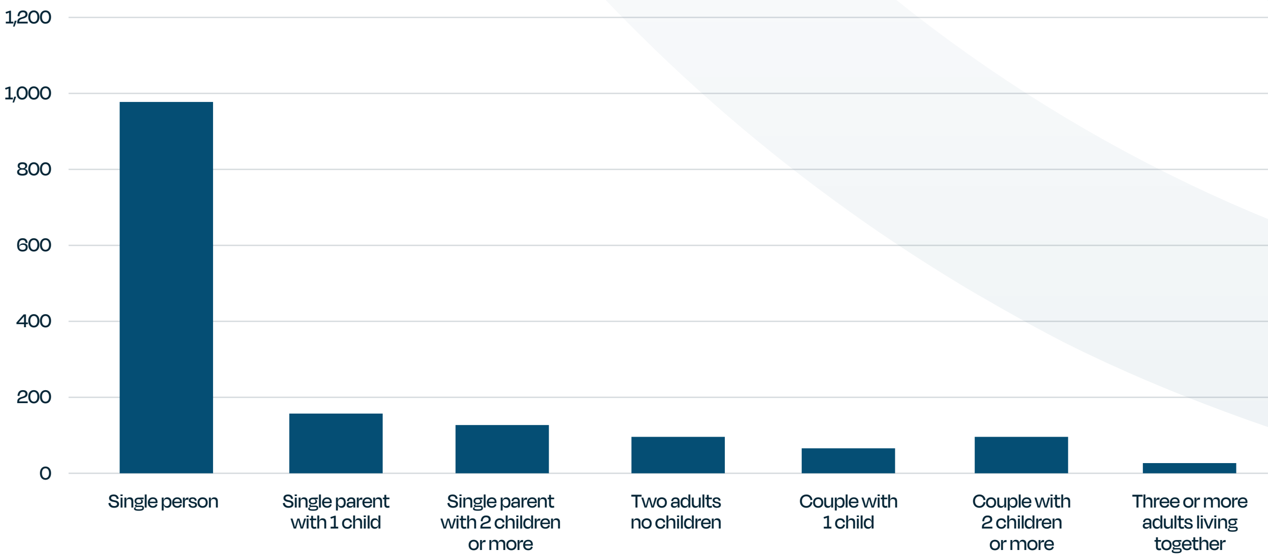


Figure 4: Household Composition of HBS Applicants in 2025

It is a reality that rents in Malta have been steadily increasing, which is reflected in the amounts paid by applicants. Table 27 shows the annual rents of applicants under this scheme before receiving the subsidy. During 2025, 3,893 beneficiaries received benefits under the HBS, with a total expenditure of €10,662,258—an average of €2,739 per beneficiary per annum.

Annual Rent	Number of applications
€0 - €1,000	1
€1,001 - €3,000	16
€3,001 - €5,000	50
€5,001 - €7,000	114
€7,001 - €9,000	298
€9,001 - €11,000	227
€11,001 - €13,000	123
€13,001 - €15,000	102
€15,001 - €25,200	42

Table 27: Annual Rent of HBS Applicants in 2025

3,893

Families assisted through HBS in 2025

€2,739

Average annual subsidy per family from HBS

Rent Subsidy Scheme for Properties Leased Before 1995 – SKP

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

- Reletting 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 market rental values, 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 28.

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 28: 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.

2,002
Families assisted through SKP in 2025

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 2025, the Housing Authority received 493 applications, with a total of €10,163,302 paid to beneficiaries, averaging €5,077 per beneficiary. By the end of the year, the Housing Authority was assisting 2,002 seniors who were receiving subsidies under this scheme.

Schemes to Boost Purchasing Power of First-Time Buyers

First-Time Buyers Scheme – FTB

In 2025, 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 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 three years—over 8,600. In 2023, the Housing Authority received 4,160 applications, followed by 2,167 in 2024 and 2,329 in 2025, which includes 1,428 from applicants who signed their deed in 2025. All applicants who purchased their residence in 2022 were reviewed to receive their third payment. A further 2,144 applicants will receive their second payment, while an additional 1,428 who purchased their property in 2025 will receive their first payment in June 2026. More applications for deeds signed in 2025 are expected to be received during the first and second quarters of 2026.

8,600+
Applications received in its first three years

The properties for which applications were received in 2025 had a total value of €671.8 million, while the average prices for houses, apartments, maisonettes, and land/airspace were as follows:

Type of residence	Number of properties	Average price
Houses	297	€396,491
Apartments	1,714	€269,746
Maisonettes	296	€299,006
Plots/Air Spaces	22	€237,904

Table 29: Average Property Prices under the FTB Scheme

All payments were issued as planned and scheduled (i.e., in June), while processing of applications for contracts signed in 2025 also began.

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 2025, the Housing Authority finalised 327 applications with a total expenditure of €1,016,476—an average of €3,108 per application—while it received 255 new applications.

327
Families assisted through GFR in 2025

€3,108
Average grant per family from GFR

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 283 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 2025, 179 families benefitted from this scheme at a total expenditure of €819,733, while an additional €336,381 was approved for a further 63 applications.

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 2025, the Housing Authority received 26 applications, approving 12, with a total cost of €56,580 and issuing payments amounting to €69,755 to 10 families.

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 2025, 1,063 stairlifts, 490 walk-in showers, and 22 lifts, among other equipment, were approved, thus enabling these applicants to continue living in their homes within the community.

The Schemes Section experienced a significant increase in applications received, amounting to 1,139, a 34% increase compared to 2024. In 2025, the Housing Authority issued a record number of payments under this scheme, which amounted to €7,365,441, marking an 85% increase over the previous year. A total of 1,141 applicants benefitted from this scheme in 2025. An additional €3,063,738 was approved for a further 624 applications.

The household composition of the applications received in 2025 is outlined in Table 30.

1,063
Stairlifts approved under DIS in 2025

1,141
Families assisted through DIS in 2025

Disability Scheme – DIS

Household composition	Number of applications
Cohabitating	13
Divorced	13
Married	760
Single Parent	2
Separated	41
Separated with children	2
Single	89
Widowed	219

Table 30: Household Composition of DIS Applicants in 2025

SensAbility Scheme

This scheme offers financial assistance to families to help cover part of the cost of purchasing sensory equipment. Since its launch, the Housing Authority has received 140 requests for this scheme, resulting in a total grant approval of €598,113. Table 31 shows the household composition of the 16 applications received in 2025.

SensAbility Scheme

Household composition	Number of applications
Married	8
Single Parent	1
Separated	1
Separated with children	3
Single	3

Table 31: Household Composition of SensAbility Applicants in 2025

Rehabilitation of Vacant Dwellings – RVU

In 2025, the Housing Authority received 3 new applications for the RVU Scheme, with the expenditure on this scheme amounting to €98,215, which covered the rents of properties already leased under this initiative.

Since its introduction, the Housing Authority has approved 23 applications. Upon completion of works, these properties are subleased for social housing purposes. The total amount approved for these applications was €669,809, with €526,731 disbursed.

Digitisation

In 2024, the Housing Authority initiated a comprehensive digitisation programme, marking the transition from physical records to a fully digital filing system. To support this strategic objective, a dedicated project team was established, comprising representatives from multiple departments.

The programme commenced with extensive testing and pilot exercises, including file scanning and workflow development. A series of cross-departmental meetings were held to address key operational considerations, such as data retention policies, document disposal procedures, application lifecycle management, workflow design, process simplification, file preparation for scanning, file tracking throughout the digitisation process, and reconciliation procedures.

Following the successful completion of the Housing Benefit Scheme (HBS), the Authority progressed with the digitisation of additional schemes. During this period, a total of 5,832 First-Time Buyer Scheme (FTB) files, 389 Right to Buy Scheme (RTB) files, and 2,785 Grant on First Residence Scheme (GFR) files were digitised.

In 2025, digitisation efforts continued under the 10% Deposit Scheme (DPS), including the scanning of 848 DPS files and the development and configuration of the necessary workflows to manage new applications and supporting documentation efficiently.

Work also commenced on the Disability Scheme (DIS) in 2025, with 2,809 DIS files scanned by the end of the year. This phase was supported by comprehensive documentation of all scheme-related processes, including detailed workflow mapping and database configuration. Multiple consultations were held with relevant sections to clarify requirements and ensure accuracy and completeness.

Additionally, the digitisation of Scheme I files was finalised during the reporting period.

Outreach

The Housing Authority focused on outreach during 2025 to provide comprehensive information on the schemes it offers and to explain how individuals may benefit from them. Each scheme was presented in detail through a structured presentation, ensuring clarity regarding eligibility criteria, application procedures, and available benefits.

These outreach sessions were conducted at Active Ageing Centres across Malta. During these visits, particular emphasis was placed on Affordable Housing functions, Disability Schemes, Adaptation Schemes, and Rent Subsidy Schemes, enabling attendees to gain a clear understanding of the available support.

In addition, similar but more intensive presentations were delivered to leading real estate agents, providing them with a deeper understanding of the Authority's schemes to better advise prospective beneficiaries.

2025 Annual Report

Rent Registration

Rent Registration

In 2025, the Housing Authority marked its sixth year as the regulator of the private residential rental market, leveraging its digital registration platform to maintain a transparent and data-driven regulatory framework. This system continues to provide vital insights into market realities, serving as a cornerstone for internal policy development that protects the interests of both tenants and property owners.

This year also represented the first full year of implementation for the strategic amendments introduced in September 2024, which have significantly enhanced administrative efficiency. By allowing for the addition, removal, or replacement of lessees within an existing registration, the Authority has streamlined the process for stakeholders and eliminated the burden of redundant registration fees. Furthermore, the framework now successfully accommodates diverse living arrangements by allowing dwellings to be leased to multiple non-related residents. This is managed under strict compliance standards, ensuring that the number of occupants, up to a maximum of ten, is always aligned with regulated bedroom and bathroom requirements to maintain high standards of habitability.

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 are granted all the necessary rights as per Chapter 604/2019. In 2025, this section answered 82,225 requests (Table 32). This figure covers email data for the entire year, while telephone data is available only until August 2025, due to the full merger of the Customer Relations Section within the Property Market Section with the Customer Care Section of the Housing Authority.

82,225
Requests answered in 2025

Requests Submitted

The Authority managed a significant volume of enquiries throughout 2025, with termination-related requests remaining the most prominent category at 24,576 queries. These queries primarily addressed the procedural requirements for ending a registration, as well as the specific rights and obligations of the parties involved. Additionally, the Authority handled 31,490 requests for general information and assistance, a figure that underscores a strong commitment among stakeholders to maintain compliance within the private residential lease market.

Concurrent with these trends, there was a marked increase in inquiries concerning the issuance of residence permits. Although these fall under the remit of Identità, the rising volume of such requests reflects the growing number of foreign nationals seeking to regularise their residency, further highlighting the intersection between the rental market and broader demographic shifts.

Request	Number of requests
General information	9,648
Assistance on registration	21,842
Renewal of contracts	5,051
Termination of registrations	24,576
Tax rebate	341
Legal assistance	170
Requests related to the issuance of the residence permit	3,224
Questions on the number of permitted residents in a property	787
Addition of addresses	9,693
Questions on law amendments	180
Requests for the addition, removal, and substitution of tenants	5,612
Others	1,101
Total	**82,225**

Table 32: Requests Received in 2025

Our Facebook Page

Facebook is another platform that customers use to submit their requests. In 2025, 208 users made enquiries through the Authority's Facebook page for general information about the Private Residential Leases Act, their rights and obligations, or their specific registration.

200+

Enquiries received through the Facebook page in 2025

Characteristics of Contracts Submitted

Most contracts submitted in 2025 related to long-term leases with a duration of one year or more. Of the 48,385 residential rental contracts received during the year, 31,317 (64.7%) concerned long-term private residential leases for entire dwellings, while 12,426 (25.7%) related to long-term leases for shared residential spaces. Short-term private residential rentals for entire dwellings accounted for 402 contracts (0.8%), and 4,240 contracts (8.8%) represented short-term rentals of shared residential spaces.

Following the amendments introduced after 1 September 2024, applicants must declare the category of lessees, indicating whether the lease is registered in the name of an individual or a family.

Based on these submissions, long-term private residential leases comprised 32,001 registrations submitted under the individual category, while 11,742 were registered under the family category. For short-term private residential leases, 4,485 registrations were submitted under the individual category, compared to 157 registrations under the family category.

A notable decrease in contract submissions was recorded in 2025, amounting to approximately 13% compared to 2024. This decline is primarily attributable to the legislative amendments introduced in September 2024, which allow parties to add or remove lessees from an existing contract without the need to terminate the registration, execute a new agreement, and re-register the contract.

With respect to lease duration, 30,373 contracts (69.4%) were long-term leases with a duration of at least one year but less than two years. A further 9,034 contracts (20.7%) had a duration of two years or more but less than three years, while 4,336 contracts (9.9%) were for leases of three years or longer.

Number of Registrations

Upon submission, each contract registration undergoes a verification process to ensure compliance with the requirements and provisions set out in Chapter 604 of the Laws of Malta (2019).

As at 31 December 2025, of the 48,385 new contracts registered (Table 33), 46,921 were approved. A total of 655 applications were rejected because they did not fall within the scope of Chapter 604 of the Laws of Malta (2019), which excludes commercial leases, emphyteusis, pre-1995 leases, and leases intended for tourist purposes. The remaining 809 applications were returned for rectification due to identified deficiencies.

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**	**12,518**	**651**
2025	**43,743**	**-**	**4,642**
Total	**214,478**	**36,014**	**7,988**

Table 33: Number of Rent Registrations (2020-2025)

Figure 5 plots the distribution of monthly rents in euros for long-term leases of whole dwelling contracts registered during the second half of 2025. Around half of these contracts have a monthly rent between €800 and €1,300, while the share of contracts exceeding €1,300 per month stood at 29%. Furthermore, approximately 20% of the contracts were below €800.

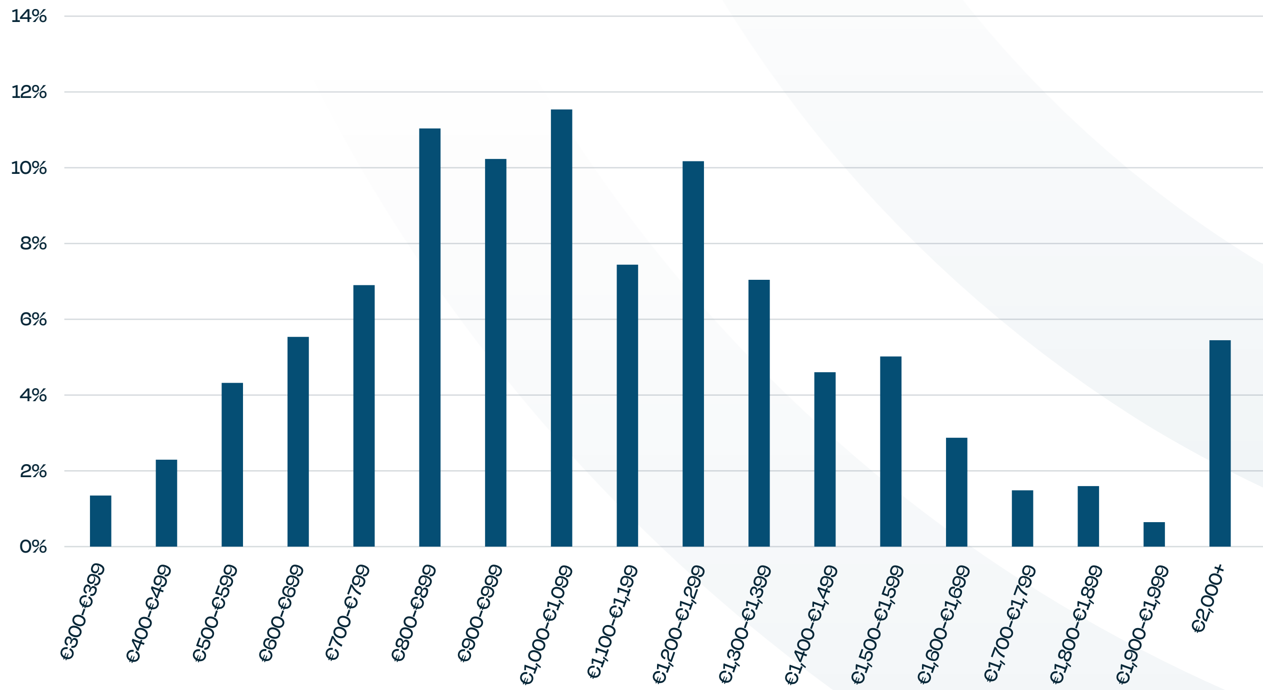


Figure 5: Distribution of Rents Registered for Long-Term Leases (Whole Dwelling) as at H2 2025

Express Renewals and Automatic Renewals

The Private Residential Leases Act requires landlords to notify tenants in writing at least three months prior to the lease's termination date, specifying whether they intend to terminate the lease upon expiry or renew it. If such notice is not provided within the stipulated timeframe, the lease is automatically renewed for a further year.

During 2025, a total of 37,612 contracts were renewed, the majority of which—approximately 81%—were renewed automatically.

Terminations of Registrations Before the Lapse of the Agreed Term

In 2025, a total of 29,681 registrations were terminated prior to the expiry of their original contractual term, representing a 14.7% decrease compared to the previous year. This equates to an average of 81 early terminations per day, compared to 95 per day in 2024, 82 per day in 2023, 57 per day in 2022, and 42 per day in 2021. The decline in 2025 is primarily attributable to the legislative amendments that allow parties to add or remove lessees within an active registration, thereby eliminating the need to terminate the existing registration, execute a new contract, and submit a new registration.

Early terminations may occur by mutual agreement between the parties, where a tenant withdraws from the contractual relationship without notice, or in cases of contract replacement, for example, when an outgoing tenant is substituted by a new tenant.

Following the significant increase in early terminations in recent years, a streamlined process was introduced on the online platform towards the end of 2023. This system enables landlords to complete the de-registration process independently, without requiring intervention from the Authority, while assuming the same legal responsibilities applicable to contract registration and doing so remotely.

Addition, Removal and Substitutions of Lessees

With effect from 1 September 2024, parties may amend a lease agreement by adding, removing, or substituting lessees without the need to terminate the existing contract, execute a new agreement, or submit a fresh registration.

For contracts that commenced prior to September 2024, such amendments are permissible only where the contract remains within its original term and has not been renewed. In contrast, for contracts commencing on or after September 2024, amendment requests may also be submitted following renewal of the contract.

During 2025, the Housing Authority processed 23,717 amendment requests. Of these, 5,945 requests for the removal of lessees were approved, while 4,102 were rejected. Additionally, 7,351 requests for the addition of lessees were approved, and 6,319 were declined. A further 574 substitution requests were processed and approved during 2025.

13,870

Approved requests for the addition, removal, and substitution of lessees in 2025

Active Registered Contracts as of December 2025

72,754

Active registered contracts as of December 2025:

▲9.3% from 2024

As at the end of 2025, the number of active registered contracts reached 72,754, representing a 9.3% increase compared to the previous year (Figure 6). Approximately 47.6% of these active contracts commenced during 2025.

Of the total active contracts at year-end, 71,311 (98%) related to long-term leases, while 1,442 (2%) concerned short-term leases.

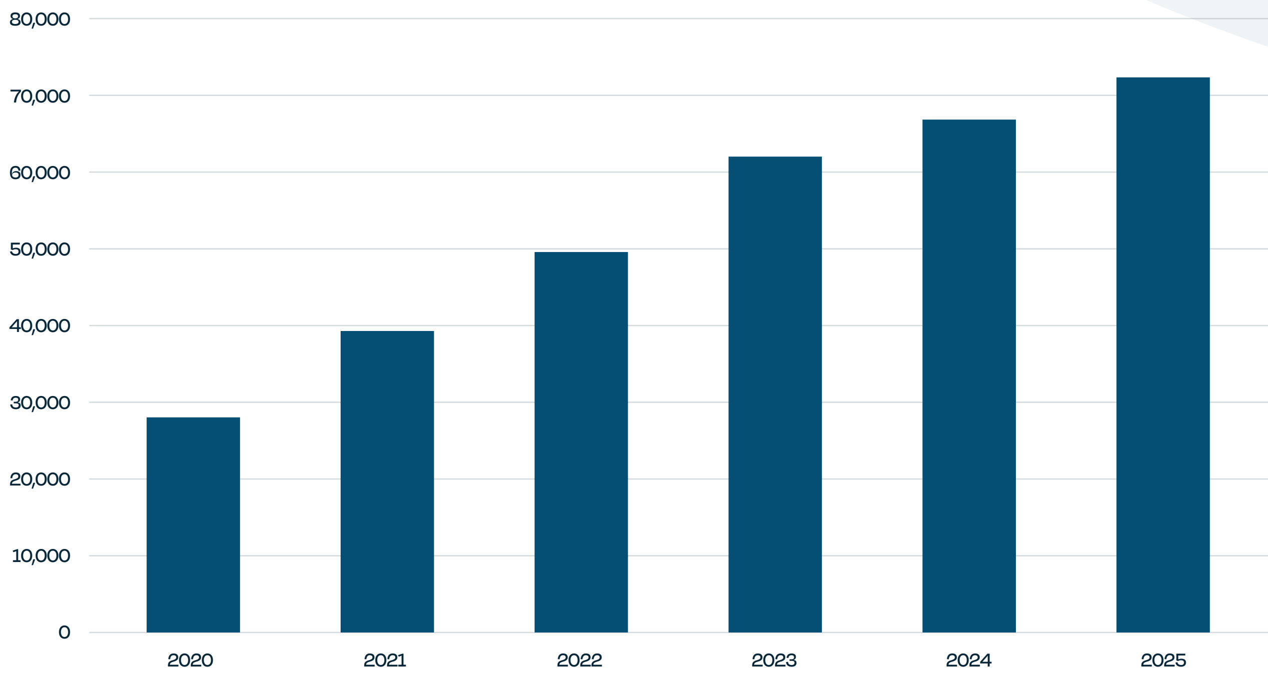


Figure 6: Registered and Active Contracts with the Housing Authority as of 31 December

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 the following main issues: deposits, repairs, damages, utility bills, claims for rent and utility arrears, compensation for overstay by the lessee, and expenses related to common parts. The amendments to the law, published at the end of 2024, continued to significantly impact the number of claims submitted in 2025.

