

# Land Department

## INTRODUCTION

Following the setting up of the Government Property Division, the Land Department's role was rationalised into the legal aspects of government property management. This means that as soon as the Estate Management Department has decided on the best possible use for a particular property, the issue is taken over by the Land Department for the actual disposal of the property under the procedures allowed by the Disposal of Government Land Act.

In general terms, the formal disposal of government property requires the issue of tenders or else an *ad hoc* Parliamentary Resolution. It is the Land Department's task to prepare tender documents, publish them and award them. Likewise *ad hoc* Parliamentary Resolutions are prepared and vetted by the Department. Subsequent to the disposal of a property through lease agreements/contracts, the Land Department is then responsible for the follow-up and enforcement of any conditions imposed on the transferee. These include the payment of rent and the proper maintenance of the property but may also contain other special conditions such as the development of structural improvements within specified time limits. The finalisation of contracts also includes those related to the acquisition of private property for a public purpose under the provisions of the Land Acquisition Ordinance. Indeed the expropriation of private property is a primary task of the Land Department, one that enables Government to carry out major infrastructural works and other projects of benefit to Maltese society.

The Land Department is organisationally split up into two branches, namely the Enforcement Branch and the Contracts Branch; between them these cater for the wide-ranging roles entrusted to the Department. The former is responsible for all enforcement measures required to better manage government property, whilst the latter relates to the

formal requirement of leasing or selling/purchasing property and finalising related contracts.

## ENFORCEMENT

The enforcement of contractual conditions is essential if property management is to be given any significance. The very small number of Enforcement Officers carries out site checks to ensure that conditions of lease are being honoured. Non-compliance is met by counter measures to ensure that defaulters are brought back on track. These measures include formal warnings, judicial action and also eviction proceedings. In this regard Chapter 228 of the Laws of Malta - Land (Compulsory Eviction) Act – gives the Land Department extensive powers to evict persons who occupy government property without title. This power is used with caution but the Land Department is committed to ensure that government property is not abusively made use of.

The Enforcement Section also handles the collection of rent due on leased property. The non-payment of rent is chased through periodical invoices and also through individual demand letters. Persistent non-payment is pursued through judicial action that may include executive warrants, the termination of leases and, in the more serious cases, eventual eviction.

In its efforts to ensure timely collection of rent, the Land Department provides an efficient cash collection service. In line with its commitment to provide an efficient customer service, the Department's Revenue Section maintains a policy of 'no queue', meaning that cash queues are not allowed to accumulate. In practice this means that waiting time for the payment of cash rent is not allowed to exceed 10 minutes. This is achieved through the efforts of a flexible workforce. The service provided to clients is further improved through advanced invoicing of accruals and through the provision of self-addressed envelopes to allow mail payment of rents. Again, in this regard the Department is committed to issue relative receipts within two days.

The Department is presently considering the expansion of client services through the provision of off-site payment of rent facilities. Discussions are in fact being held with the Department of Local Councils and also the Association of Local Councils with a view of enabling the payment of rent on government property at Local Councils.

## **CONTRACTS BRANCH**

The role of this branch is the formalisation of any disposal or acquisition of property.

As already indicated, the Disposal Of Government Land Act stipulates that government property can generally be disposed of either through tenders or otherwise through a special Resolution of the House of Representatives.

The publication of tenders necessitates continual liaison with the Estate Management Department to ensure that the appropriate conditions are set out in the tender. To ensure maximum publicity to tenders, relative adverts are made on a number of local newspapers other than on the Government Gazette. Transparency is ensured by opening all tender documents in public.

The Land Acquisition Ordinance (LAO) empowers the Commissioner of Land to forcefully acquire private property that may be required for a public purpose. The lack of property ownership information in Malta makes the whole acquisition process cumbersome and time consuming. The whole process involves the identification of owners (perhaps the most difficult part), their root of title, the issue of a notice to treat to offer a specific price for the property, litigation in front of the Land Arbitration Board, agreement on the compensation due and the final settlement through the publication of an acquisition contract. The issue is further complicated when third parties purposely delay in submitting required information to benefit from ever-increasing property market prices.

All this complication has resulted in a large number of outstanding acquisition cases leaving people dispossessed of their property but not having been paid for it. The book value of outstanding acquisition debts stands at around Lm15 million. Since 1994 the Department has limited the growth of the acquisition debt by requiring government departments that originate the need for the acquisition, to provide upfront the full estimated value of the effected property. This ensures the payment on demand for any acquired property.

In its efforts to speed up the acquisitions process, the Land Department has farmed out to lawyers in private practice the task of carrying out legal researches to proof the root of title. This has had positive results by reducing related time wastage.

## **1999 HIGHLIGHTS**

During 1999 the Land Department has continued in its efforts to provide enforcement and legal assistance to the Estate Management Department so as to maximise the use and return on government property. The major efforts include:

### **Revenue Collection**

During 1999, no less than 50,000 rent invoices, 2000 individual demand letters, 200 judicial letters, and some 50 lease termination warnings were issued to ensure timely recovery of rent dues. To these must be added other efforts such as telephone contacts and on-site collections by the Department's enforcement officers. About 150 repayment agreements were also negotiated with defaulters. This has resulted in a total revenue in 1999 of Lm5,580,000 excluding sales.

### **Evictions**

These constitute a strong deterrent against abuse of government property. During 1999 site inspections have detected a number of abuses that led to enforcement action. Persistent abusers were faced with ultimate eviction. A total of 40 evictions were carried out with the full co-operation and assistance of the Commissioner of Police.

### **Tenders, Leases and Sales**

During 1999 the Land Department issued a total of 80 tenders for the lease of government property, on which lease contracts were concluded. Apart from these, another 65 leases of agricultural land were finalised and 70 use permits and 45 works permits were issued. The leases finalised during 1999 provided an added rent potential of Lm190,000. The Land Department also completed the sale of 70 pieces of government land/property resulting in a revenue for 1999 of Lm420,000, which is almost half the sum that is to be collected from the property negotiated in the same period.

### **Acquisition**

In 1999 the Department finalised a number of acquisition deeds paying a total of Lm1,400,000 to owners of expropriated property. In its efforts to reduce any possible hardships caused by certain past expropriations where acquired land has remained unutilised for the original intended scope, the Land Department has, during 1999, taken steps to amend

the Disposal of Government Land Act. These amendments now make it easier to return back to the original owners any expropriated property that is no longer required for a public purpose.

### **Special Projects**

The Land Department's role here is that of ensuring vacant possession of any property which is affected by a government project. In this regard during 1999, the Land Department has ensured that all property affected by the Manoel Island Project has either been vacated or, where applicable, alternative premises have been provided to the occupiers. The Department is presently holding discussions with the Ministry for the Environment to finalise the conditions of grant.

In early 1999 the Land Department also concluded the emphyteutical deed for the Cottonera Project following an apposite Parliamentary Resolution.

### **Housing Authority**

During 1999 the Land Department has continued to provide, free of charge, agency services to the Housing Authority. Within these services, any non-

residential property the latter wishes to sell are issued for tender by the Land Department on its behalf. In fact, in 1999, a total of 84 such tenders were issued.

### **CONCLUSION**

The Land Department's role in ensuring that the use of government property is appropriately controlled is considered to be of utmost importance. In this regard, the Department will be initiating a programme whereby an enforcement set-up will be created. This will ensure that prompt measures are taken whenever abuses occur. This will also help in inducing a rationalisation culture that appreciates the true potential value of government property and its possible uses.

ALBERT V MAMO  
*A/Director*