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## Government Property Division Joint Office

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### INTRODUCTION

The roles of the Joint Office are:

- managing and administering the immovable estate transferred to Government by the ecclesiastical authorities in terms of the Ecclesiastical Entities (Properties) Act, Chap. 358;
- validating and verifying the data being transferred to it by the ecclesiastical entities to determine the exact value of all the properties transferred so that the necessary adjustments will be made to the original amount of Lm28,067,000 which the Government issued in Bonds in terms of the 1991 Agreement with the Ecclesiastical Authorities;
- to register at the Land Registry all the properties which it administers, as well as those retained by the ecclesiastical entities.

### Property Administration and Alienations

In 2005, a total of 411 properties were alienated as follows:

As per 1996 Scheme	53
As per 2002 Initiative	316
As per original deed	15
Through Tenders/Exchange/Direct Disposal	27
<b>Total</b>	<b>411</b>

In terms of Article 2 of the agreement between the Government and the Holy See, 11 portions of land in various localities having a total area of 14,558m<sup>2</sup> were transferred to the Housing Authority by Legal Notice No 410/2005 to be allocated for social housing projects.

Plots of land were transferred to Enemalta Corporation for the construction of substations.

The Department also received and processed requests for the recognition of emphyteutae and tenants in their respective properties.

### 2002 Initiative

By the end of the year, the Joint Office had received 4,295 applications for the redemption of ground rent and for the purchase of leased premises. This resulted from the announcement, made by Government in the Budget Speech for the year 2002, that the Government was putting on the market all the properties being administered by the Joint Office and which are either resident-occupied or used as a summer residence.

Of the 2,767 applications processed so far, 553 applications were invalid and a further 1,934 applicants were informed of the amount of redemption or of the selling price, as determined by established criteria and 280 applicants were given an interim reply.

As already stated above, a total of 316 deeds were published under this initiative, generating a total revenue of Lm1,174,712 from its inception.

With a view to hastening the process, the Joint Office farms out to architects in private practice the valuation of certain properties.

The applications made under the 1996 scheme for the redemption of ground rent or for the purchase of leased residences have been finalised, with the exception of a small number of applications for the redemption of temporary ground rents, which are still presenting problems of verification or recognition.

### **Agriculture Leases Scheme**

The Joint Office is also processing applications received by February 2001 in terms of a scheme whereby persons occupying government-owned land for agricultural purposes without title were given the opportunity to regularise their position.

### **Reconciliation, Verification and Registration**

#### *Transfer of Information on Properties*

During 2005, the transfer of information from the Church Administrative Offices to the Joint Office regarding properties transferred to the Government by the Church continued at a steady pace. Up to the end of the year, 24,293 forms concerning properties listed in Annex 8 of the Church/State Agreement were forwarded to the Joint Office by the ecclesiastical entities.

A large number of correction forms had to be raised or confirmed regarding this information, which corrections, have to be approved by the Control Committee in terms of Section 4(2) of the Agreement. These corrections entail additions of properties inadvertently left out of the Annexes to the Agreement, deletion of others that were erroneously included, and correction to the capitalised amounts of properties.

In 2005, the Control Committee approved 645 of these corrections. The Committee also signed 137 property forms, thus confirming the final amount due to the ecclesiastical entities in respect of the properties concerned.

During 2005, the Joint Office continued to reconcile the values of properties previously owned by the 99 different ecclesiastical entities. In 2005 the Joint Office verified and determined the exact value of the properties transferred to the Government of another 5 such entities, bringing the total of reconciled entities at 38.

In November 2005, for the first time, the Joint Office issued bonds to the Church authorities for the amount of Lm345,400 to make up for the difference that resulted from the reconciliation of the value of properties previously owned by 35 different ecclesiastical entities, by Legal Notice 394 of 2005. The Entities were also paid for accrued interest due to them from the coming into force of the Church/State Agreement on the amount of bonds issued.

Besides, by another Legal Notice No 240/2005, the amount of Lm291,400 in stocks, was issued to the Foundation of Church Schools in respect of property alienated in the previous year 2004.

#### *Registration of Properties*

The Department continued with the registration of property with the Land Registry in terms of Cap 358. During the year, 731 properties were registered. The related work entailed the drawing up of relative plans. This brought the total number of properties registered as on 31 December 2005 to 9,675. The following figures show the number of properties registered during the past three years:

<b>Year</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>
Registered Properties	1,517	889	731

As from November 2005, private architects were engaged and entrusted to draw up plans for this purpose. The Department also registered three cautions to safeguard Government's title on the properties concerned.

## **Administration**

### *Revenue Collection*

Besides the collection of rent of leased properties, the Department identified properties available for disposal in terms of the Disposal of Government Land Act. The following figures show the comparative figure of revenue collected during the past three years:

	<b>2003</b>	<b>2004</b>	<b>2005</b>
	<i>Lm</i>	<i>Lm</i>	<i>Lm</i>
Rent	388,677	502,675	511,702
Sales	2,201,081	1,668,328	1,836,297
<b>Total</b>	<b>2,589,758</b>	<b>2,171,003</b>	<b>2,347,999</b>

52% of the amount of rent collected during 2005 consisted of arrears. This was the result of an enforcement exercise undertaken by the Department in conjunction with the Land Department.

### *The Control Committee*

The Control Committee is a body set up in terms of Article 17 of the 1991 Agreement between the Holy See and the Government of Malta. Two members of the Committee are nominated by the Holy See and two members are nominated by the Government of Malta. Chairmanship of meetings is by rotation. The present members representing the Government of Malta were nominated in January 2002.

The functions of the Control Committee are promoting and monitoring the correct and timely application of the provisions of the above-mentioned Agreement with particular reference to the approval of corrections to the Annexes; the alienation of property and in particular the issue of bonds in favour of the Foundation for Church Schools and the ecclesiastical entities.

### *Co-ordination with the Estate Management Department and the Land Department*

With the amalgamation of the Joint Office within the Government Property Division, at the beginning of 2002, the Joint Office worked hand in hand with the Land Department, which is responsible for the legal aspects of government property management, and also with the Estate Management Department, which is entrusted with the role of promoting the effective management of Government immovable property. This co-ordination and related co-operation with these two other departments falling under the Division, has been essential for uniformity in adopting the common policies of the Division.

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