An increase in claims submitted from the previous year was observed, directly impacting the volume of administrative work related to these claims. In 2025, a total of 314 claims were submitted, with 85 replies made to these claims. Additionally, the Panel issued 286 verbal notifications to both parties (Table 34).

The Panel issued 174 decisions during 2025. This increase in decisions reflected the increase in disputes submitted. Most of these decisions were deposit-related, followed closely by requests for repairs and rent arrears. There was also a significant decrease in requests regarding the correct calculation of utility bills.

During 2025, the Housing Authority answered more than 805 dispute-related calls. In the same year, it also answered over 1,000 emails from lessors, lessees, and other interested parties.

	Claims	Replies to claims	Issued notices	Issued decisions
Total	**314**	**85**	**286**	**174**

Table 34: Administration of the Arbitration Panel in 2025

2025 Annual Report

Property

Property

Infrastructure Management

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

The Housing Authority's continual commitment to 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 this year's results, with an investment of over €8 million (see Table 35). 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.

€8M+

Investment in repairs, structural works, common parts maintenance and the rehabilitation of buildings for social accommodation purposes in 2025

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
2025	€4,394,475	€3,622,797

Table 35: Housing Authority's Expenditure on Embellishment & Repairs (2018-2025)

Repairs Services in Rented Properties and Common Areas

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

This year, 2,282 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.

2,282
Requests for repairs in 2025

an average of
190 Requests per month

Excluding the two 'Others' categories, which may include a variety of works that do not fall under a specific category, the highest number of reports related to apertures, meter cupboards, tiles, and handrails (Figure 7). These were followed by drainage and rainwater systems and leakages, as well as removal of danger and structural support. On average, 190 reports were registered each month, with the highest number received in February (240 reports) and the lowest in December (115 reports).

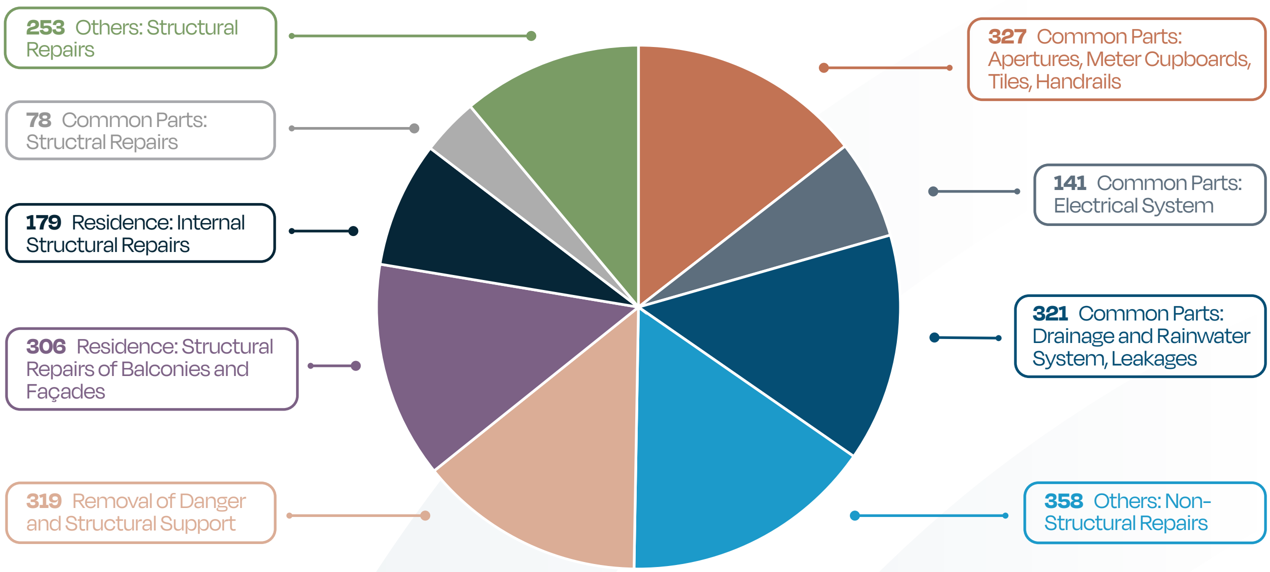
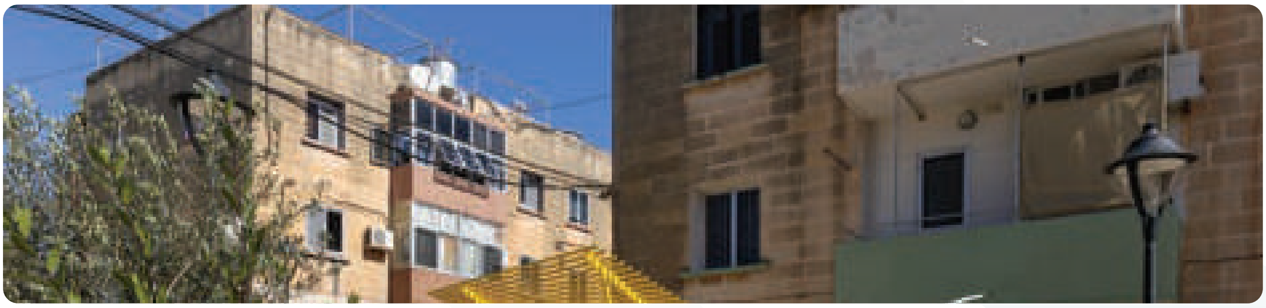


Figure 7: Registered Requests by Type of Repair in 2025



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 1,513 technical inspections were conducted in response to damage reports (Table 36). These identified 303 cases of structural damage, which required immediate intervention 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 765 repair cases. By the end of the year, 1,207 cases were closed, with the necessary work completed and certified, amounting to a total of €3.62 million.

Requests for repairs processed in 2025	
Requests registered and processed	**2,282**
Inspections of new cases	**1,513**
Compiled estimates	**765**
Completed works (including interventions for the removal of danger and support)	**1,207**

Table 36: Requests for Repairs Processed in 2025

During the year, a substantial number of repairs and emergency interventions were successfully carried out across various localities in Malta and Gozo. As shown in Table 37, the expenditure on structural repairs in individual properties amounted to €741,160, while structural repairs in the common areas of apartment blocks reached approximately €224,928. Additionally, €1,095,047 was spent on services and finishes in common areas. Around €41,877 was allocated for emergency interventions, including the reinforcement of roofs and balconies, as well as the removal of hazardous stone and concrete until proper repairs could be carried out.

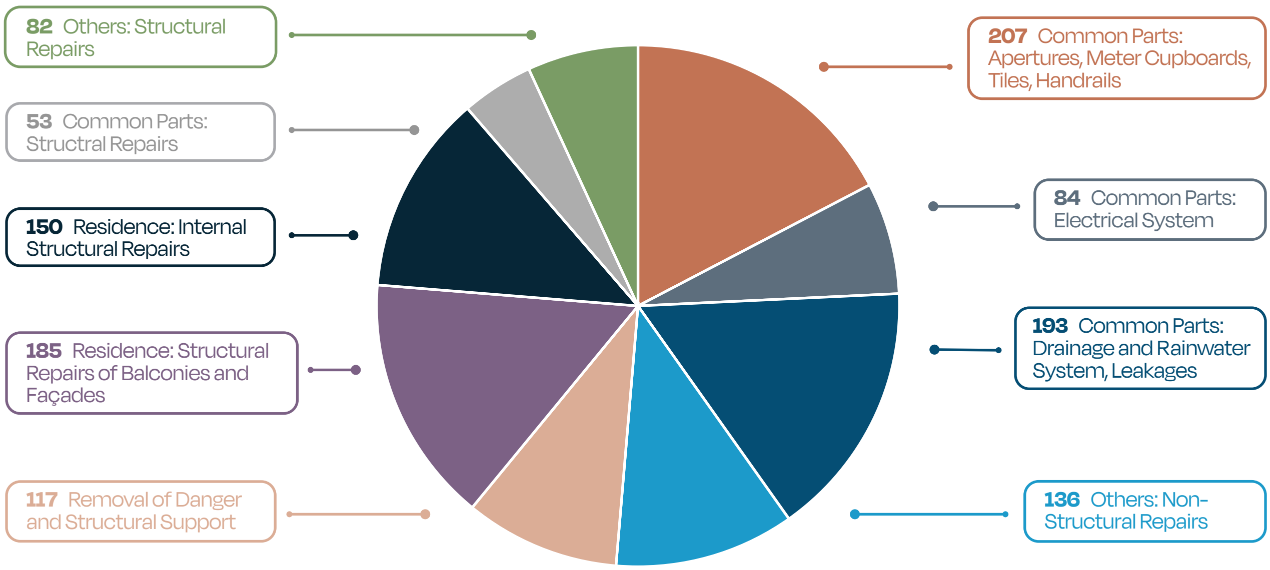


Figure 8: Completed Repairs on Properties in 2025

Type of repairs	Expenditure
Common Parts: Apertures, Meter Cupboards, Tiles, Handrails	€387,022
Common Parts: Electrical System	€163,069
Common Parts: Drainage and Rainwater System, Leakages	€544,955
Others: Non-Structural Repairs	€587,294
Removal of Danger & Structural Support	€41,877
Residence: Structural Repairs of Balconies and Façades	€485,975
Residence: Internal Structural Repairs	€741,160
Common Parts: Structural Repairs	€224,928
Others: Structural Repairs	€446,515
Total	**€3,622,797**

Table 37: Cost of Completed Repairs on Properties in 2025

This year, there was again a notable number of cases in which, 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 tiling, 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.

The Non-Structural Repairs Unit administers a tender for the handling of asbestos materials removed from residential blocks during repair works. These materials mainly consist of soil and rainwater pipes but may also include old water tanks. The asbestos is placed in sealed sacks and safely lowered to the ground floor. A contractor specialised in handling hazardous materials is then notified to collect the waste from the site, carry out the required air testing, and dispose of it in accordance with Legal Notice 258 of 2025. All works are carried out by qualified personnel registered with the Occupational Health and Safety Authority (OHSA).

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 2025, 174 work orders, each comprising multiple jobs, were assigned for various repairs. These were issued under the 2023–2025 framework.

Major Repairs, Restoration and Other Projects

Large-scale repair and restoration projects on the façades of scheduled buildings continued throughout 2025. Given their architectural and historical importance, these buildings required specialised interventions to preserve their structural integrity while maintaining their original character.

The restoration works consist of:

- 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.

5 Major repairs, restoration, and other projects completed in 2025

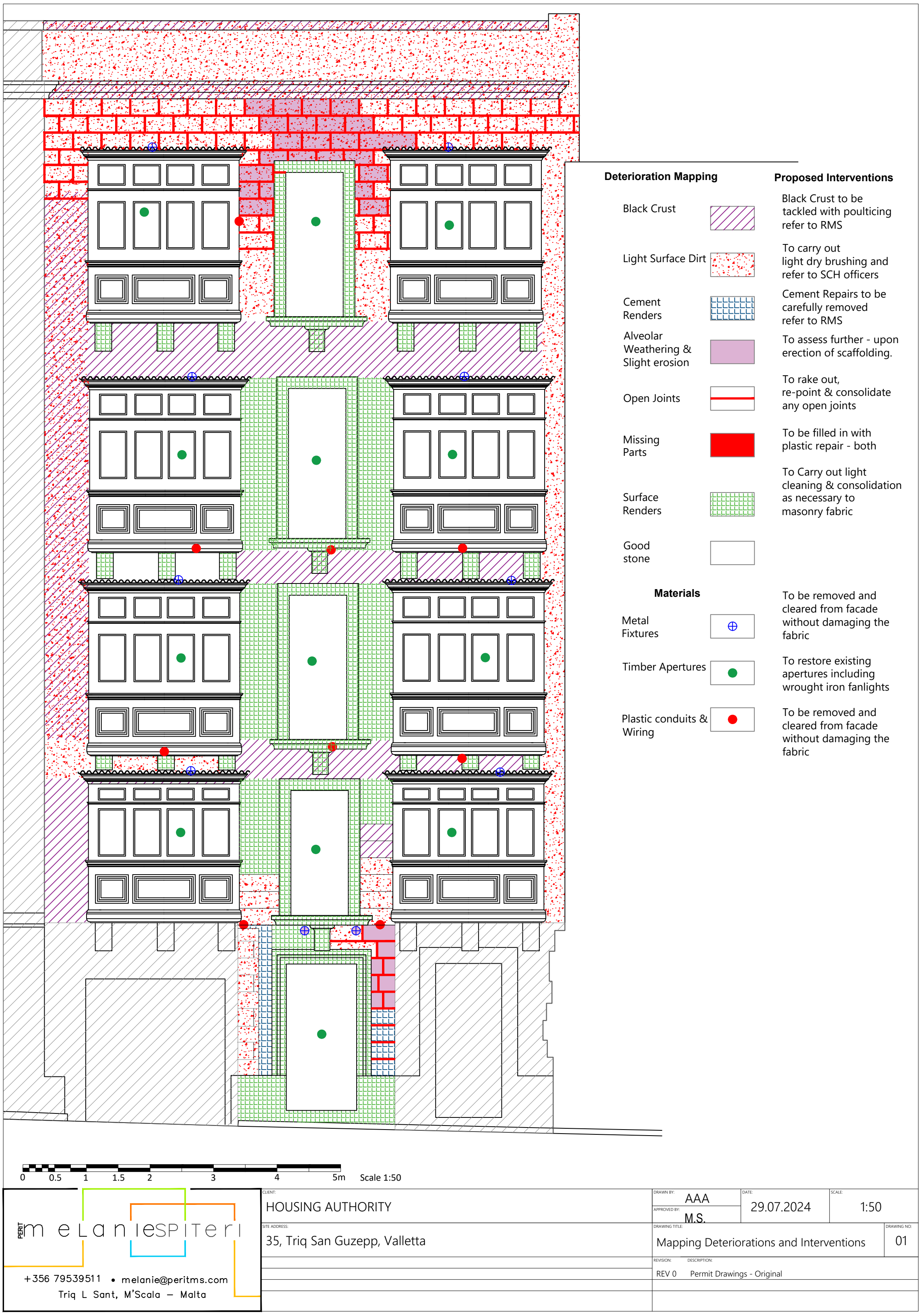
The following tables list completed projects in 2025, including their expenditure, as well as ongoing projects and their status at year-end.

Project	Expenditure
Office refurbishment, South Street, Valletta	€152,594
Housing Authority garage works	€39,154
Blk 8, Tobruk Road, Pembroke	€10,553
St Andrew's Housing Project, Blk 4, Apt 2, Luigi Preziosi Street, Pembroke	€2,060
Former Technical School , Blk B, Mdina Road, Birkirkara	€17,970
Total	**€222,331**

Table 38: Completed Projects

Project	Progress
Pembroke site B, remedial works of external areas above garages	10%
Mtarfa Policy – Blk B, Santa Luċija	10%
Mtarfa Policy – Blk C, Qlejgħa Block	10%
151, St Paul's Street, Valletta	40%
118, St Dominic Street, Valletta	48%
113, St George Street, Cospicua	53%
18, St Sebastian Street, Valletta	62%
City Gate, Door 3, Ordinance Street, Valletta	60%
No. 7, St Nicholas Quarters, Cospicua	62%
No. 35, St Joseph Street, Valletta	53%
St Andrew's Housing Project, Andrija Street/ Fortification Square, Pembroke	68%
180, Republic Street, Valletta	65%
Camerata Buildings, 3rd Floor, Merchants Street, Valletta	57%
No. 134, St Nicholas Street, Valletta	35%
No. 24, Old Theatre Street, Valletta	30%
No. 205, Republic Street, Valletta	55%

Table 39: Projects with Works Underway



35, St Joseph Street, Valletta – Mapping Deteriorations and Interventions

Regeneration and Embellishment Projects

In 2025, the Embellishment programme, which began in 2015, continued. The maintenance and renovation works on various residential buildings constructed in the 1960s and 1970s focused primarily on:

- Façade restoration, including stone cleaning and replacement, plastering, painting, pointing of joints, and concrete repair;
- Waterproofing of roof areas to prevent water damage and extend the building's lifespan;
- General renovation of common areas to improve accessibility and overall aesthetics.

The planned programme for 2025 covered 60 apartment blocks with an investment of over €3.79 million. These improvements directly benefitted 423 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 2025 Embellishment programme targeted government housing estates in Gudja, San Ġwann, Santa Luċija, Marsa, Tarxien and Paola. Additionally, projects initiated in 2024 were completed in Ħamrun, Ta' Ġiorni, Cospicua, Birkirkara and Żejtun.

By the end of 2025:

- 79 apartment blocks were fully renovated;
- 609 families benefitted from completed works;
- Work remained ongoing on 12 additional blocks, expected to be completed in the first quarter of 2026, mainly comprising façade works;
- A total of €4.27 million was issued as payment for works in 2025, covering final payments for completed blocks and ongoing works according to reported progress.

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

Gudja – Embellishment Project

Santa Luċija – Embellishment Project

Renovation of Common Areas with Resident Participation

Through this scheme, the Housing Authority collaborates with Local Councils to encourage tenants of various social housing blocks 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 17 new apartment blocks were referred following agreements signed with block administrators to benefit from the financial grant. In 2025, 24 cases were concluded, including 13 blocks carried over from 2024.

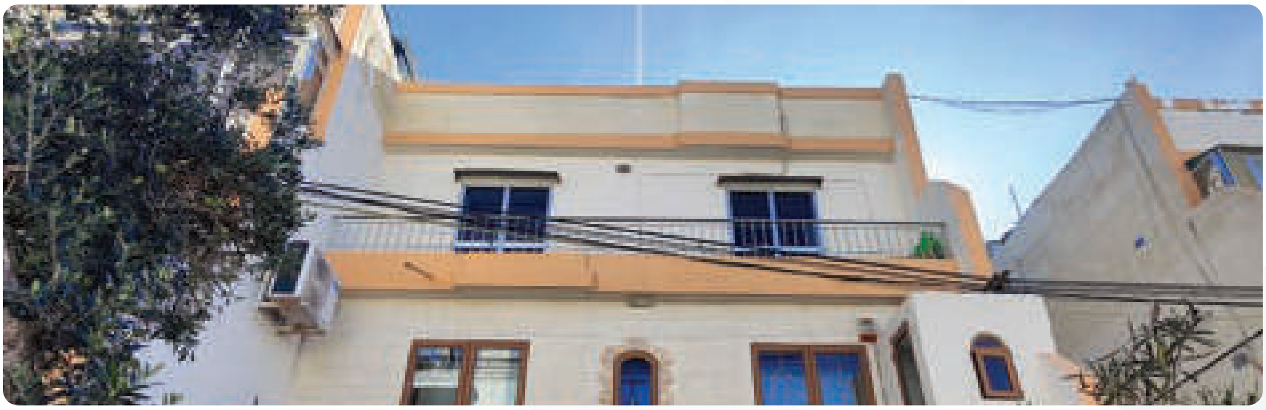
The total value of grants paid during 2025 was €125,456. Grants typically vary between €4,000 and €6,000, depending on the size of the block. Each entrance could consist of 2–16 apartments, with grants distributed proportionally based on the number of apartments and the size of the common areas. Over the past 8 years (2018-2025), the total value of financial grants allocated under the Local Council Scheme II amounted to €1,622,322, distributed among 289 blocks (see Table 40).

€125,457

Investment in the renovation of common areas in 2025

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
2025	24	€125,457

Table 40: Completed Improvements through the Local Council Scheme II



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 renovations, the Housing Authority's technical team assisted residents in resolving any issues that arose. Upon completion, the team verified the works and recommended the reimbursement of funds.

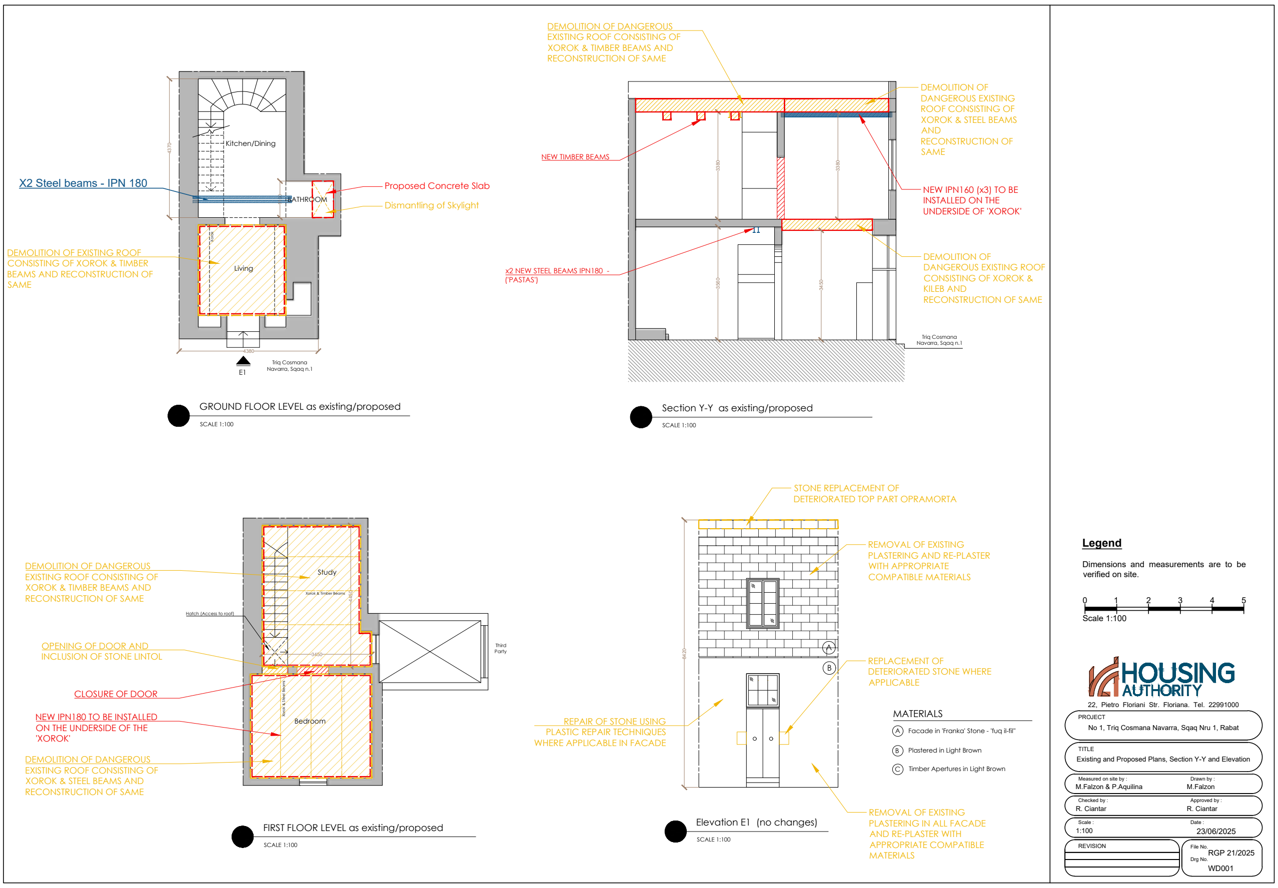
Additionally, the Housing Authority directly managed and funded complementary works, including the restoration of parapet walls and repairs of stairwells. These initiatives empowered residents to take an active role in improving their living environment while ensuring that buildings receive long-term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

Repairs of Returned Void Properties and Common Areas

Throughout the year, this unit received 257 new cases for the purpose of future reallocation. Such properties require rehabilitation; therefore, the Housing Authority conducts inspections to identify the necessary works for the rehabilitation of said properties. Inspections are carried out to assess the structural condition or identify whether the 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 these repairs through contractors appointed under its supervision. An architect oversees the work to ensure it is completed in accordance with 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 guarantee that damaged or unsafe properties are rehabilitated, making them safe and habitable for future tenants.

No. 1, Cosmana Navarra Street, Alley No. 1, Rabat – Roof Works (Before and After)



No. 1, Cosmana Navarra Street, Alley No. 1, Rabat – Structural Works

Year	Number of completed works	Expenditure
2021	14	€157,826
2022	20	€229,825
2023	16	€135,017
2024	36	€1,246,723
2025	34	€400,674

Table 41: Structural Works Completed on Void Properties and Common Areas

Year	Expenditure
2021	€597,476
2022	€511,538
2023	€384,285
2024	€464,221
2025	€1,321,005

Table 42: Grants Issued for Void Properties & Common Areas

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

The Housing Authority has partnered 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 conduct 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 learned 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).

Progress made in 2025 included the following:

- Roof insulation and rooftop preparations for the installation of PV panels;
- Wall insulation for internal yard walls, replacement of apertures with double glazing and high-efficiency air-conditioners completed for Entrances B and C;
- Preparation of underground culverts to host all services and electrical cables is 40% complete;
- New lifts in line with CRPD requirements installed for Entrances A and D;
- Application for a new substation is in progress;
- Tender for the acquisition and installation of PV systems is in the adjudication stage;
- Tender for the acquisition and installation of fridge/freezers and washing machines is ready and will be launched in early 2026;
- Other works, such as relocation of water meters, upgrade of electricity connections and general uplift of the common areas, are at an advanced stage;
- PA permits in line with CRPD requirements have been obtained for new access ramps.

Block L, Żabbar – Deep Energy Renovation Project

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

The Housing Authority is currently administering a scheme whereby 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, the Housing Authority established a framework agreement in 2024 with several contractors, covering both civil works and the supply and installation of lifts, which began to be used in 2025.

The Infrastructure Management Section takes pride in its track record, installing and commissioning many 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.

During 2025, 28 lifts were completed and handed over to residents under the LFT Scheme[3]. The policy was also updated during the reporting year to accept applications for the installation of passenger lifts in blocks that have been fully sold.

Lift Administration

The Authority also manages the administration of 164 lifts. In relation to these lifts, officials processed 337 payments for repairs and maintenance, amounting to a total expenditure of €130,752.

164
Lifts administered by the Housing Authority

[3] This total includes a lift installed at the Housing Authority offices.

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 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 ninth 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. A total of 110 lifts are being installed as part of the project. In 2023, the Housing Authority requested additional co-financing for further lifts being implemented in parallel under the LFT Scheme. Funds were granted for the Government of Malta/HA share in 36 additional blocks.

By the end of 2025, a total of 108 lifts had been completed, with 5 new lifts installed during the year. The structural works and lift installations were carried out across several government housing areas, including Lija, Pembroke, Pietà, Santa Venera, and Valletta.

Lifts Installed through Other Initiatives

In 2025, the Housing Authority installed an additional 9 lifts through other initiatives: 7 through the National Development and Social Funds (NDSF) and 2 under the Near Zero Energy Building pilot project. This brings the total number of lifts completed and handed over to residents across all initiatives in 2025 to 42 (Figure 9), while another 6 lifts were finalised and are set to be delivered to residents in 2026, following certification in accordance with legal requirements. Work also commenced on 15 new projects, bringing the total number of lifts worked on during the year to 63.

42
Lifts installed in 2025

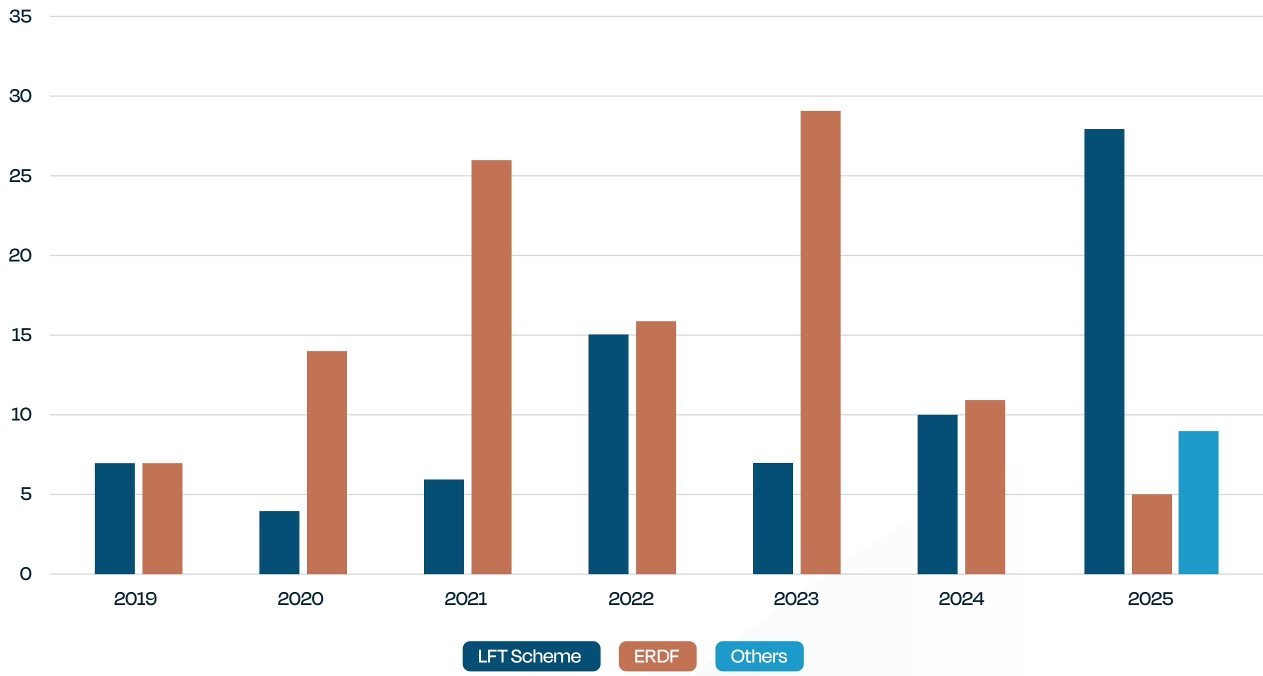


Figure 9: Installation of Lifts in Government Blocks

Replacement of Old Lifts

As part of the initiative, small lifts older than 25 years were replaced with modern six-passenger lifts. By the end of 2025, residents in the government housing areas of Birkirkara, Cospicua, Senglea, Kalkara, Msida, Pietà, Siġġiewi, Santa Luċija, Santa Venera, Valletta, and Żabbar received 19 brand-new lifts[4]. Works were also underway at San Ġwann, Santa Venera and Żebbuġ, significantly improving accessibility and mobility within these buildings.

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

In 2025, following the inauguration of the projects in 2024, meetings were held with representatives from all Local Councils to establish an agreement for the ongoing and routine maintenance of these projects for their continued enjoyment by the communities.

The discussions were well met by all parties and led to Memorandums of Understanding outlining the agreement reached with the Local Councils:

- Mosta Local Council – 2nd May 2025;
- Santa Luċija Local Council – 21st May 2025;
- Marsa Local Council – 11th June 2025.

EPCs – Energy Performance Certificates

The Energy Performance Certificate (EPC) for buildings being sold came into effect in Malta on 2 January 2009, with Legal Notice 376 of 2012 later publishing the principal regulations effective from 30 October 2012. Under the Energy Performance of Buildings Regulations, property owners or their agents must obtain an EPC issued by a licensed Energy Performance of Buildings (EPB) Assessor before placing a property on the market for sale or rent. The EPC must be registered with the Building and Construction Authority and is valid for 10 years.

The purpose of this law is to provide buyers with a standardised information format on the energy performance and carbon emissions of the building, helping inform purchasing decisions and encouraging energy efficiency in Malta's building stock.

In 2016, the Housing Authority began the process of issuing EPCs for each property, initially carrying out an exercise to review properties sold from 2009 onwards.

While the majority of issued EPCs were for dwellings, the Authority must also issue certificates at the design stage for new buildings, known as Design-Rating, a requirement needed before planning applications are submitted.

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[4] These 19 new lifts are included in the total number of lifts reported under the LFT Scheme.

District Offices

Two sites were selected to serve as district offices closer to the community. The selected sites are located near a large proportion of social housing areas: one in Cospicua and the other in Birkirkara near Psaila Street to serve the Central Malta community.

The projects are currently at the planning submission stage, with works on the first district office set to be completed in the first six months of 2026 and another two offices by the end of 2026.

Mtarfa Sold Blocks Common Parts Repair Policy

The Housing Authority has introduced a new policy framework dedicated to the repair and maintenance of common areas within the Mtarfa sold blocks. This initiative addresses the deterioration of essential shared spaces, including staircases, roofs, and entrance halls, which are vital for resident safety and well-being. By offering a structured grant program, the project empowers resident-led block associations to oversee necessary structural, electrical, and aesthetic improvements. The Housing Authority provides the necessary financial support and technical vetting to ensure that these residential complexes are restored to high standards of accessibility and maintenance.

The primary objective of this policy is to enhance the quality of living for residents while ensuring the sustainable and equitable use of public funds. Key measures of success include the certification of all completed works by professional architects and engineers to guarantee industry-standard quality. Furthermore, the programme implements a rigorous application process requiring full resident consent and a clear timeframe of one year for project completion. Ultimately, the goal is to provide a fair distribution of resources through capped one-time grants, secured by a general hypothec on the units to protect the financial investment and ensure long-term accountability.

Estate 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.

6,200

Residential units owned/administered by the Housing Authority

Land Registration of Properties

One of the responsibilities of the Authority is to register its properties with the Land Registry after the government transfers ownership. In 2025, the Authority analysed 69 cases, taking the necessary action to register 50 of them with the Land Registry.

Property Transfer

In 2025, 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 2025, 84 residential units/buildings and 53 plots forming part of the Home Ownership Scheme (HOS) were transferred to the Housing Authority. Furthermore, 4 residential properties currently under a preliminary contract and 7 portions of land were transferred. For these transfers, 42 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 2025, 84 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 2025, 9 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 several opportunities for tenants and individuals to become homeowners through various initiatives, including 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 roofs 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 2025, a total of 264 applications under both schemes were processed (Figure 10). These schemes have significantly contributed to recent statistics, which report that one family is being assisted every two days in becoming a homeowner.

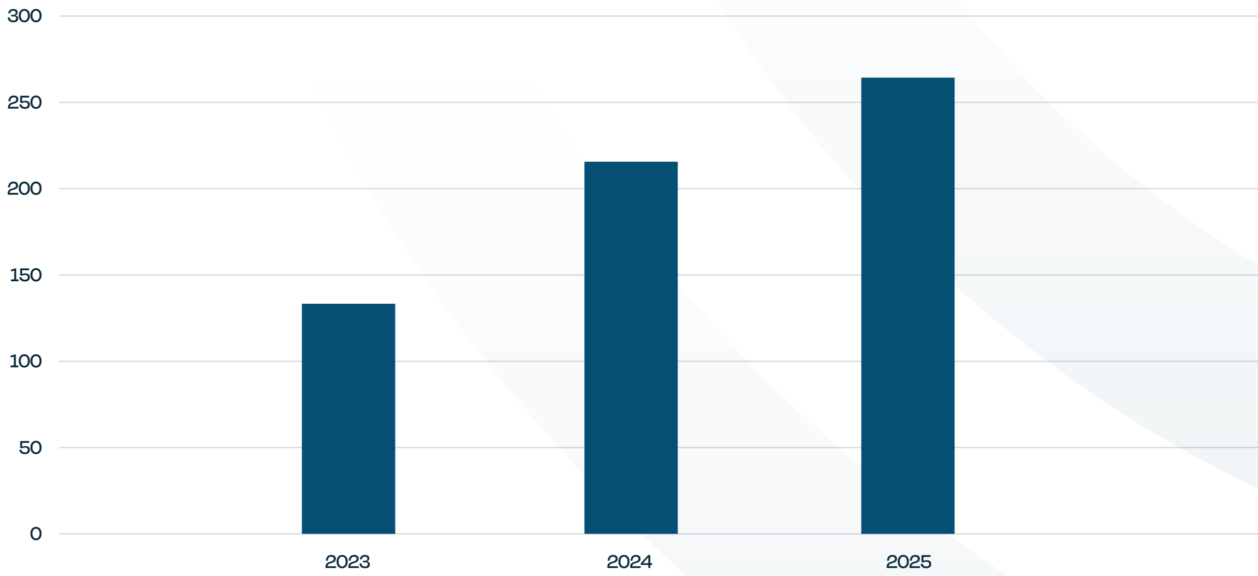


Figure 10: Plans & Valuations – SSD 1 & SSD 2

Property Sales through Tenders

This section manages garages, shops, and storage units built as part of social housing projects. These properties are sold or leased through a tender process. As part of the tender issuance process in 2025, 16 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 2025, 137 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 2025, assistance was provided to 184 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 of commercial units reflect private market rates. This is done through comprehensive property valuations before finalising the rental or sale figure. In 2025, the Records Section processed over 18 valuations for garage, shop, and store leases and sales tendered to the public or renewals. Additionally, 4 valuation reviews were conducted on properties used by NGOs, government entities, and local councils.

Digital Record Keeping Systems & Geographic Information System (GIS)

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, enriching the dataset, providing a more 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 have benefitted from schemes offered by the Housing Authority. This included the digitisation of drawings and property information, as well as the creation of relationships between units at both block and project levels. The data was further enriched by adding records of the properties administered by the Housing Authority for residential purposes. By consolidating this information, new connections were established between properties, tenants, and contract details. These improvements in data quality and consolidation enabled the creation of interactive dashboards, supporting more informed decision-making. In 2025, additional dashboards were developed to provide accessible, real-time data to better support operational needs and strategic planning.

These enhancements are instrumental in preparing for the implementation of GIS tools, which will strengthen operations and record-keeping processes.

In 2025, the technical team further explored the potential of Geographic Information Systems (GIS). This internationally recognised tool ensures the precise management and analysis of property information to enhance operational efficiency and data accuracy. Throughout the year, a strategic plan was designed to ensure the GIS project is implemented in the most efficient way possible.

A mapping exercise was initiated to visually present data within the system, enhancing both accessibility and interpretation across departments. Additionally, opportunities for data exchange with other authorities were explored to facilitate improved collaboration and streamlined information sharing.

Construction of New Social Housing

Housing Projects funded by the National Development and Social Fund have continued throughout 2025.

Sites in Demnuq Street, Siġġiewi, and N. Caruana Dingli Street, Mellieħa, have been completed. These added 13 new units to the Housing Authority stock, comprising 5 three-bedroom and 8 single-bedroom apartments.

2 Sites completed in 2025: Siġġiewi and Mellieħa

13 Apartments available for social housing

N. Caruana Dingli Street, Mellieħa

Demnuq Street, Siġġiewi

In 2025, construction works on the Wied Ħesri site in Siġġiewi proceeded, with the foundations of most of the complex laid.

Foundation Works at Wied Ħesri Complex, Siġġiewi

Construction also commenced on five other sites: S. Imbroll Street, Paola; Anġovini Street, Qrendi; Tank Street, Siġġiewi; Serafin Tanti Street, Żebbuġ; and Karwija Street, Kirkop. Once completed, a total of 382 units shall be made available for allocation.

Excavation Works at Tank Street, Siġġiewi

Excavation Works at Serafin Tanti Street, Żebbuġ

Excavation Works at S. Imbroll Street, Paola

Excavation Works at Karwija Street, Kirkop

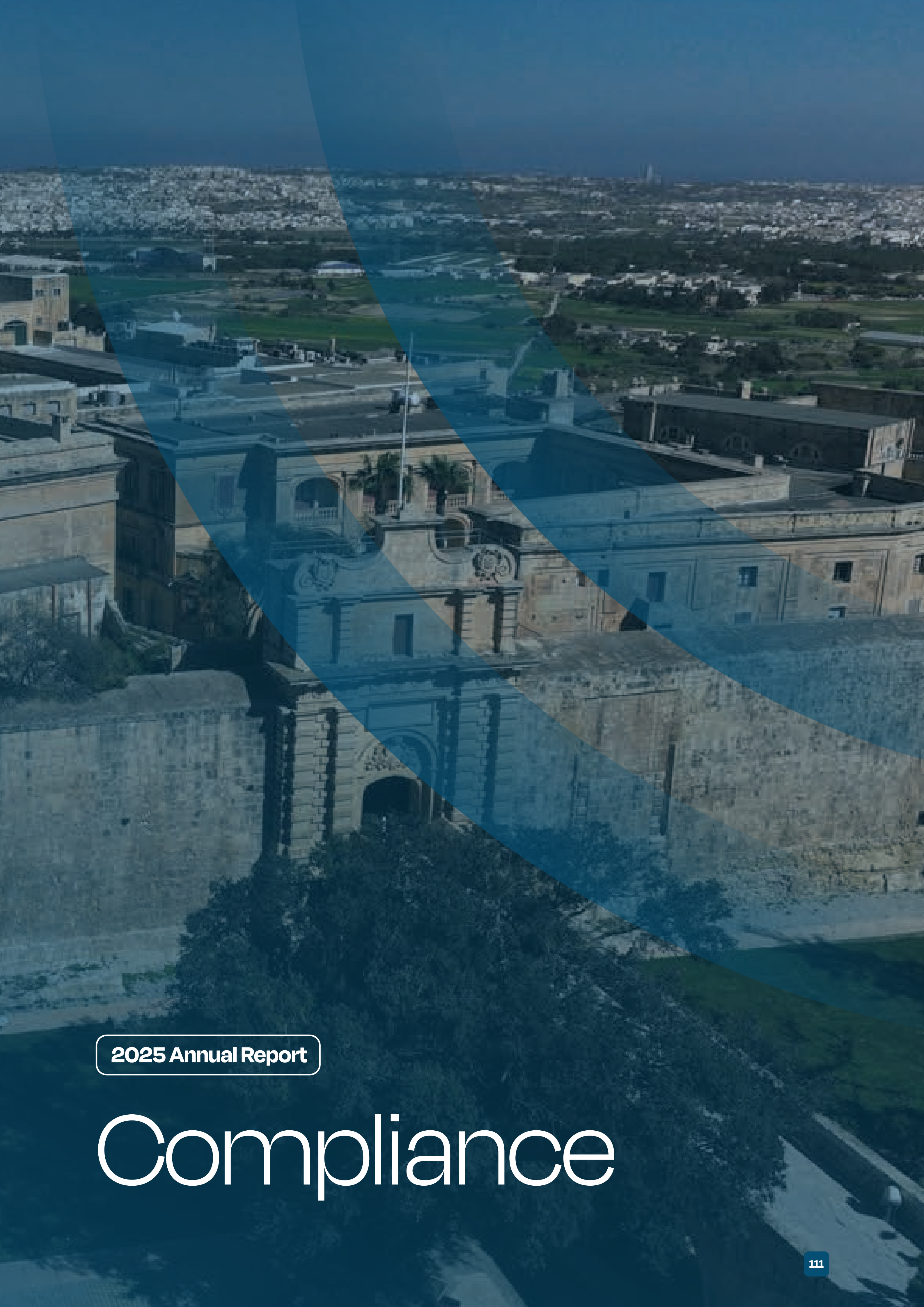
Rehabilitation of Dilapidated Properties

In 2025, the dilapidated properties programme progressed, with the units in Valletta (Camerata) and Sciortino Street, Żejtun, completed, creating 2 three-bedroom and 4 single-bedroom apartments.

2 Dilapidated properties rehabilitated in 2025: Valletta and Żejtun

6 Apartments available for social housing

Rehabilitated Camerata Units in Valletta



2025 Annual Report

Compliance

Compliance

The Compliance Department within the Housing Authority comprises two main sections: one focusing on private residential leases, and the other on general social housing. The compliance and enforcement functions of both sections are intended to ensure adherence to the prevailing housing regulations and that the respective duty holders comply with legal requirements.

Compliance Department – Private Residential Leases Section

Throughout 2025, the Compliance Department (Private Residential Leases Enforcement Section) continued to play a critical role in regulating the private rental sector in Malta. Enforcement activities focused on ensuring compliance with Chapter 604 of the Laws of Malta. Particular attention continued to be given to overcrowding reports, false declarations, and non-compliance with lease registration obligations.

Key Achievements and Performance Indicators

Throughout 2025, 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:

Inspections

During the year under review, a total of 875 inspections were conducted. The scope of these inspections varied as follows:

- Overcrowding Inspections: 209 inspections;
- False Declaration Inspections: 36 inspections;
- Court-Mandated Inspections (Right of Entry): 92 inspections;
- Other Inspections: 538 inspections covering unregistered leases, failure to comply with registration obligations, discrepancies in documentation, and other regulatory irregularities.

875

Inspections conducted on private residential leases in 2025

False Declarations

Regarding false declarations, the Compliance Department deems such breaches to be very serious, as they not only represent fraud and tax evasion but also general deceit, since such breaches are, more often than not, linked to suspicious attempts to circumvent not only housing regulations but also those contemplated under immigration laws. Investigations during 2025 revealed several forms of false declarations, including:

- The use of properties belonging to third parties to submit false lease registrations with the intention of providing residence permits in exchange for money;
- The submission of lease registrations for properties that do not exist or are not habitable, again for the purpose of obtaining residence permits for financial gain;
- The deliberate misrepresentation of the number of bedrooms in a property to exceed the legally permitted occupancy levels.

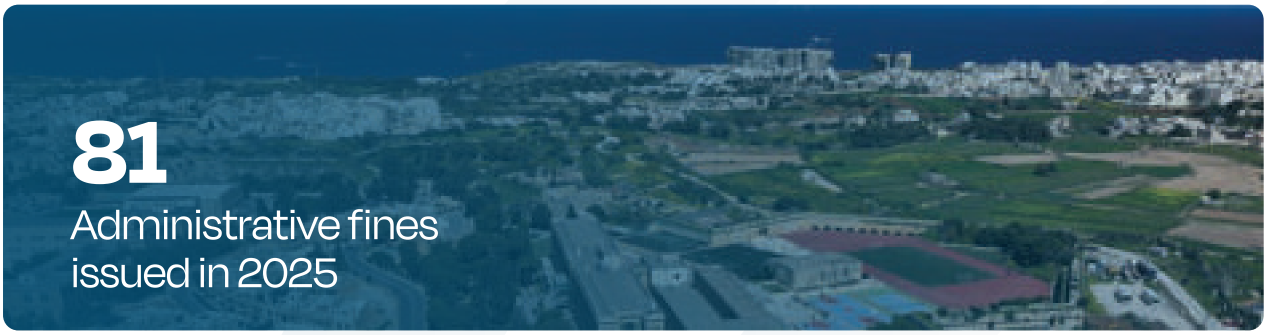
Of the 36 cases investigated, enforcement action and, where necessary, legal action will ensue, provided that sufficient evidence is gathered.

Enforcement through Administrative Penalties

Administrative penalties continue to serve as an important enforcement tool in addressing a number of regulatory breaches that do not necessitate severe action warranting criminal proceedings. In 2025, 81 administrative fines were issued for breaches of housing regulations, as follows:

- 58 fines for unregistered leases;
- 20 fines for incomplete registrations;
- 1 fine for overcrowding;
- 2 criminal proceedings converted into administrative fines.

In cases where an administrative fine was issued and remained unpaid, enforcement action followed in accordance with established procedures.



Legal Proceedings

During the year under review, a total of 28 cases were deemed to have fallen outside the administrative penalty system and were therefore referred to the executive police for escalation to legal proceedings. These cases involved fraudulent submissions, as well as cases where administrative fines remained unpaid and therefore required legal action.

Case Management

In 2025, there were 106 pending cases from the previous year, with the addition of 384 new cases, for a total of 490 cases. Of these, 444 were closed, leaving only 46 cases to be carried forward to 2026.

Arbitration Panel Notifications

The Arbitration Panel remained a key mechanism for resolving disputes related to private residential leases. In 2025, the board issued 1,343 notifications, all of which required physical notification to the parties regarding pending proceedings arising from disputes lodged by one of the involved parties.

Right of Entry Inspections Mandated by Court

In certain cases, the Housing Authority sought the court-mandated right of entry to conduct necessary inspections. A total of 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 in 42 cases throughout the year, with these sessions involving the prosecution of housing violations. Such court involvement underscores the legal rigour applied in enforcing compliance.

Court Judgements

In 2025, court judgements were issued in 7 cases, out of which 3 were ruled in favour of the Housing Authority, reinforcing the legitimacy of enforcement actions and setting legal precedents for future cases. Four 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 in strengthening regulatory oversight within Malta's housing sector. The year 2025 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.

Regulatory and Enforcement Measures

Following the legislative amendments that came into force on 1 September 2024, the Authority embarked on seeking different enforcement strategies to promote faster and more effective compliance and to ensure adherence to regulations by those with a legal obligation, particularly in cases related to overcrowding and false declarations.

Inter-Agency Collaboration

Collaboration with the Malta Police Force and other regulatory bodies, including the Planning Authority, Malta Tourism Authority, Environmental Health Directorate, and Identità, remained integral to effective enforcement. Information-sharing arrangements and coordinated inspections enabled more efficient investigations and improved detection of complex cases.

Targeted and Data-Driven Enforcement

Inspection planning continued to be guided by data-driven risk assessments, incorporating indicators such as previous violations, irregularities in lease registrations, anonymous reports, and demographic density trends. This approach enabled enforcement resources to be directed towards high-risk cases, improving efficiency and enforcement outcomes.

Challenges and Mitigation Measures

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

Repeat Non-Compliance

Repeat violations remained a significant challenge, particularly in cases involving persistent disregard for registration and occupancy regulations. To address this, enforcement measures were progressively escalated, with repeat offenders prioritised for legal action to strengthen deterrence and accountability.

Resource Limitations

The volume and complexity of enforcement activity continued to place significant pressure on existing resources. Efforts continued to be made to recruit and train additional compliance officers with expertise in regulatory enforcement, investigations, and legal interpretation.

Legal and Procedural Clarity

Occasional legal ambiguities posed challenges to uniform enforcement. Continuous consultation with legal advisors and regular reviews of Standard Operating Procedures were undertaken to ensure clarity, consistency, and alignment with legislative intent. Collaboration with the Legal Department also supported the identification of areas requiring policy or procedural refinement.

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 2025, a total of 604 routine inspections were conducted across various localities in Malta. These inspections are essential in providing the Authority with a clear understanding of the situation in the properties, as well as minimising property abuse.

604

Routine inspections on social housing units conducted in 2025

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 2025, 5 new associations were established, and 347 administrators were re-elected. Staff in this section carried out 277 inspections to facilitate 153 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 Chairperson, or officials delegated by the Chairperson, have the authority to remove the obstructive items.

In 2025, staff conducted 300 general inspections and 266 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 2025, a total of 382 cases were reported. These cases included structural damage, disputes between tenants, and reports of irregularities.

Additionally, the section began performing routine inspections of units under the NIK Scheme, with 514 inspections carried out across various localities Malta in 2025 (Figure 11). These inspections have provided the Housing Authority with better visibility of the properties and the tenants residing in them. A further 44 inspections were conducted in common parts administered by the Housing Authority.

514

Routine inspections conducted on NIK units in 2025

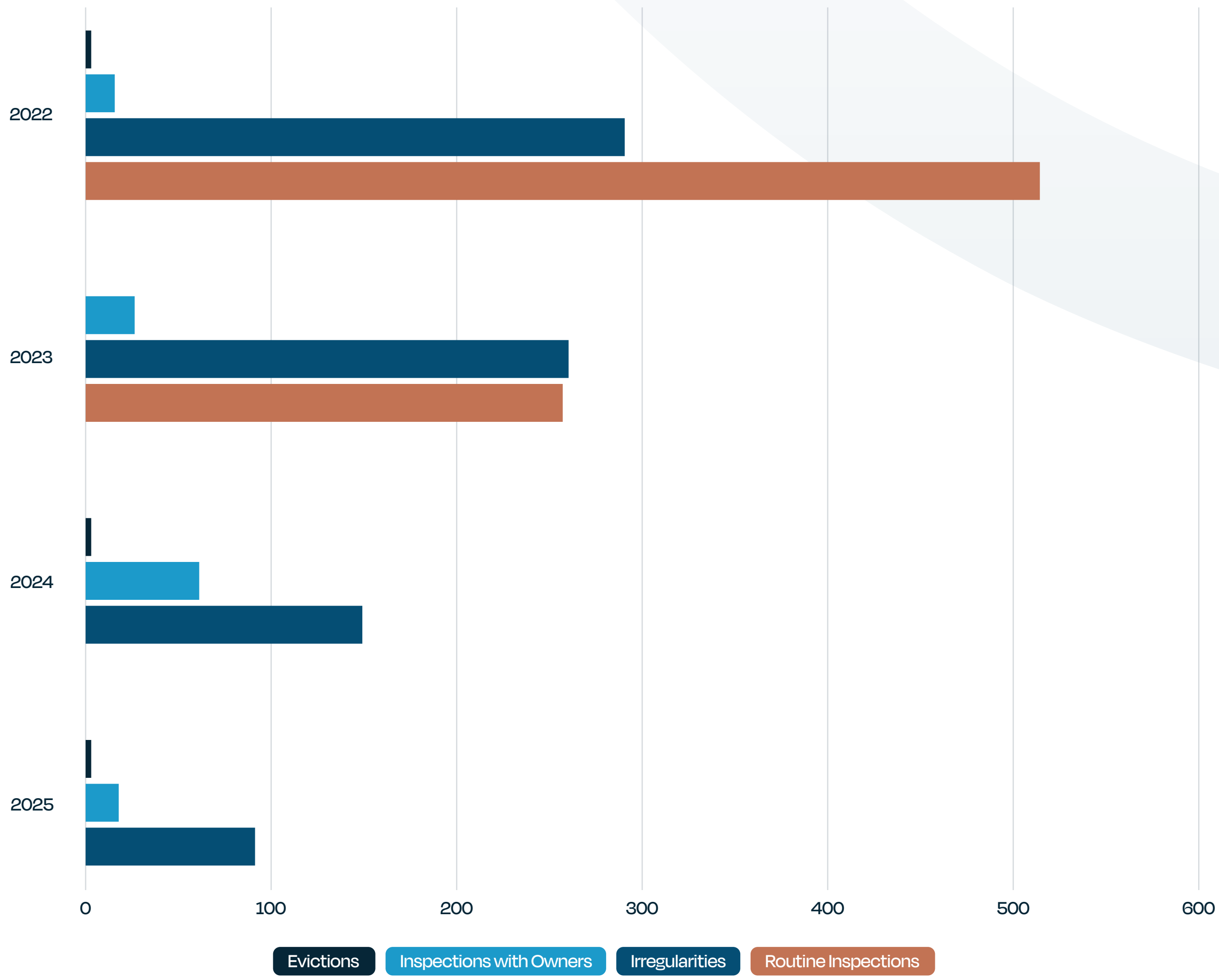


Figure 11: NIK / SK Inspections

Termination of Skema Kiri Units

The section is responsible for returning keys to property owners, and a process of conducting inspections with owners has been implemented. When a property is in satisfactory condition, the keys are returned to the owner, and the change of utility form for electricity and water is completed. However, if an inspection reveals significant damage caused by the tenants, the Housing Authority evaluates the damage and calculates the corresponding monetary compensation. In 2025, 27 leases expired, resulting in a total compensation of €186,603 for property damages to 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 2025, staff conducted 112 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 278 utility inspections in 2025.

Elderly Scheme (Pension Incentive Scheme)

Since May 2023, the Senior Citizens Budget Measure has been transferred to the Compliance Department. This section is responsible for collecting keys from elderly individuals who have moved from rented homes to residential care homes. Eligible applicants benefit from a 20% reduction in their pension contribution allocated to care home fees. In 2025, 24 elderly individuals benefitted from this scheme.

24

Individuals benefitted from the Pension Incentive Scheme in 2025

Verification of Occupancy Inspections

The Housing Authority carried out 989 occupancy inspections to verify that tenants are complying with the Authority's regulations. Any irregularities identified during these inspections were followed up on, with necessary actions 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 25 evictions were carried out in collaboration with the Planning Authority, officials from the Lands Authority, and the Police Force. 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 2025, the Housing Authority collected 156 keys (Figure 12).

156

Keys collected from various sources in 2025

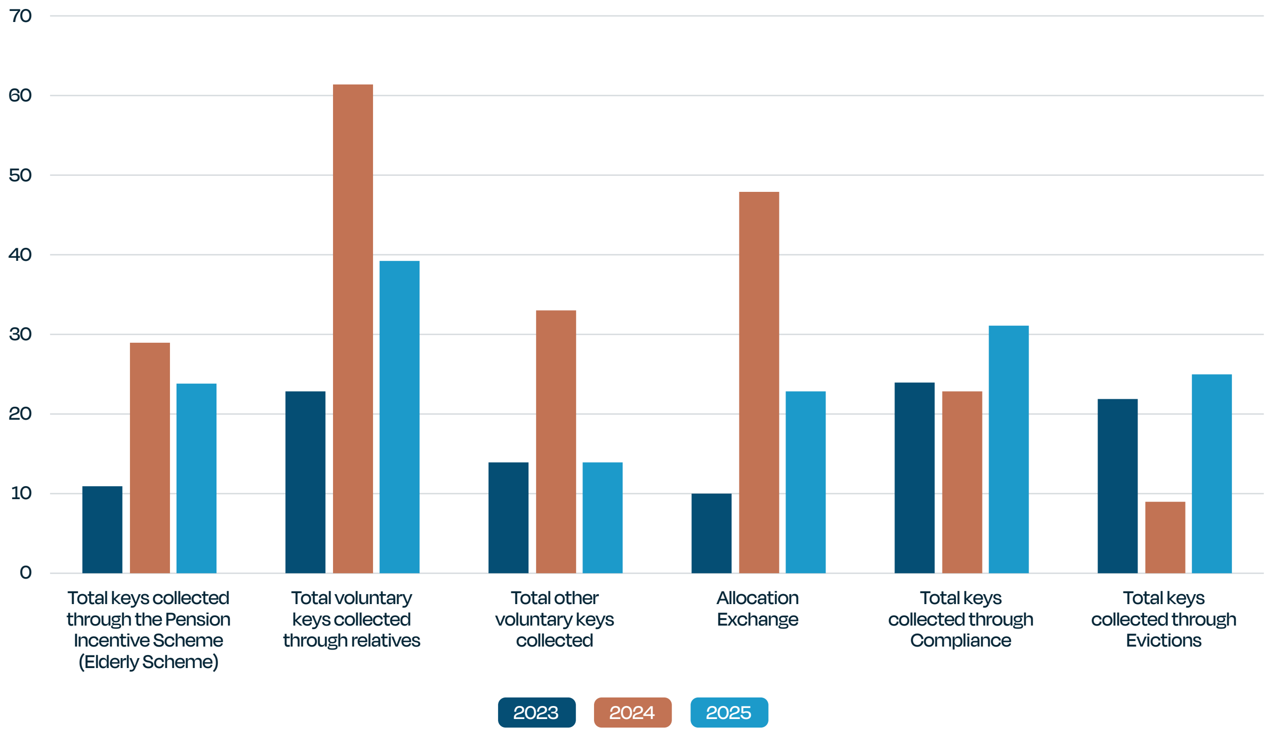


Figure 12: Number of Keys Collected

2025 Annual Report

Operations and Support Functions

Operations and Support Functions

Corporate & Human Resources

Structure and Workforce

The Housing Authority's total number of staff stands at 241 members (excluding students). Of the 241 members, 214 are Housing Authority employees, while the remaining are on other working arrangements, helping the Authority reach its goals.

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 both 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 studies, while the Housing Authority gains further exposure and promotion with future generations and employees. In October 2025, the Housing Authority once again participated in Freshers' Week held at the University of Malta and MCAST to attract potential student workers and trainee students while promoting employment opportunities. As a result, by the end of 2025, the Housing Authority employed a total of 36 student workers and trainee students.

Training and Development

GDPR

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

AI

A total of 71 employees received training on basic AI, including an introduction to various applications and their core functions, as part of the Authority's wider programme for AI readiness and adoption.

71
Employees received AI training in 2025

Fire Wardens

In 2025, the Housing Authority strengthened its commitment to workplace safety by providing certified Fire Warden training to 21 employees. This newly trained team now plays a key role in supporting emergency preparedness and fire prevention across the organisation. The training also contributes to the employees' personal development by enhancing their practical skills and strengthening their capacity to respond effectively in critical situations. This initiative further reflects the Authority's commitment to corporate social responsibility by fostering a safer, more prepared, and community-minded workplace.

21
Employees received certified Fire Warden training in 2025

Train the Trainer

In collaboration with the Institute for the Public Services, 27 employees attended the train-the-trainer course. The course enhances the organisation's internal capacity by strengthening its employees' instructional and leadership skills while enabling them to share knowledge more effectively across teams. This approach not only improves overall workforce competence but also creates a sustainable in-house learning culture, maximising the impact of training investments.

27
Employees completed the Train the Trainer course in 2025

Training on Customer Care to Officers in Gozo Branch

In collaboration with the Institute for the Public Services, Customer Care Officers in the Housing Authority's Gozo Offices received specific training on 'Customer Care for Service of Excellence'. The training equipped employees to identify customers' needs, communicate effectively, and manage complaints and conflicts, among other skills.

Other Local Training

A considerable range of additional training was provided to employees across the Authority in key areas, including Writing in Maltese and related updates, Interpersonal Skills, Group Dynamics, Mental Health First Aid, Legal-related topics, Giving Evidence in Court, Employment Law, Senior Management training, Payment Gateway, AutoCAD, Cybersecurity, and GIS. Investing in such diverse training is essential for any organisation, as it enhances employee competence, supports operational effectiveness, and promotes a culture of continuous learning that strengthens organisational resilience. By equipping employees at all levels with updated knowledge and practical skills, the Authority ensures that staff are better prepared to perform their roles effectively, respond to emerging challenges, and uphold high professional standards.

Talks on Wellbeing to Staff

In collaboration with the Health Promotion Unit, the Housing Authority organised mental health sessions and health checks for all employees. This initiative aimed to raise awareness and encourage everyone to value and care for their mental and physical well-being.

Frontline employees also participated in mindfulness sessions designed to help them better understand and manage their emotions and stress levels. This training equipped staff to respond more effectively to challenging situations while reducing burnout and supporting overall well-being, particularly in high-stress, people-facing roles.

International Training and Conferences

In 2025, the Housing Authority made significant efforts once again to expand its international presence by actively participating in conferences, specialised training, and knowledge-sharing initiatives. Staff members attended international workshops and conferences in Spain, Turkey, France, Ireland, Germany, Hungary, and Brussels.

Additionally, representatives attended the annual global conference for GIS users in the United States to enhance their expertise in geospatial analysis for housing. The Authority also remained committed to addressing homelessness by attending official meetings in Belgium and Budapest, Hungary, to collaborate on effective solutions.

Corporate Support

During the year, the Housing Authority transitioned its fleet to 14 new leased electric vehicles, marking a significant step toward sustainability and operational efficiency. This shift supports the Authority's commitment to a greener environment by reducing carbon emissions and lowering its overall ecological footprint. Beyond the environmental benefits, the adoption of electric vehicles is also more economical, significantly reducing fuel-related expenses and contributing to long-term cost savings. This investment reflects the Authority's dedication to modernising operations while embracing environmentally responsible practices.

Customer Care

Customer care is a vital function within any organisation, as it directly influences customer satisfaction, loyalty, and the overall public perception of the entity. The Housing Authority's Customer Care Team recognises the importance of delivering exceptional service and has consistently worked towards providing the best possible customer experience.

In 2025, the Customer Care Section underwent significant changes that affected both customers and staff, most notably through the merger of the previously separate Customer Care and Rent Registration call centres. A key outcome of this integration was the introduction of comprehensive cross-training, with all 12 agents learning each other's duties and responsibilities to ensure greater flexibility, knowledge sharing, and service continuity.

While this initiative strengthened the team in the long term, it also created a transitional period during which processes were restructured, roles were adjusted, and communication strategies were revised.

The integration of the two teams came with a few natural adjustment challenges. While many employees adapted quickly to the new structure and processes, others needed additional time to become comfortable with the updated workflows and evolving team dynamics. Enhanced training initiatives, such as a mindfulness course, were introduced to support the transition, and although the initial phase required extra coordination, it ultimately helped both employees and clients move smoothly into the new setup.

Despite these obstacles, the transition revealed important opportunities for improvement, particularly in strengthening internal communication and enhancing training methods. The long-term objective is to ensure that these structural changes result in a more streamlined, cohesive, and efficient customer service operation under one unified section.

In 2025, the new and improved ticketing system was implemented and is now fully operational. The system optimises queue management and data collection, including the number of walk-ins, reasons for visits, and waiting times. This helps minimise potential conflicts and reduce confusion arising from serving two different types of clients within the same premises.

Throughout the restructuring process, services remained fully operational. Calls, emails, appointments, and walk-in visits continued to be handled promptly, ensuring that clients maintained uninterrupted access to the Authority's services despite the internal changes. Notably, over the past year, same-week appointments have been consistently offered, representing a significant improvement compared to previous practices, where appointments were scheduled further in advance. Additionally, afternoon appointments have been eliminated, as approximately 20 appointments are now efficiently accommodated during regular opening hours.

In 2025, the Housing Authority's Customer Care Section handled:

56,809 Rent Registration calls

51,456 Customer Care calls

29,000 Emails

25,170 Walk-ins

2,121 Rent Registration appointments

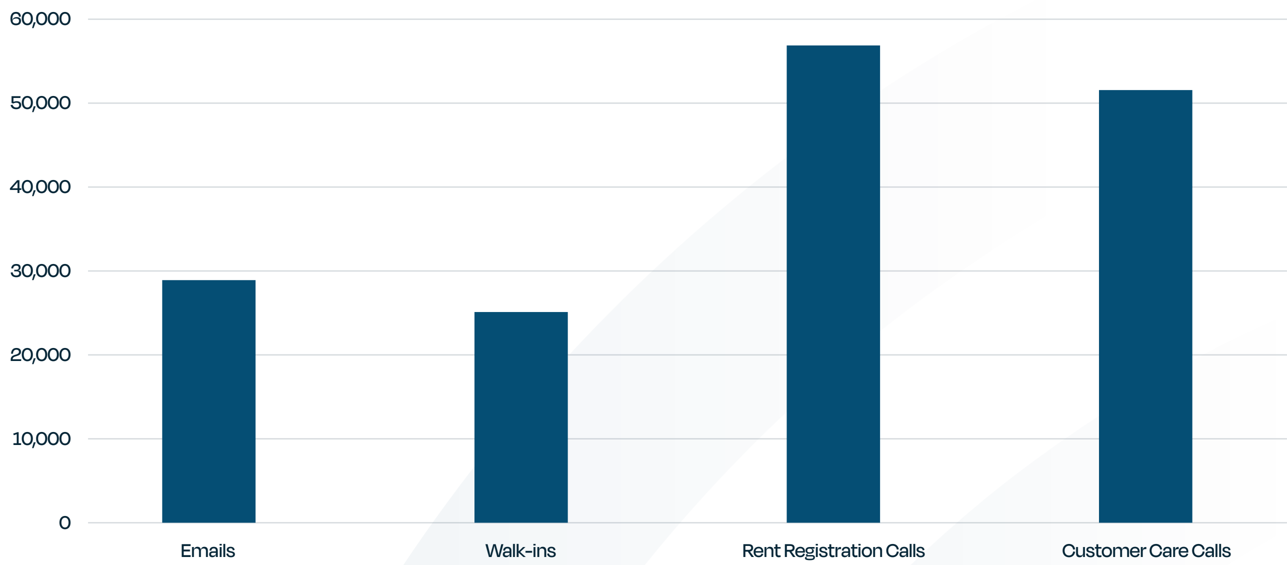


Figure 13: Customer Care — Emails, Walk-Ins and Calls

Managing this high volume of interactions across multiple communication channels presented a considerable challenge. The increasing demand placed sustained pressure on the team to respond efficiently while maintaining a high standard of service delivery. The most common reasons for visits include checking rent registration approvals, checking subsidy statuses, and submitting applications (Figure 14).

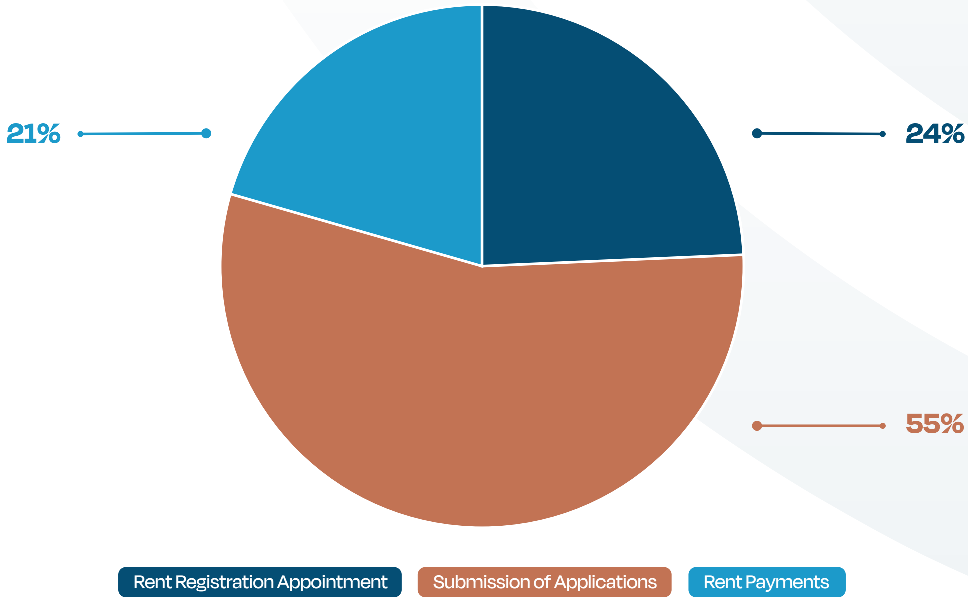
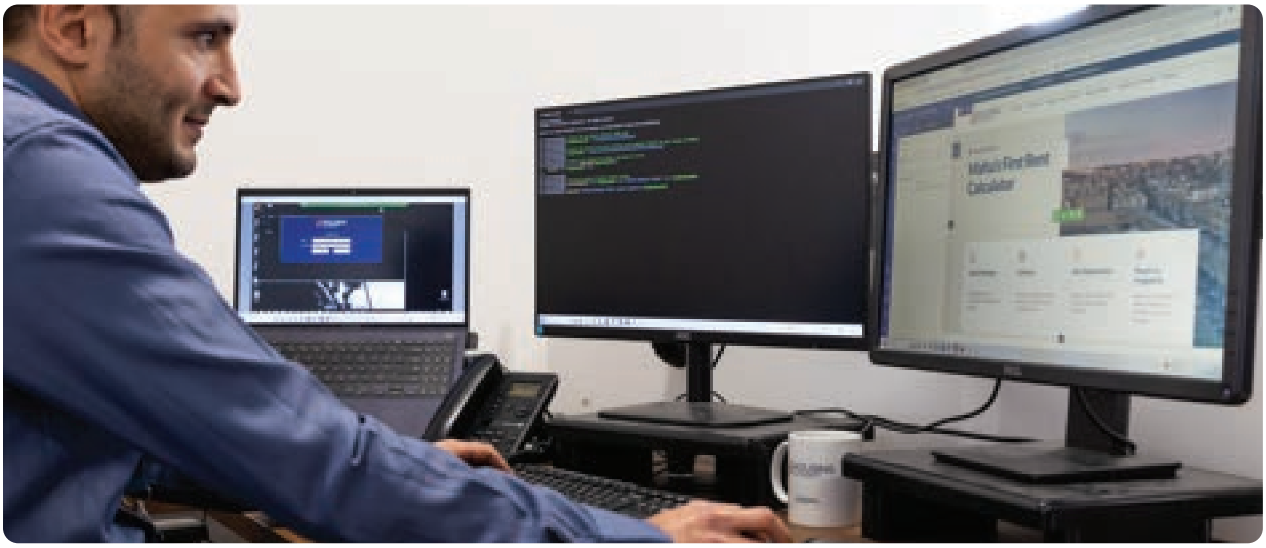


Figure 14: Visits

On average, 9,022 calls per month were managed across both landlines, with approximately nine agents assigned daily to customer care duties.

Given the substantial number of calls, emails, and walk-ins, it was essential to address all queries promptly to minimise waiting times and prevent customer dissatisfaction. Many cases required personalised attention, adding further complexity to the team's workload. Agents were expected not only to respond to general inquiries but also to provide tailored guidance based on each customer's specific circumstances.

To effectively manage the increased demand, the Customer Care Section introduced several measures, including an advanced call centre that directed enquiries to the appropriate departments or staff members with the relevant expertise.



Significant investment was also made in staff training, ensuring that team members were equipped with best practices and the knowledge required to manage complex or sensitive interactions. Additionally, three new cubicles proposed in the previous year have now been officially opened to the public, bringing the total to nine cubicles from which agents can operate.

Customer feedback played an important role in identifying areas for improvement, enabling the continuous refinement of service delivery and further enhancing the overall customer experience.

Despite the challenges brought about by restructuring and high service volumes, the Customer Care team's commitment and professionalism ensured sustained high levels of customer satisfaction throughout the year. In fact, this was reflected in the mystery shopper's report, which recorded a significant increase of 12 points compared to the previous year. The transition also reinforced the importance of continuously adapting customer service strategies to meet evolving client expectations and growing service demands.

81

Mystery shopper score in 2025

▲ 12-point increase from 2024

As part of the Authority's commitment to service excellence, the Customer Care Team also collaborated with other sections to participate in outreach sessions. By joining these initiatives, the team was able to engage directly with the community, provide guidance on the Authority's services, and address queries in a more accessible and proactive manner. This cross-departmental involvement not only strengthened coordination within the organisation but also enhanced public awareness and ensured that clients received accurate and consistent information.

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.

The Housing Authority upgraded its telephone sets to ensure better compatibility with the PABX system, enhancing overall communication efficiency and reliability. The new telephones are fully integrated with the new PABX infrastructure, enabling advanced features such as call transfer, conferencing, voicemail access, and extension dialling. This upgrade has improved call clarity, reduced technical issues, and streamlined internal and external communication across departments.

All office systems were successfully upgraded to the 64-bit version to enhance performance, stability, and compatibility with modern applications. The upgrade allows the systems to handle larger files, utilise memory more efficiently, and support advanced features required for daily operations. This transition has improved overall productivity, reduced system limitations, and ensured better compatibility with current software and security updates.

The process of upgrading the Multi-Function Printers (MFPs) has been initiated to ensure full compatibility with our digitisation software. This upgrade will enable seamless document scanning, improved file management, and direct integration with the digital archiving system. By enhancing the functionality of the MFPs, the Authority aims to streamline workflows, improve efficiency, and support a more effective transition toward paperless operations.

Various users were equipped with tablets to enable them to work efficiently while on the go. This initiative allows staff to access emails, applications, and essential documents remotely, ensuring continuity of operations outside the office environment. By utilising tablets, users can respond promptly to tasks, attend virtual meetings, and remain productive regardless of location, thereby enhancing flexibility and overall operational efficiency.

A Customer Care Queuing System was implemented to enhance service efficiency and improve the overall customer experience. The system streamlines the flow of visitors by organising queues, reducing waiting times, and ensuring fair and orderly service delivery. It provides real-time monitoring and reporting features, enabling management to track performance, allocate resources effectively, and identify peak service periods. This solution has significantly improved operational efficiency while increasing customer satisfaction.

The majority of user mailboxes were successfully migrated from the on-premises Exchange environment to cloud-based mailboxes to enhance reliability, scalability, and accessibility. This migration improved email performance, strengthened security features, and enabled users to access their mailboxes seamlessly from any location or device.

Property Market Dashboarding initiatives involved coordinating with various contractors to deliver comprehensive internal reporting solutions, aligning business requirements, managing data integration, overseeing dashboard design, and ensuring timely delivery of accurate market insights. The dashboards provided clear visibility into property market trends, performance metrics, and key indicators to support informed decision-making.

An IT ticketing system was introduced to improve internal efficiency and streamline support processes. The system enables staff to log, track, and manage technical issues in a structured and transparent manner, ensuring timely resolution and better accountability. It also provides reporting and monitoring capabilities, allowing the IT Team to prioritise tasks, identify recurring issues, and enhance overall service delivery. This implementation has significantly improved response times and operational effectiveness within the organisation.

To strengthen the Authority's security posture, all staff are required to complete a Cyber Security Awareness course. This training ensures that every team member understands the latest cyber threats, safe online practices, and policies for protecting sensitive information. By participating, employees gain the knowledge and skills necessary to identify potential risks, prevent security breaches, and contribute to a culture of cybersecurity awareness throughout the Authority. The course was conducted successfully and will be organised again to ensure all staff remain up to date with best practices.

During 2025, the Authority advanced its digital transformation agenda by digitising key schemes and internal processes to enhance operational efficiency and reduce service delivery time. Investments were made in ICT infrastructure, including hardware upgrades and a call monitoring tool, to strengthen service responsiveness and client experience. In addition, the Authority prioritised software upgrades and acquired specialised professional licences, such as ACAD and GIS, to enhance technical capacity. New digital platforms were also developed, enabling clients to apply remotely via portable devices, thereby improving accessibility, streamlining processes, and reducing reliance on physical service points.

Policy, PR & Communications

Building on the positive results achieved in 2024, 2025 proved to be another strong year for the Housing Authority's Policy, PR & Communications Department. Through a range of initiatives, including research, publications, outreach sessions, stakeholder engagement, media appearances, website enhancements, and social media campaigns, the department continued to strengthen the Authority's voice and presence within the local property sector, while reinforcing its commitment to providing up-to-date, accurate information to the public.

Online Channels

Website

As the Housing Authority's principal online portal, the PR & Communications Team embarked on a facelift project to ensure accessibility, ease of use, and an overall cohesive design. The most prominent upgrades in 2025 were:

- A dedicated Schemes and Opportunities page, compiling all the Authority's schemes in one place, allowing users to easily filter options by persona, age, and income. This was complemented by a comprehensive rebranding of all the schemes and the successful *'Ħabbtilna'* campaign, through which over 33,000 individuals visited the website in just one month;
- Uploading all Annual Reports, dating back to 1976;
- Addition of FAQs on the legal amendments to the Private Residential Leases Act;
- Enhancements to the Careers page;
- A dedicated page for Specialised Housing Projects;
- A dedicated website for the First-Time Buyers Guide;
- Step-by-step explainers for the Rent Registration Website;
- Ongoing SEO optimisation of website content.

In 2025, the Authority's website saw a new record increase in users, with over 169,000 unique users visiting and generating approximately 1.5 million views (Table 43).

Year	Views	Active Users	Sessions
2022	114,559	20,444	39,088
2023	684,274	106,342	198,225
2024	1,115,435	166,607	308,647
2025	1,473,381	169,217	487,382

Table 43: Website Key Metrics

These improvements are delivering positive results on the user experience. Through a metric known as the bounce rate, it indicates that users are now exploring more of the website and finding the information they need (Figure 15). In 2025, fewer than 1 in 20 visitors left after viewing only one page, highlighting the positive impact of ongoing efforts to improve the website experience.

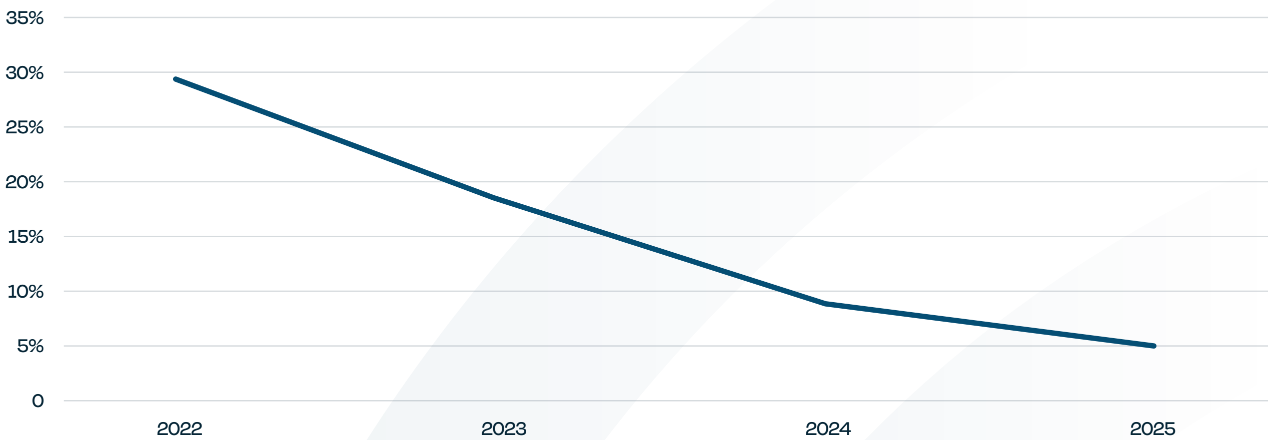


Figure 15: Bounce Rate

Social Media

Another target for the PR, Policy, and Communications office was to enhance its digital presence and communications through online channels, including Facebook and LinkedIn.

Facebook

In 2025, the Facebook page received 3.6 million views, of which 9% came from organic activity and the remainder from paid campaigns, highlighting the Authority's efforts to reach a wider audience. During the same year, the page received 32,169 visits and gained 1,693 new followers—more than triple the number of new followers compared to 2024 (Figure 16).

141

Posts published on Facebook in 2025

Aligned with its goal of increasing communication and awareness, the Authority published 141 posts, which attracted 1.8 million views and reached nearly 800,000 users.

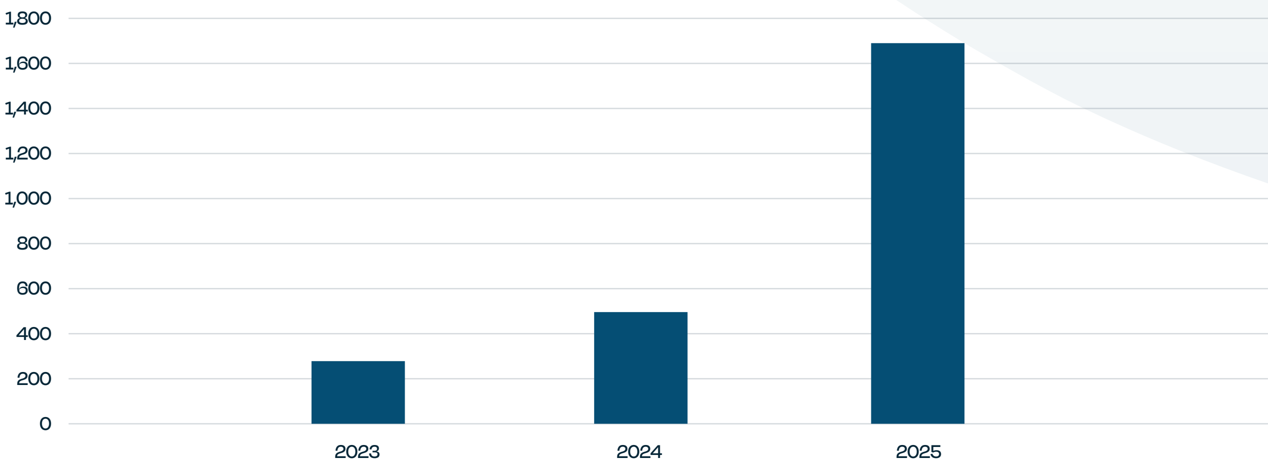


Figure 16: Facebook Page New Followers

LinkedIn

Similarly, the Housing Authority increased its activity on LinkedIn, publishing 186 posts in 2025 that reached almost 23,200 users. During the same period, the LinkedIn page gained 868 new followers, received 2,246 page views, and attracted 977 unique visitors.

186

Posts published on LinkedIn in 2025

Outreach

Throughout the year, the Policy, PR & Communications Team delivered several impactful campaigns, including the First-Time Buyer Scheme, the Scheme for Persons with Disability, the First-Time Buyers Step-by-Step Guide, Ħabbtilna, and the Nikru biex Nassistu Scheme, as well as the Art Competition and Exhibition in preparation for the Housing Authority's 50th anniversary in 2026.

In addition to strengthening its digital presence, the Authority maintained a regular presence on television and radio, building on the previous year's momentum, with the primary aim of increasing awareness of its schemes and services, its roles within the property sector, and its publications.

Of the 40 media appearances in 2025, 13 featured the TV mini-series Dar u Dinjità, which highlighted the Authority's evolution over the years, its schemes and services, property management and compliance functions, and the future of accommodation in Malta.

The section also prioritises direct outreach initiatives with various stakeholders, including Real Estate Agents, Active Ageing and Community Care, NGOs involved in specialised housing projects, and others. A record of 47 sessions was carried out throughout the year, marking a further increase from 2024. These initiatives enabled the Authority not only to raise awareness but also to gather insights into the challenges stakeholders encounter in their day-to-day operations, as well as their suggestions for improvement.

40
Media appearances

47
Outreach sessions

Expos and Conferences

The Housing Authority bolstered its presence at various expos and conferences throughout the year.

Public Service Expo

The Public Service Expo 2025, attended by over 76,000 people, was an excellent opportunity to engage with the public and gather valuable feedback. The Authority's stand showcased the various schemes and services it offers in innovative ways, helping attendees better understand its work. Key highlights included:

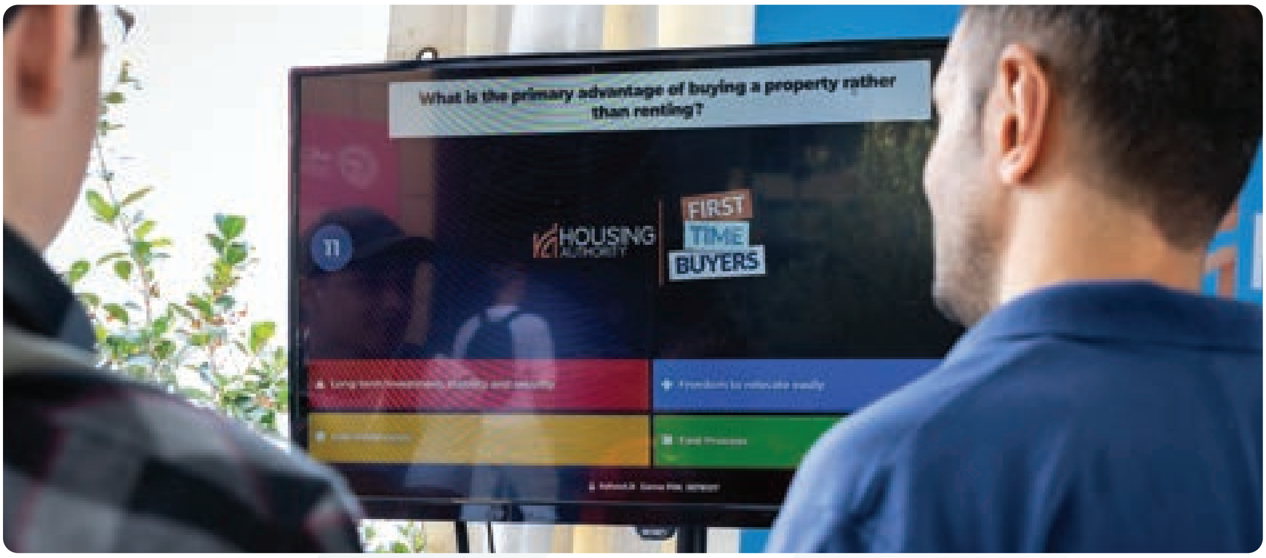
- The launch of Malta's only Step-by-Step First-Time Buyers Guide, with over 500 physical copies distributed;
- An educational quiz complementing the First-Time Buyers theme;
- A VR game offering a fun and immersive way to explore the Authority's mission and its tailored support for different target groups;
- An interactive map providing a visual overview of the Authority's specialised housing projects.

Freshers' Week

For the second consecutive year, the Authority participated in Freshers' Week held at both the University of Malta and MCAST, strengthening its presence and brand awareness among students. Through lively interactions and engaging activities, including a First-Time Buyer quiz, over 70 students expressed interest in joining the Authority, while 1,200 students completed a survey aimed at understanding youths' housing aspirations, including their plans, goals, and knowledge of the property market and buying journey.

70

Students expressed interest in internships during 2025 Freshers' Week



National Housing Conference

This year, the Authority organised its first-ever national housing conference, *The Housing Landscape*. This was a significant milestone for the Housing Authority, placing housing on the national agenda and bringing together policymakers, professionals, and stakeholders to explore the key challenges and opportunities shaping Malta's housing future. The conference featured two insightful panel discussions as well as an international keynote speech from Ms Sorcha Edwards, Secretary General of Housing Europe, who shared insights on housing policy and development across European countries. The event also included presentations on the evolution of Malta's housing sector.

Pact of the Pantheon Conference

A notable addition to the 2025 events calendar was the Pact of the Pantheon international conference organised by the Housing Authority, which focused on the theme of Housing Sustainability and Regeneration in the Mediterranean region. The conference furthered collaboration based on shared realities among the EU's southern members towards a common stand on the EU Commission's Affordable Housing Plan.

Other

The Authority was also honoured to participate in major conferences organised by EY, KPMG, the Ministry for Social and Affordable Housing, and Property in the Med, among other entities.

PR Team Building and Training

A key contributor to the success of these initiatives is the Authority's PR Team. This group is made up of staff members from various departments across the organisation who volunteer to help promote the Authority's work and initiatives. Whether representing the Authority at expos, participating in television and radio interviews, or delivering presentations, the PR team plays an important role in sharing information about the Authority's services with the wider public.

Ongoing training and support help ensure that team members feel confident and well prepared when representing the Housing Authority. In 2025, the following training and support initiatives were organised:

- *Malti Ċar, Servizz Aħjar:* A seminar focused on the use of clear and simple Maltese in communications;
- Public Speaking & Media Course: Training aimed at building confidence in communication and presentation skills;
- Personalised Briefings: One-on-one preparation provided ahead of presentations or media interviews, including the compilation of presentations, up-to-date statistics, and key information;
- Ushers Training: Informative sessions delivered ahead of expos and conferences to ensure the ushers are well prepared.

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 the Authority serves.

Policy & Research

The Policy and Research guides the Housing Authority's decisions through evidence-based policymaking through applied research, stakeholder engagement, and data-driven analysis. It also identifies key trends and provides strategic intelligence to support the design and refinement of the Authority's schemes and incentives.

In 2025, the section further strengthened the Authority's research function by expanding data collection, deepening qualitative insight, and translating findings into practical recommendations that inform both service delivery and longer-term policy direction. This work was focused on engaging four key stakeholder profiles: first-time buyers, the elderly, migrants, and young families. It was complemented by operations research to assess and refine processes, identify bottlenecks, and ensure overall efficient, user-centred service delivery. These elements help ensure that research initiatives remain focused on the needs and experiences of the Housing Authority's clients, with the aim of delivering improved support and services.

Key Achievements and Performance Indicators

40 Participants engaged through in-depth interviews and focus groups

8 Key stakeholders consulted

7 Publications issued

Research Undertaken in 2025

First-Time Buyers

A key workstream focused on the experience of first-time buyers to better understand the realities of navigating the property market and completing a first purchase. This was carried out through a multi-phase approach:

- A First-Time Buyers Focus Group involving 8 participants, capturing qualitative insight on buyer satisfaction, aspirations, and barriers to homeownership;
- A follow-up First-Time Buyers Survey reaching 1,668 respondents, enabling the Authority to test whether the themes emerging from the qualitative phase were reflected across a wider and more representative sample;
- A Youth Housing Aspirations Survey conducted in collaboration with the University of Malta and MCAST students, reaching 1,198 respondents and capturing youth perspectives on housing aspirations, perceived barriers, and preparedness; findings were published as *Understanding Youth Housing Aspirations in Malta: Insights from University and MCAST students*.

Elderly Population

A key stakeholder group engaged during the year was the elderly population. This research sought to ensure that existing dwellings are accessible and fit for purpose, while also exploring a range of housing solutions that enable older persons to age in place safely and with dignity within their communities.

The section conducted targeted formative evaluation work linked to accessibility through the Lift Scheme Study. This included 12 in-depth interviews with beneficiaries from different blocks prior to lift installation, complemented by engagement with stakeholders involved in the scheme. The study assessed whether the application journey and overall process were sufficiently clear and user-oriented, and this work will be revisited in the coming months to identify opportunities for improvement during the installation phase.

The section also carried out an Intergenerational Housing Study centred on the Intergenerational House in Valletta. Through 17 resident interviews and 3 stakeholder interviews, the study evaluated the current model, identified strengths and operational challenges, and explored considerations for replication in other localities. This work contributed to a stronger evidence base on housing models that support community cohesion and ageing in place.

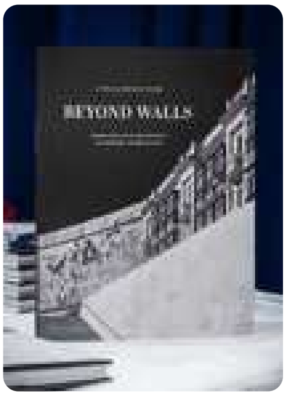
Young Families

The section carried out a targeted evaluation of the Housing Benefit Scheme (HBS) to assess whether it is supporting the intended levels of well-being and housing security across different household circumstances. The study adopted a qualitative approach, based on semi-structured interviews with six beneficiaries representing a mix of household profiles, including those with and without children. Findings highlighted differing outcomes linked to beneficiaries' starting points: while the scheme was widely seen as providing important support, those facing more adverse structural circumstances continued to report challenges in achieving sustained housing security and well-being, thus requiring further tailoring to ensure optimum outcomes for all beneficiaries.

Publications in 2025

The research undertaken by this section in 2025 resulted in a number of publications, strengthening the Authority's public-facing evidence. These publications include:

Scan the QR Code to access all publications.

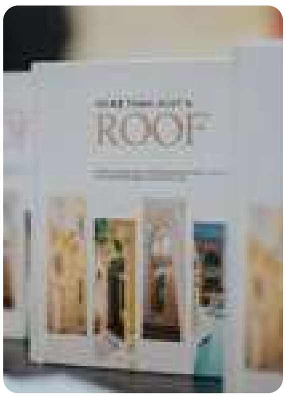


Beyond Walls

In 2025, the Housing Authority published its first book, Beyond Walls: A Social Housing Story. It traces the evolution of social housing in Malta from World War II to the present, combining a historical overview with a photo series documenting the development of social housing estates across Malta over the years.

First-Time Buyers Guide

The Authority expanded its support through the First-Time Buyers Step-by-Step Guide, which walks prospective buyers through the entire journey, from inquiring about a home loan to signing the final deed and moving in. The guide is complemented by a dedicated online portal, firsthome.mt, which is regularly updated to reflect new schemes and process changes.

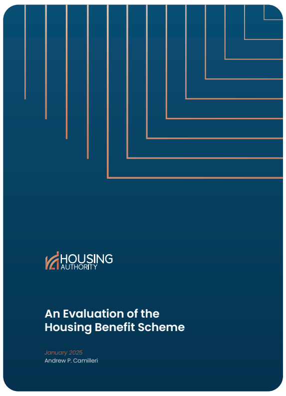


More than Just a Roof

Complementing its first book, the Authority published its second book, More Than Just a Roof, documenting Malta's Specialised Housing Projects and the shift from a one-size-fits-all approach to tailor-made housing solutions for vulnerable groups. It shows how five dilapidated properties—Dar Bla Ħitan, Dar Tereża, Dar il-Kantuniera, Dar il-Qawsalla, and the Intergenerational Project—were transformed into supportive homes, each serving a specific social mission.

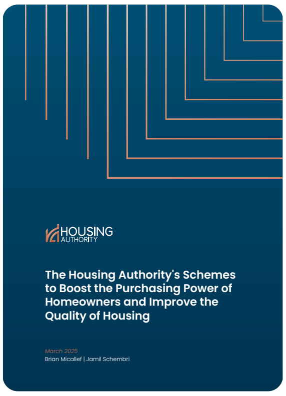
The Residential Rental Market in Gozo

An overview of trends in Gozo's housing sector, covering the private residential rental market, the rent-controlled regime (pre-1995 leases), and social housing and government housing assistance.



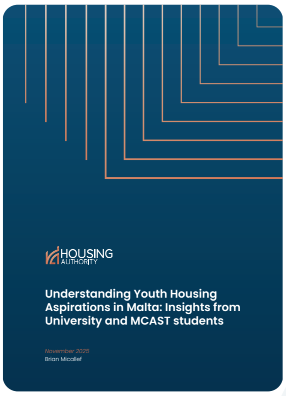
An Evaluation of the Housing Benefit Scheme

An evaluation assessing the impact of the Housing Benefit Scheme on beneficiaries and whether it supported the intended levels of well-being and housing security, including recommendations to strengthen this scheme further.



The Housing Authority's Schemes to Boost the Purchasing Power of Homeowners and Improve the Quality of Housing

An analysis of the Authority's schemes aimed at enhancing homeowners' purchasing power and improving housing quality, covering five schemes: the First-Time Buyer Scheme, the Grant on First Residence Scheme, the Subsidy on Adaptation Works Scheme, the Adaptation of Pre-95 Properties Scheme, and the Scheme for Persons with Disability.



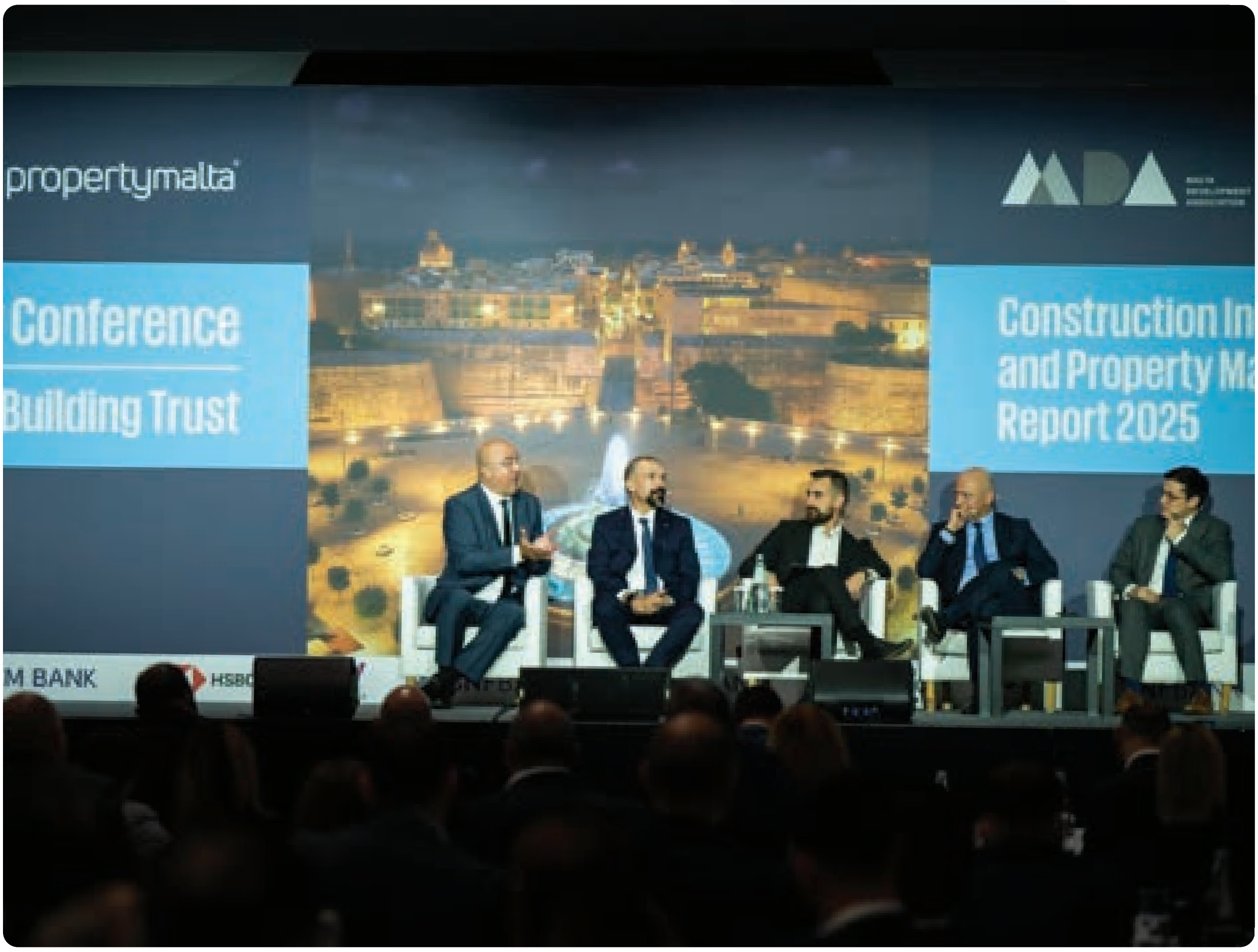
Understanding Youth Housing Aspirations in Malta: Insights from University and MCAST students

A study among University of Malta and MCAST students aimed to explore their housing aspirations, knowledge of the property market and the buying process, the role of homeownership in life goals, and whether they had begun saving for a property.

Stakeholder Contribution and Knowledge-Sharing

The section also provided expert input to national and European discussions on EU Affordable Housing and EU Homelessness policy. The Authority's work was showcased at key platforms, including:

- KPMG National Property Conference;
- European Network for Housing Research Conference in Paris;
- European Social Housing Festival in Dublin;
- European Platform on Combatting Homelessness in Denmark;
- MCAST – Applied Qualitative Research Conference.



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 2025, the section worked on various projects in addition to its day-to-day tasks. In January, one of the in-house lawyers co-authored a study titled "The Residential Rental Market in Gozo" in collaboration with the Gozo Regional Development Authority (GRDA). The section also organised, for the very first time, a training workshop for employees on the provision of evidence in court, which was attended by 25 employees from across the Authority, primarily from Compliance, Schemes, and Customer Care.

The Legal Section continued to play a central role in drafting several essential contracts for the Housing Authority, including but not limited to several Memorandums of Understanding and Data Sharing Agreements with other public entities for the sharing of information and the emphyteutical concession between the Authority and the Foundation for Affordable Housing.

This section was pivotal in drafting several retention policies required for the digitalisation project the Authority has embarked on, with 20 retention policies being finalised by the end of 2025.

Besides these main projects, the Legal Section continued with its day-to-day tasks, primarily taking the necessary legal action relating to any illegalities, debt collection, evictions, and contractual violations. While considerable efforts are made to resolve 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, cases related to the rent increase mechanism under Chapters 69 and 158 of the Laws of Malta, contestations to debt collection procedures, and evictions. This section is also responsible for providing evidence whenever summoned, including in cases between private citizens. During 2025, representatives from the Authority's Legal Section provided evidence in 188 cases.

Another main task of the Legal Section is the provision of legal advice to other departments within the Authority on day-to-day cases, as well as the drafting and implementation of internal policies. During the year, this unit sent approximately 179 Legal Letters and 110 Judicial Letters. It was also directly involved in 1,312 court cases and in legal proceedings of 45 evictions.

280+

Legal and judicial letters issued

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 1st June 1995. These court cases, filed by property owners/lessors, request that a means test be conducted 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. The Housing Authority also provides legal aid to tenants in court cases where the owners/lessors are seeking compensation from the government based on past rent laws.

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 the terms and conditions of the rent. In 2025, more than 144 clients made use of this service, reflecting a decrease in usage compared to previous years. This decrease can be attributed to agreements reached between lessors and lessees or the termination of these old leases.

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 assists its customers in submitting the required forms for rent subsidies. If the Court rules for an eviction, and the client satisfies the conditions set by the Housing Authority—primarily based on means testing—the lessee is referred to an affordable housing unit.

In 2025, the Pre-95 Section assisted in 224 court cases. During the year, the section also assisted clients in person, by email, and/or by telephone with court proceedings, *ċedoli*, and general information. More than 800 communications with clients were made during 2025.

Accounts and Payroll

The Accounts and Payroll Section is responsible for the day-to-day recording of financial transactions in the Authority's accounting software programme to allow for the preparation of monthly management accounts, monthly cash flow, budgets, and forecasts, as well as the submission of monthly claims to the Ministry and any requests for government tranches to receive allocated funds. As of 2025, payroll is also being administered by this section after the service was outsourced.

In 2025, over 4,300 invoices received from various suppliers and contractors were paid by SEPA, totalling €23,919,814 in payments. This represents a 15% increase compared to the €20,726,567 paid in 2024. Invoices and receipts received from suppliers are now saved electronically, eliminating the once cumbersome and time-consuming filing process and further supporting the Authority's move towards digitalisation.

A total of 135 direct credit files were uploaded to the system to effect payment of subsidies and grants to beneficiaries under the Housing Authority's schemes. This has become the Authority's preferred method of payment, further reducing the number of cheques issued. Additionally, 24 direct debit payment files were uploaded for the collection of rent and ground rent from tenants residing in various properties owned by the Housing Authority. A total of €12,392,136 in cash and cheques received by post or at the Authority's customer care offices were deposited throughout the year on a weekly basis.

The main source of income for the Authority remains the government's contribution, which is received from claims submitted throughout the year. The government contribution received in 2025 amounted to €67,810,000 (Figure 17), which was €10,110,000 more than that received in 2024. Government funding is expected to continue increasing in 2026, as €78,200,000 was allocated to the Housing Authority in the 2026 Government Budget to support the increase in grants and subsidies distributed by the Authority.

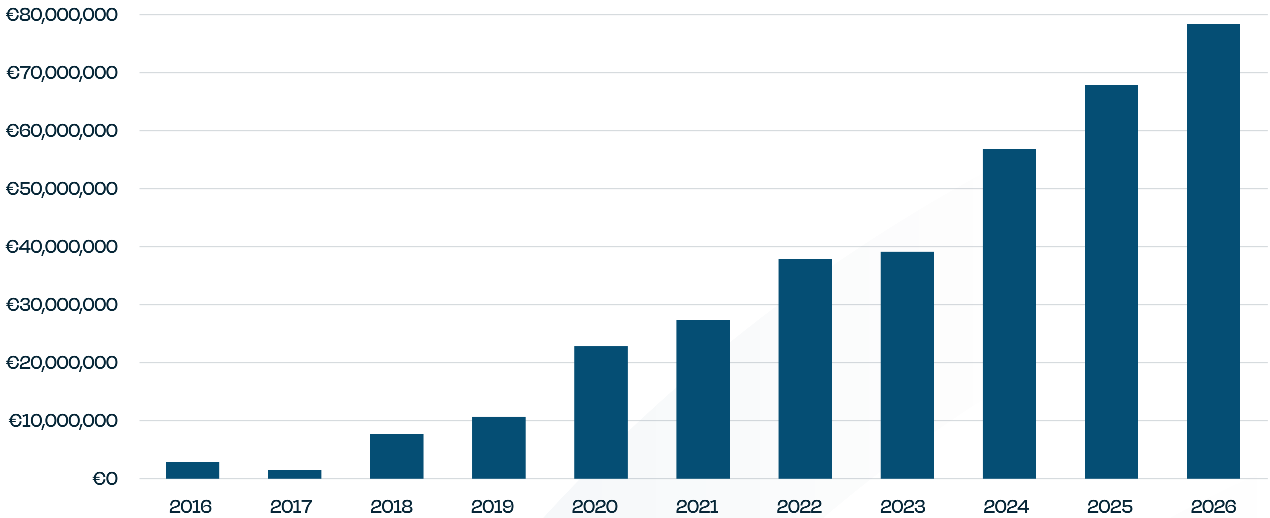


Figure 17: Government Funding

Further information about the Housing Authority's financial position as of 31 December 2025, income and expenditure, changes in equity, cash flow position, and related notes for the year under review is provided in the signed audited financial statements, a copy of which is also included in this Annual Report.

Utilities

The Utilities Section was established to manage all matters related to water and electricity from the date of transfer onwards. Its role includes ensuring that any utility accounts not registered under the Housing Authority are transferred to the appropriate entity or individual.

The section is responsible for the timely settlement of all utility bills. It also ensures that all outstanding balances are fully cleared before meter transfers, as ARMS Limited does not process meter transfers unless all dues have been settled.

In 2025, a total of 718 Change of Consumer forms were processed to transfer meters to tenants or other entities, and 66 service applications were processed for services such as meter reconnections, meter relocations, new connections, service removals, and deviations.

784
Utility forms processed in 2025

A total of **€394,416** was paid in relation to utilities.

Credit Control

The Credit Control Section was established within the Authority in January 2025 to proactively manage and recover arrears across the organisation. During its initial phase, the section focused on establishing workflows and embedding structured credit control processes.

Credit Control operates on a cross-functional basis, working closely with the Legal, Utilities, Revenue, Accounts, Schemes, and Social Housing Sections. The section commenced operations with limited staffing resources, prioritising the accurate recording of arrears under the respective ID card and actively pursuing outstanding payments.

To support consistent arrears management, new debtor agreements were drafted to address the various scenarios that the Housing Authority may encounter. Despite resource constraints, the section focuses on efficient arrears chasing, achieving tangible results through targeted communication and improved coordination with internal stakeholders.

During 2025, a total of 2,895 arrears letters were issued, and 87 arrears agreements were signed. These actions resulted in the recovery of €892,451, with €881,019 collected through arrears letters and €11,432 collected through formal repayment agreements. Most collections were achieved through early-stage arrears intervention, demonstrating the effectiveness of proactive debt chasing.

2,895
Arrears letters issued in 2025

Overall, the results reflect a strong foundation for Credit Control, with improved visibility of debt, enhanced coordination across departments, and a positive impact on arrears reduction during its first year of operation.

Contracts

The Contracts Section within the Housing Authority is responsible for the administration and execution of promises of sale and deeds of sale of government properties, agreements relating to grant assistance, and deeds of hypothec in cases where a lift is installed in a government block. The section also administers approvals, executions, and deeds of resale of former government properties.

Furthermore, the Contracts Section oversees the approval and execution of deeds relating to redeveloped HOS and HAP plots. It is also responsible for determining redemption amounts and signing the corresponding deeds of redemption.

The Contracts Section is one of the Authority's principal revenue-generating sections and, in 2025, generated revenue amounting to €12,305,292, as shown in the table below.

Source of revenue	Revenue
Redemption of Ground Rents	€157,724
Development Payments	€2,267,035
Tenders	€84,408
Refunds of Subsidies and Arrears	€668,156
Lease Agreements	€13,035
Sale of Properties	€345,867
Promise of Sale Agreements – SSD & SRP	€885,371
Final Deeds of Sale – SSD & SRP	€7,883,696
Total	**€12,305,292**

Table 44: Housing Authority's Generated Revenue

In 2025, a total of 1,921 agreements were signed (Table 45).

Types of deeds signed	2025
Garages sold by tender and sale of previously rented government property	194
Preliminary agreements done for SSD and SRP Schemes	176
Final deeds of property where land was transferred to Housing Authority by Lands Authority	174
Deeds of redemption	141
Deeds of sale between third parties, including hypothec cancellations, new hypothec registrations, and subsidy refunds	186
Deeds of hypothecs on ADP and DIS	169
Agreements under ADP, DIS, SSP, SOL, HBS and SKP Schemes	786
NIK and SK Schemes agreements, lease agreements and lifts	39
Deeds under ESS Scheme (2019)	56
Total	**1,921**

Table 45: Signed Contracts

Revenue

The Revenue Section is responsible for managing the financial aspects of properties under the Housing Authority's jurisdiction, including issuing and collecting rents, as well as administering ground rents on various residential and commercial properties. On a day-to-day basis, the team handles tasks such as opening new accounts in the system, processing tenant exchanges, and closing accounts when rent agreements are terminated or expire. Additionally, the section ensures that all rent payments are accurately recorded, discrepancies are addressed, and proper records are maintained. This process is vital to ensuring a consistent flow of revenue for the Housing Authority while also providing tenants with a clear and efficient experience throughout their tenancy.

During 2025, a total of 24,041 invoices were issued for rent, common parts, and ground rents (Figure 18).

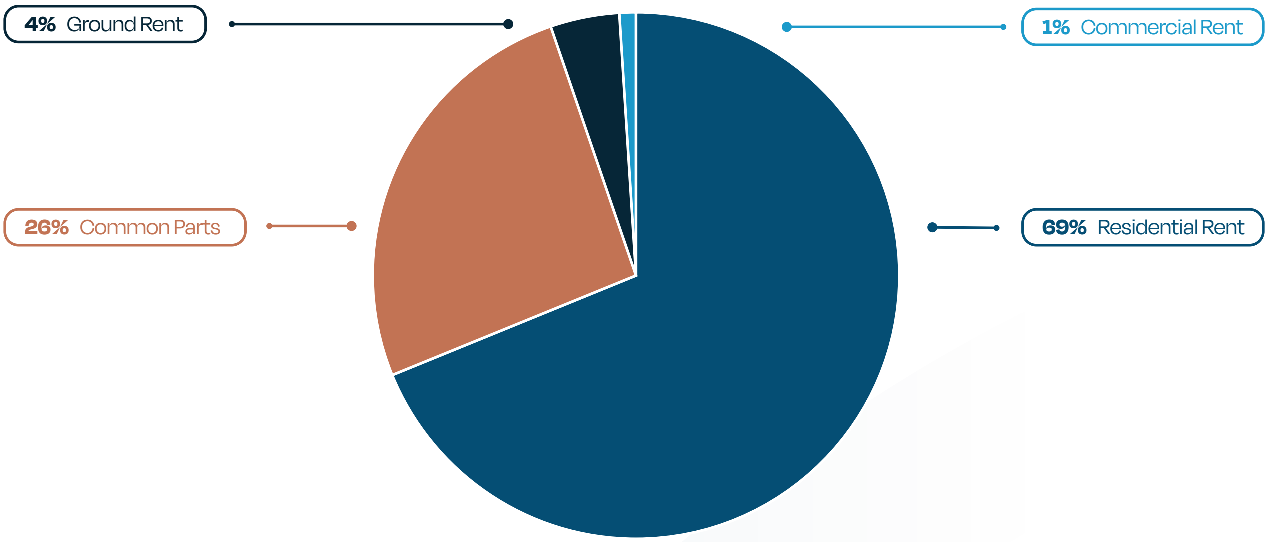


Figure 18: Type of Invoices

The section receives payments from 4 primary sources: Local Councils, Housing Authority offices, Direct Debit, and the Authority's online portal. The main source remains the Housing Authority offices, which account for approximately 64% of the total payments made throughout the year (Figure 19). Nonetheless, thousands of payments were made through the Authority's online portal, amounting to €562,000, a 37% increase from the amount recorded in the previous year.

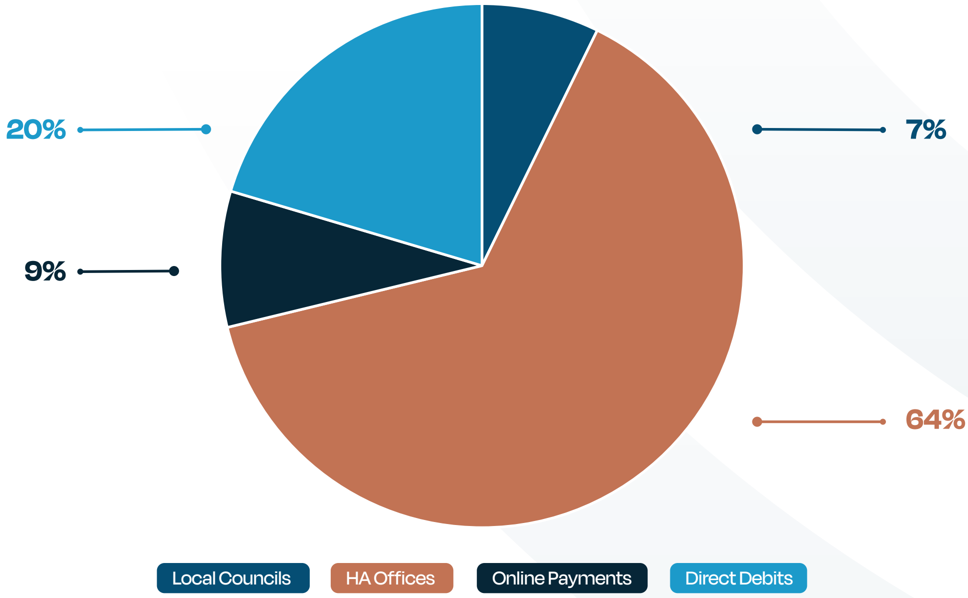


Figure 19: Types of Payments

The Direct Debit System during 2025 resulted in 5,519 successful transactions valued at €1,253,078, yielding a 69% success rate.

The section also collaborates with other departments within the Authority to ensure that tenant lease information remains up to date. During 2025, a range of transactions was processed, including allocations, rent revisions, recognitions, rent renewals, allocation exchanges, and surrenders of keys (Figure 20). The Compliance Section is responsible for handling the surrender of keys from tenants, including those relating to Lands Authority properties; however, only surrenders of keys associated with properties owned by the Housing Authority are recorded.

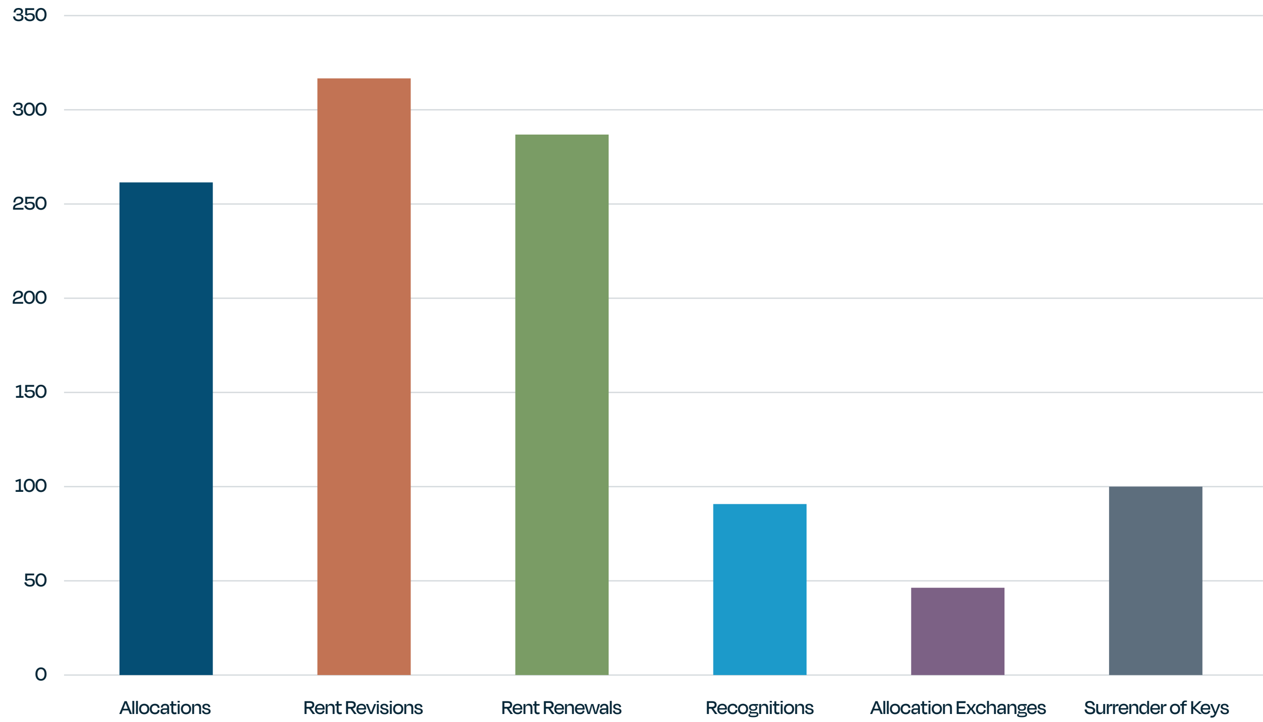


Figure 20: Lease Transactions Processed by Type

Furthermore, during 2025, a total of 15 tenders were issued for the lease or sale of Housing Authority properties.

Procurement

The Procurement Section plays a central role in supporting the Authority's operational and strategic objectives through the procurement of works, services, and supplies. The section ensures that all procurement procedures are conducted in line with applicable legislation, internal policies, and principles of good governance, value for money, and accountability.

Throughout the year, the Procurement Section was responsible for the publication, management and award of various procurement procedures, including tenders, requests for quotations, a call for quotation, and the first Preliminary Market Consultation. These procedures covered a wide range of works, services, and supplies required for the effective functioning of the Housing Authority and its ongoing projects.

What is Procured

During the year, the Housing Authority issued various procurement calls covering a broad spectrum of operational and strategic needs. These included the sixth issue of a Framework Agreement for the execution of responsive structural and other repair works in government tenements and tenders for the demolition, construction, reconstruction, and finishing of new housing blocks and facilities across various localities, all incorporating environmental performance standards and environmentally friendly materials, as well as mechanical and electrical works and building services installations. Additional calls addressed property and condominium management services, the appointment of professional service providers for insurance intermediaries, and the supply, delivery, installation, and commissioning of façade and roof-mounted photovoltaic systems and appliances for the ongoing deep energy project in Żabbar.

Collectively, these calls reflect the Authority's ongoing commitment to maintaining and improving its housing stock, strengthening service delivery, and supporting its internal operational functions through transparent and competitive procurement procedures. These procurements demonstrate the breadth of the Authority's procurement activity, spanning infrastructure works, service delivery contracts, and specialised professional services, all carried out in accordance with the Public Procurement Regulations and the Authority's strategic needs.

Types of Procurements

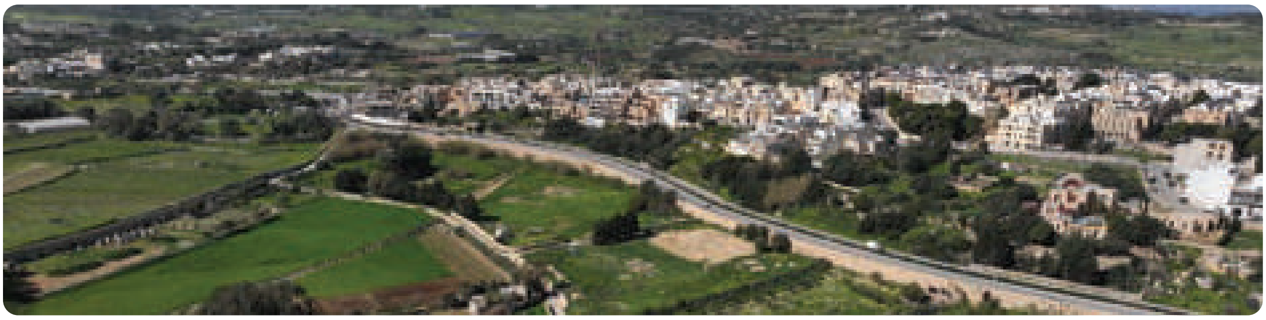
Tenders and Calls for Quotations

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;

Preliminary Market Consultation (PMC): This allows a contracting authority to engage with the market before issuing a call for competition to inform procurement planning. It may seek technical or market advice, provided this does not distort competition or breach principles of transparency, equal treatment, and non-discrimination.



In 2025, 12 tenders and 1 call for quotations were published, with an estimated total value of €21,811,513 exclusive of VAT. Following the evaluation process, 13[5] tenders and 1 call for quotations were awarded, totalling €7,151,261 exclusive of VAT. Additionally, 2 tenders, with a combined value of €569,080 exclusive of VAT, were cancelled after evaluation due to non-compliant offers.

13 Tenders awarded in 2025

1 Call for quotation awarded in 2025

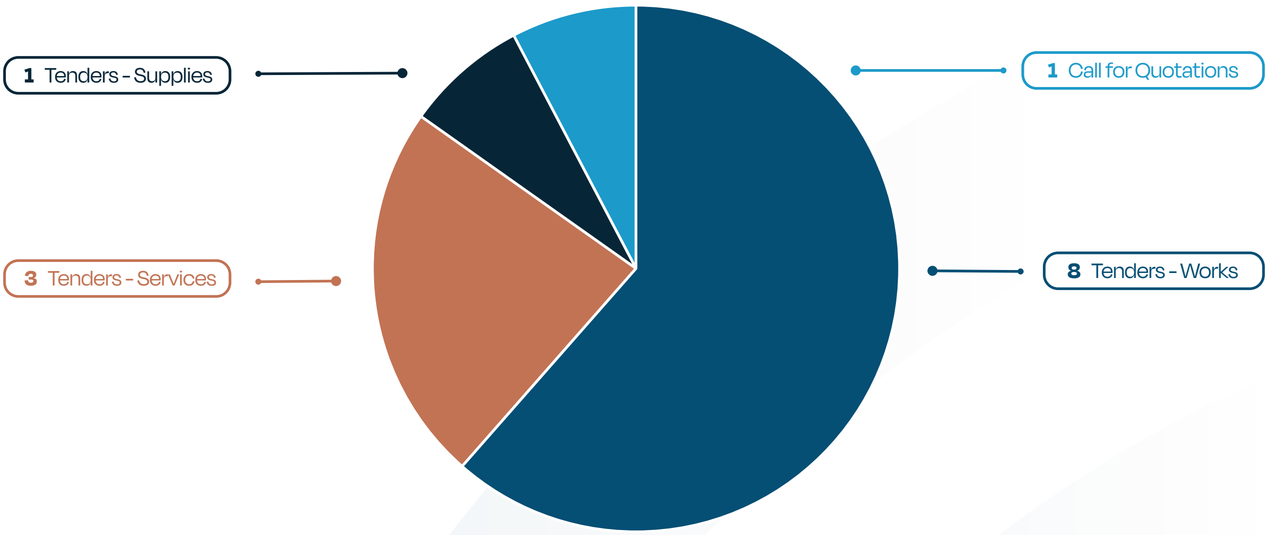


Figure 21: Issued Tenders & Call for Quotations

[5] 5 of these tenders awarded were published in 2024.

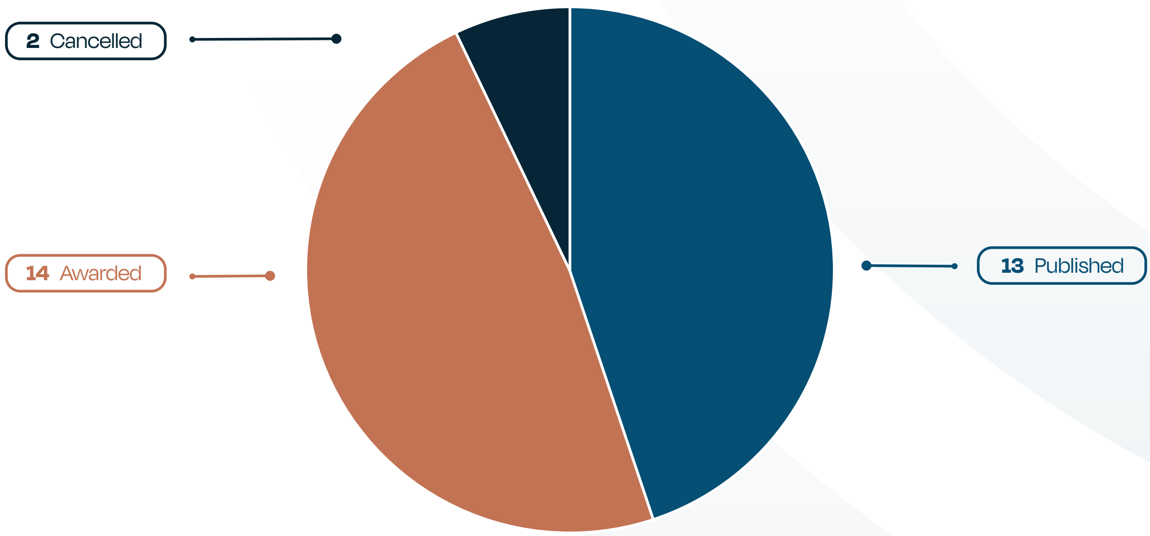


Figure 22: Publications & Evaluation Outcomes by Quantity

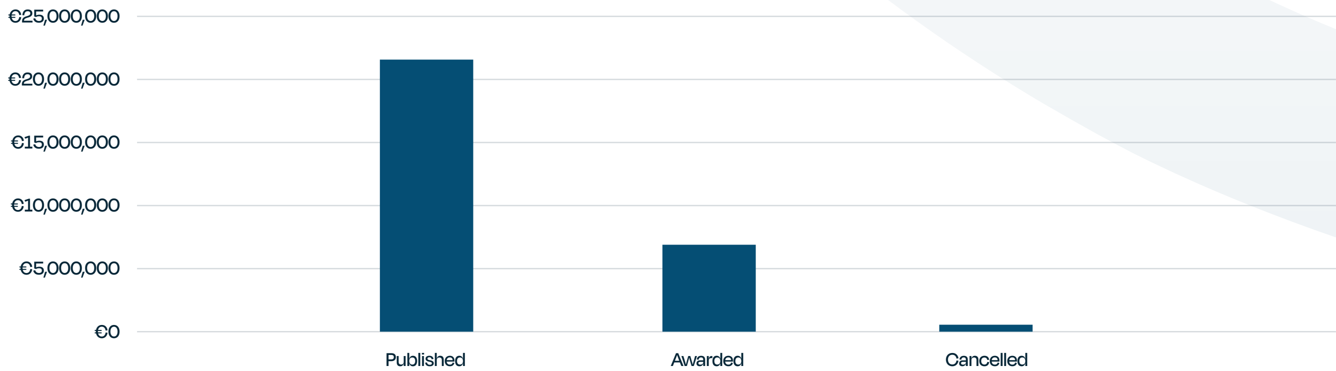


Figure 23: Publications & Evaluation Outcomes by Total Value

A total of 105 offers were submitted in response and evaluated in accordance with established criteria (Table 46).

Type of procurement	Number of bids
Tenders - Works	84
Tenders - Services	14
Tenders - Supplies	1
CfQs - Works	6
Total	**105**

Table 46: Number of Bids Received

Quotations

During the reporting period, a total of 297 Requests for Quotations (RFQs) were issued. Of these, 246 RFQs related to the procurement of various supplies, including office furnishings and equipment, stationery, staff welfare items, cleaning supplies, IT supplies, educational event materials, as well as the supply and installation of a U-shaped stairlift.

A further 9 RFQs were issued for Extra-Low Voltage (ELV) systems, covering alarm systems, fire detection and alarm installations, as well as joinery works for leased tenancies.

In addition, 43 invitations were issued for a range of services, including the hiring of venues and related services for training, educational, and promotional events, as well as the engagement of a graphic designer, onsite ambulance services, survey data collection, pest control services, and air-conditioning system services for the administrative offices.

The estimated total value of these RFQs amounted to €409,000, exclusive of VAT.

297
Requests for quotations issued in 2025

Expressions of Interest (EOIs)

To address specific service requirements, including the need to respond effectively to emergency cases, and to ensure ongoing compliance and operational efficiency, the Authority issued 2 Expressions of Interest (EOIs) in 2025. These EOIs invited individuals, firms, and recognised partnerships to express their interest in providing professional and/or technical services to the Housing Authority at fixed rates.

The first EOI sought services from Warranted Architects, Warranted Architects specialising in Structural Engineering, Warranted Architects specialising in Restoration and Structural Engineering, Warranted Electrical Engineers, Land Surveyors, and Draughtspersons. A total of 49 expressions of interest were received.

2
EOIs issued in 2025

59
Expression of interests received

The second EOI covered a separate set of services, including emergency interventions related to water leaks and blocked or damaged drainage systems, as well as the provision of Energy Performance Certificate (EPC) assessment services. A total of 7 expressions of interest were received for the emergency services, while 3 EPC assessors submitted their interest.

Payments

A total of 2,531 payments amounting to €10.8 million were processed throughout the year. The payments made are illustrated in the table below.

Year	2022		2023		2024		2025	
Payment type	Number of payments	Expense	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	669	€7,105,232
Services	634	€1,426,059	797	€1,549,071	649	€2,272,450	1,335	€3,227,301
Supplies	318	€213,603	435	€303,174	387	€365,703	527	€504,222
Total	**1,543**	**€9,622,329**	**1,904**	**€10,199,178**	**1,778**	**€9,669,797**	**2,531**	**€10,836,755**

Table 47: Payments Made in 2022, 2023, 2024 and 2025

In 2025, a significant portion of the payments were made to works. Figure 24 illustrates the payments made for works as opposed to payments made for services and supplies.

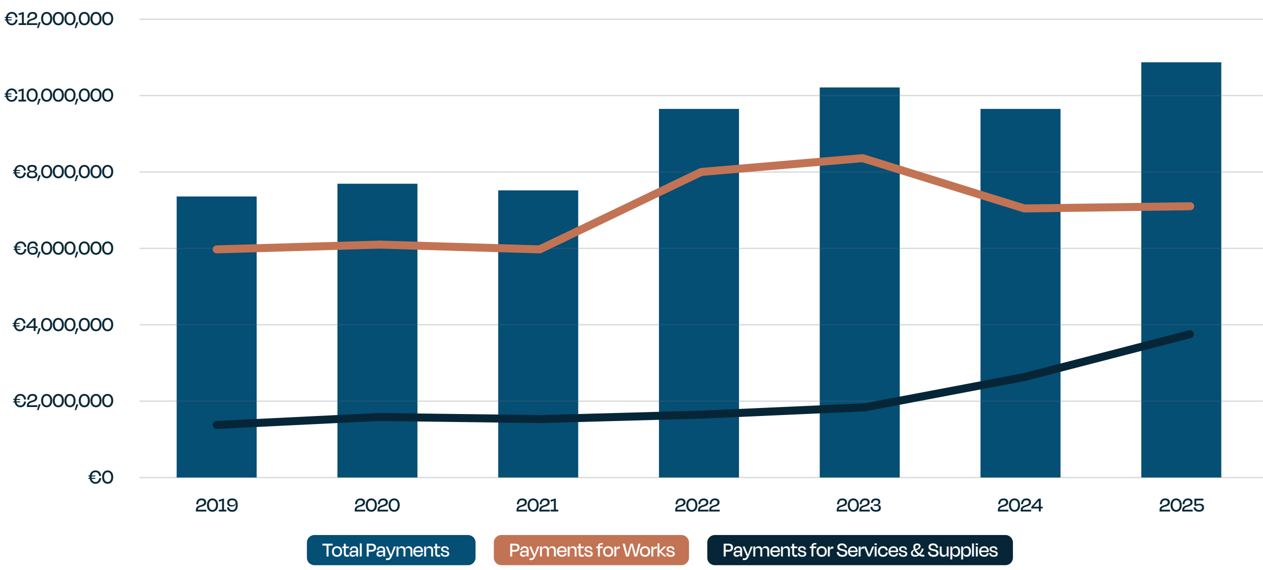


Figure 24: Issued Payments

Digitalisation

The Procurement Section operates on a fully paperless basis, reflecting the Authority's commitment to digital transformation and sustainability. Currently, approximately 70% of procurement procedures are fully integrated within the Authority's digital procurement system, supported by a range of automated workflows. This integration has enhanced efficiency, traceability, and transparency across procurement operations, while reducing administrative burden and processing times.

2025 Annual Report

For the Year Ended 31 December 2025

Financial Statements

Table of Contents - Financial Statements

Report of the Board Members

For the Year Ended 31 December 2025

The Board presents their annual report together with the audited financial statements of the Housing Authority for the year ended 31 December 2025.

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 deficit of €1,803,559 (2024: surplus of €954,230), which is mainly resulting from the increase in subsidies granted to beneficiaries and major repair works which are financed from the Authority's own funds.

The results are disclosed in the income and expenditure account on page 178.

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 2025)
Mr Kenneth Busuttil B.Ed. (Hons), PGDEL (Melit.) - Deputy Chairman (reappointed on 13 June 2025)
Ms Henriette Cannataci (reappointed on 13 June 2025)
Mr Adrian Farrugia (reappointed on 13 June 2025)
Mr Owen Farrugia (reappointed on 13 June 2025)
Mr Peter Fitzgerald BTEC HND Diploma (Building and Construction, BTEC HND Diploma (Teaching Practice), Electrical wireman's licenses A&B (reappointed on 13 June 2025)
Perit Joseph Grech A&CE (reappointed on 13 June 2025 and resigned on 14 July 2025)
Mr Thomas Grima B.Sc.(Hons) Chemistry, Rubber Technologist (reappointed on 13 June 2025)
Ms Deborah Lauria (reappointed on 13 June 2025)
Ms Maria Magri MBA, H. Dip (Melilt.) (reappointed on 13 June 2025)
Ms Josephine Spiteri (reappointed on 13 June 2025)
Ms Jennifer Xuereb (reappointed on 13 June 2025)
Ms Michelle Micallef Bugeja A&CE (appointed on 30 September 2025)

Board Secretary

Dr Alicia Borg LL.B., LL.D., Advocate (reappointed on 13 June 2025)

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 30 March 2026 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 2025 are included in the Annual Financial Report 2025, 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 2025, 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 30 March 2026 by:

Mr Robert Ducker
Chairman

Mr Kenneth Busuttil
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 178 to 204 which comprise the statement of financial position as at 31 December 2025, 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 2025, 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

30 March 2026

Income and Expenditure Account

For the Year Ended 31 December 2025

	Note	2025 (€)	2024 (€)
Income			
Government Contribution	3.c.	66,776,897	56,750,001
Sale of property	3.a.	23,310,227	14,187,121
Ground rents	3.b.	331,232	335,073
Redemption of ground rents		178,916	171,847
Rents receivable on occupied tenements		4,246,855	3,825,982
Income from Home Ownership Scheme plot developments		2,363,667	1,459,491
Refund of subsidies		746,259	677,759
EU funded grant		-	107,287
Other income		1,027,505	1,079,614
Total Income		**98,981,558**	**78,594,175**
Expenditure			
Cost of housing units sold	3.a.	(11,118,480)	(6,886,877)
Subsidies on sale of housing units	3.a.	(12,081,543)	(5,147,905)
Interest subsidies and loan grants		(107,257)	(85,302)
Schemes and grants		(37,242,748)	(31,315,689)
Common parts and lifts of rented premises		(608,641)	(536,536)
Major repairs and upgrading works		(10,752,106)	(8,049,734)
Rent payable on premises offerred for rent		(14,166,722)	(12,097,720)
Wages and salaries	5.	(8,144,794)	(7,099,041)
EU funds project - Regeneration for social housing areas		(54,209)	(392,690)
Development costs		(364,778)	(70,000)
Administrative expenses		(5,953,096)	(5,036,943)
Provision for legal claims		(190,656)	(921,361)
Finance costs		(87)	(147)
Total Expenditure		**(100,785,117)**	**(77,639,945)**
Surplus/(Deficit) for the year		**(1,803,559)**	**954,230**

The notes on pages 184 to 204 form an integral part of these financial statements.

Statement of Financial Position

As at 31 December 2025

	Note	2025 (€)	2024 (€)
ASSETS			
Non-current assets			
Intangible assets	6.	**229,042**	**316,955**
Property, plant and equipment	7.	**16,442,174**	**13,152,289**
Undeveloped land	8.	**60,710,037**	**43,286,619**
Interest in property acquired under equity sharing schemes	9.	**24,487,176**	**20,247,096**
Land passed on for development	10.	**23,921,522**	**26,192,027**
Developed land held for affordable housing	10.	**19,749,154**	**17,478,648**
Loan receivable	11.	**500,000**	**500,000**
Trade and other receivables	13.a.	**2,734,159**	**3,215,187**
Total non-current assets		**148,773,264**	**124,388,821**
Current assets			
Inventory of housing projects for development and resale	12.a.	**193,732,853**	**200,369,050**
Other inventory	12.b.	**42,298**	**58,353**
Trade and other receivables	13.b.	**14,488,272**	**12,969,257**
Cash and cash equivalents	14.	**6,575,175**	**4,583,769**
Total current assets		**214,838,598**	**217,980,429**
TOTAL ASSETS		**363,611,862**	**342,369,250**

Statement of Financial Position (continued)

	Note	2025 (€)	2024 (€)
EQUITY AND LIABILITIES			
Equity			
Endowment capital	15.a.	326,827,265	304,948,411
Accumulated surplus	15.b.	4,475,392	6,278,951
Total equity		311,302,657	311,227,362
Liabilities			
Non-current liabilities			
Other financial liabilities	16.	12,985,069	10,383,894
Deferred income	17.	16,473,416	18,379,908
Total non-current liabilities		29,458,485	28,763,802
Current liabilities			
Trade and other payables	18.	2,850,720	2,378,086
Total liabilities		32,309,205	31,141,888
TOTAL EQUITY AND LIABILITIES		363,611,862	342,369,250

The notes on pages 184 to 204 form an integral part of these financial statements.

These financial statements on pages 178 to 204 were approved by the Members of the Board of the Housing Authority on 30 March 2026 and were signed on its behalf by:

Mr Robert Ducker
Chairman

Mr Kenneth Busuttil
Deputy Chairman

Statement of Changes in Equity

For the Year Ended 31 December 2025

2025	Endowment capital (€)	Accumulated surplus (€)	Total Equity (€)
Balance as at 01 January 2025	304,948,411	6,278,951	311,227,362
Deficit for the year	-	(1,803,559)	(1,803,559)
Value of properties transferred during the year recognised in equity	21,878,854	-	21,878,854
Balance as at 31 December 2025	**326,827,265**	**4,475,392**	**331,302,657**

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**

The notes on pages 184 to 204 form an integral part of these financial statements.

Statement of Cash Flows

For the Year Ended 31 December 2025

	Note	2025 (€)	2024 (€)
Cash from operating activities:			
(Deficit) / Surplus for the year		**(1,803,559)**	**954,230**
Government funding receivable	3.c.	**(66,776,897)**	**(56,750,001)**
Depreciation and amortisation	6,7	**440,483**	**466,972**
Movement in provision for doubtful debts and ground rents, rent and common part areas	13.b.	**121,609**	**35,309**
EU grant on regeneration of social housing		**-**	**(107,287)**
Deficit from operations		**(68,018,364)**	**(55,400,777)**
Movement in inventories	12.	**11,134,535**	**6,883,286**
Movement in trade and other receivables	13.	**(1,176,224)**	**998,566**
Movement in trade and other payables	18.	**472,631**	**(1,381,647)**
Movement in deferred income	17.	**(1,906,492)**	**(2,217,326)**
Payments made to acquire expropriated land	12.	**(339,869)**	**(832,534)**
Payments received from sale of land	8.	**313,023**	**-**
Cash generated from operations		**(59,520,760)**	**(51,950,432)**
Net cash flows used in operating activities		**(59,520,760)**	**(51,950,432)**

	Note	2025 (€)	2024 (€)
Cash flows from investing activities:			
Payments to acquire property, plant and equipment and intangible assets	6,7	**(3,642,453)**	**(4,634,624)**
Payments for acquisition of property under the equity sharing scheme	9.	**(4,386,580)**	**(4,429,067)**
Settlement received from equity sharing scheme	9.	**146,500**	**160,000**
Net cash flows used in investing activities		**(7,882,533)**	**(8,903,691)**

Statement of Cash Flows (continued)

	Note	2025 (€)	2024 (€)
Cash flows from financing activities:			
Advances received from other government entities	16.	2,601,175	4,673,730
Government funding received	3.c.	67,810,000	57,700,001
Expenditure on grant on first residences scheme		(1,016,476)	(1,025,023)
EU grant received on regeneration of social housing		-	107,287
Net cash flows from financing activities		69,394,699	61,455,995

	Note	2025 (€)	2024 (€)
Net cash from in cash and cash equivalents		1,991,406	601,872
Cash and cash equivalents at beginning of year		4,583,769	3,981,897
Cash and cash equivalents at end of year	14.	6,575,175	4,583,769

The notes on pages 184 to 204 form an integral part of these financial statements.

Notes to the Financial Statements

For the Year Ended 31 December 2025

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(l)(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

	2025 (€)	2024 (€)
Sale of developed property	3,699,321	2,945,087
Sale of property held for rental:		
- Sir Sid Darek Scheme (note i)	15,061,848	11,242,034
- Sir Sid Darek 2 ('SRP) Scheme (note ii)	4,549,058	-
Total sale of property	**23,310,227**	**14,187,121**
Cost of housing units sold	(11,118,480)	(6,886,877)
Subsidies on sale of housing units:		
- Sir Sid Darek Scheme (note i)	(6,641,212)	(4,671,406)
- Sir Sid Darek 2 ('SRP) Scheme (note ii)	(4,077,296)	-
- Other Properties	(1,363,035)	(470,499)
Gain on property sold	**110,204**	**2,152,339**

(i) Subsidy is refunded to the Authority if property is sold or leased within 10 years from date of contract.
(ii) Subsidy is refunded to the Authority only if and when the property is transferred or leased.

b. Ground Rents

	2025 (€)	2024 (€)
Commercial / subsidised price	331,232	335,073
Total	**331,232**	**335,073**

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 2025 and 31 December 2024:

	2025 (€)	2024 (€)
Contribution received under Recurrent Vote 21 item 6793 - Housing Authority	11,500,000	10,500,000
Contribution received under Recurrent Vote 21 item 5287 - Housing Programmes	31,500,000	29,300,000
Contribution received under Recurrent Vote 21 item 5405 - Grant for first-time buyers	6,822,000	4,691,000
Additional funds received under Recurrent Vote 21 item 5287 - Housing Programmes	16,954,897	12,259,001
	66,776,897	56,750,001
Contribution received under Recurrent Vote 21 item 5404 - Expenditure Reporting Schemes	1,033,103	950,000
Expenditure on reporting scheme - Grants on First Residences	(1,033,103)	(950,000)
	66,776,897	56,750,001

During the year under review, the Authority received an additional Government subvention under Recurrent vote 21 item 5287 of €16,954,897 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:

	2025 (€)	2024 (€)
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:

	2025 (€)	2024 (€)
Audit fee	5,310	5,310
Depreciation and amortisation	440,483	466,974
Total	**445,793**	**472,284**

5. Wages and Salaries

a. Wages and Salaries

Payroll costs for the year comprise of the following:

	2025 (€)	2024 (€)
Honoraria	171,084	169,988
Wages and salaries	7,318,439	6,382,466
Employer's share of social security contributions	548,469	483,740
Other board salaries	106,802	62,847
Total	**8,144,794**	**7,099,041**

b. Average Number of Employees

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

	2025 (No.)	2024 (No.)
Members of the board	13	13
Other board members	37	36
Employees	239	205
Total	**289**	**254**

6. Intangible Assets

	Computer software (€)
Cost	
At 01 January 2025	**1,228,374**
Additions	**31,260**
Balance at 31 December 2025	**1,259,634**
Accumulated amortisation and impairment losses	
At 01 January 2025	**(911,419)**
Amortisation charge for the year	**(119,173)**
Balance at 31 December 2025	**(1,030,592)**
Carrying amount	
At 01 January 2025	**316,955**
At 31 December 2025	**229,042**

7. Property, Plant and Equipment

	Buildings under Construction €	Freehold buildings €	Office furniture, fittings and equipment €	Motor vehicles €	Improvements to buildings €	Total €
Cost						
At 01 January 2025	**11,821,720**	**1,170,652**	**1,980,189**	**363,710**	**1,143,386**	**16,479,657**
Additions	**3,255,574**	**-**	**294,400**	**-**	**61,219**	**3,611,193**
Balance at 31 December 2025	**15,077,294**	**1,170,652**	**2,274,589**	**363,710**	**1,204,605**	**20,090,850**
Accumulated depreciation and impairment losses						
At 01 January 2025	**-**	**(1,006,975)**	**(1,598,976)**	**(256,955)**	**(364,462)**	**(3,327,368)**
Depreciation charge	**-**	**(11,572)**	**(159,151)**	**(32,913)**	**(117,672)**	**(321,308)**
Balance at 31 December 2025	**-**	**(1,118,547)**	**(1,758,127)**	**(289,868)**	**(482,134)**	**(3,648,676)**
Carrying amount						
At 01 January 2025	**11,821,720**	**63,677**	**381,213**	**106,755**	**778,924**	**13,152,289**
At 31 December 2025	**15,077,294**	**52,105**	**516,462**	**73,842**	**722,471**	**16,442,174**

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 16.

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'.

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 in 2024 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 €52,105. 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.

8. 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.

	2025 (€)	2024 (€)
Balance as at 1 January	43,286,619	42,273,386
Additions	-	27,091
Sale	(313,023)	-
Transfers from another government entity	17,736,441	986,142
Balance as at 31 December	**60,710,037**	**43,286,619**

9. 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.

	2025 (€)	2024 (€)
Balance as at 1 January	20,247,096	15,978,029
Additions	4,386,580	4,429,067
Redemptions	(146,500)	(160,000)
Balance as at 31 December	**24,487,176**	**20,247,096**

10. Land for Development

	2025 (€)	2024 (€)
Land transferred to third parties (note i)	8,334,983	8,334,983
Land transferred to a government entity (note ii)	15,586,539	17,857,044
Land for development	23,921,522	26,192,027
Developed land by third party (note iii)	17,478,648	17,478,648
Developed land by a government entity (note iii)	2,270,506	-
	43,670,676	43,670,675

(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.

11. Loans and Receivables

	2025 (€)	2024 (€)
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.

12. 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.

	2025 (€)	2024 (€)
Land	130,647,286	133,950,992
Construction and development costs	63,085,567	66,418,058
Total	**193,732,853**	**200,369,050**

(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 €3,341,117 (2024: €2,476,109) and €801,296 (2024: €732,957) respectively. The cost of the aforementioned land and buildings was arrived at on the basis worked by the Estate Management Department.

(ii) During the year ended 31 December 2025, the Authority purchased property for which the total value amounted to €339,869 (2024: €805,443).

b. Other Inventory

	2025 (€)	2024 (€)
Office consumables	42,298	58,353
Total	**42,298**	**58,353**

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

13. Trade and Other Receivables

a. Non-Current Assets

	2025 (€)	2024 (€)
Amount receivable from beneficiaries relating to property sold	2,734,159	3,215,187
Total	**2,734,159**	**3,215,187**

b. Current Assets

	2025 (€)	2024 (€)
Amounts due from beneficiaries (note i)	548,510	561,325
Amounts due relating to rent, gound rent, common parts (note ii)	2,496,985	1,938,226
Accrued Income	1,185,083	1,034,454
Prepayments	7,156,435	5,328,902
Deposits on promise of sale scheme	1,854,452	2,249,248
Amounts receivable from related parties	451,762	143,376
Advance payments	488,411	1,338,346
Other receivables	306,634	375,380
Total	**14,488,272**	**12,969,257**

(i) Amounts due from beneficiaries are net of a provision for doubtful debts amounting to €135,826 as at 31 December 2025 (2024: €161,554).

(ii) As at 31 December 2025, the total amount of provision relating to ground rent, rent and common parts arrears amounted to €444,433 (2024: €297,097).

14. Cash and Cash Equivalents

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

	2025 (€)	2024 (€)
Cash in hand	26,905	11,580
Cash at bank	6,548,270	4,572,189
Total cash and cash equivalents in the statement of cash flows and statement of financial position	6,575,175	4,583,769

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

	2025 (€)	2024 (€)
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	150,000	55,000
	2,250,000	2,155,000

In addition to the above, as at 31 December 2025, the Housing Authority has pledged the amount of €8,750 (2024: €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 (2024: €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% (2024: 2.75%).

15. 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 2025 by means of a Presidential Order and a Deed of Donation (refer to notes 8., 10. and 12.a.).

	2025 (€)	2024 (€)
Balance at 01 January	304,948,411	301,739,345
Market value of properties transferred during the year	21,878,854	3,209,066
Balance at 31 December	**326,827,265**	**304,948,411**

b. Accumulated Fund

The accumulated fund represents accumulated losses carried forward.

16. Other Financial Liabilities

	2025 (€)	2024 (€)
Amount payable to other government entities	12,985,069	10,383,894
Total	**12,985,069**	**10,383,894**

The Authority has an amount payable to a government entity as at 31 December 2025 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.

17. 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.

	2025 (€)	2024 (€)
Deferred income	16,473,416	18,379,908
Total	**16,473,416**	**18,379,908**

18. Trade and Other Payables

	2025 (€)	2024 (€)
Trade payables	281,870	471,425
Amount payable to other government entities	372,867	65,476
Accruals	643,491	659,036
Advance deposits	291,813	292,137
Deferred income	534,265	422,399
Housing development fund	247,397	52,070
Other payables	479,017	415,543
Total	**2,850,720**	**2,378,086**

19. Contingent Liabilities

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

a. Guarantees

Guarantees given on behalf of applicants in favour of:

	2025 (€)	2024 (€)
HSBC Bank Malta p.l.c.	2,169,160	2,336,746
Bank of Valletta p.l.c.	5,912,384	4,247,656
APS Bank Limited	252,679	299,379
BNF Bank p.l.c.	126,000	126,000
Total	**8,460,223**	**7,009,781**

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.

20. Commitments

At balance sheet date, the Authority had capital commitments authorised and contracted for in respect of housing projects, amounting to €45,116,878 (2024: €20,401,838).

As at 31 December 2025, the Authority had maximum commitments in respect of grants given on Housing Authority schemes amounting to €13,054,628 (2024: €3,894,130). 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 €11,162,549 (2024: €9,797,511).

21. 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

	2025 (€)	2024 (€)
Advertising	610,496	221,380
Audit fee	5,310	5,310
Bank charges	51,366	38,471
Cleaning	70,205	58,425
Computer expenses	828,999	516,570
Legal and professional fees	2,221,579	2,119,904
Depreciation and amortisation	440,483	466,974
Electricity & water	54,508	(63,549)
Insurance	39,755	32,071
Repairs and maintenance	118,836	103,303
Staff welfare	143,078	134,736
Telecommunication	53,838	58,407
Transport	98,963	92,173
Training	55,381	40,214
Travel - overseas	47,202	21,410
Stationery and printing	273,957	253,362
Rent	324,885	344,159
Sundry material and services	50,064	36,631
Hospitality	63,644	71,769
Increase in provision for doubtful debts	121,609	35,309
Eviction and inspection expenses	15,084	35,822
Emergency and tragedy assistance	-	768
Private residential leases unit	40,772	86,647
Pre-1995 rent unit	223,082	326,677
Total	**5,953,096**	**5,036,943**

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