



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

MORNING SESSION: 9.16 a.m. – 1.00 p.m.

Gibraltar, Thursday, 19th March 2015

Business transacted

Prayer	3
Confirmation of Minutes	3
Communications from the Chair	3
Papers to be laid.....	3
Questions for Oral Answer	4
Financial Services and Gaming	4
Q240/2015 International online gaming conference – Plans to provide	4
Q241/2015 UK’s Diverted Profits Tax – Potential effect on Gibraltar	5
Q242-243/2015 Experienced Investor Funds – Applications, enquiries, registrations and de- registrations since 2011	5
Q244/2015 Gibraltar International Bank – Costs of construction works	10
Q245/2015 Gibraltar International Bank – Update on opening	10
Business and Training	11
Q186/2015 Employment vacancies – Availability to job seekers	11
Q187/2015 Gibraltar’s employment law – Amending any age bar	13
Sports, Culture, Heritage and Youth.....	13
Q188/2015 Gibraltar Sports and Leisure Authority – New ‘Management Structure’	13
Q189/2015 Heritage sites – Costs of works	14
Q190/2015 Gibraltar Museum – Contract for running	15
Q191-192/2015 King’s Bastion Leisure Centre Fitness Gymnasium – Future plans and membership fees	17
Q193/2015 GSLA sea bathing facility – Cleaning costs	20
Health, the Environment, Energy and Climate Change	21
Q194/2015 GHA European Health Insurance Cards – Delay in renewal	21

Q195/2015 St Bernard's Hospital – Primary care clinic for children	21
Q196-198/2015 'Objective Standards' in Health – Policy update	21
Q199/2015 Stroke emergencies – Creation of protocol and specialist unit.....	22
Q200/2015 Upper Rock Management Plan – Publication.....	23
Q201-202/2015 Macaques – Culling; illegal feeding	23
Q203-219/2015 Liquefied natural gas (LNG); new power station – Fire and Rescue Service; health and safety	24
Q220/2015 Solar panel installation – Contracted companies and individuals	42
Tourism, Equality, Social Services and Housing.....	43
Q221/2015 Disability Action Plan – Update.....	43
Q222/2015 Sheltered Employment – Companies involved	44
Q223/2015 Dr Giraldi Home – Respite beds	44
Q224 & 226/2015 Government rental properties – Expenditure on refurbishment and repair	45
Q225/2015 Referendum House 'Breakdown Fault' – Firefighters in attendance	46
Q227/2015 Government rental homes – Weather damage.....	46
Q228/2015 Families with disabled persons – Housing provision	47
Q229-230/2015 Government rental homes – Unpaid rents.....	47
Q231-232/2015 Tenants urgently decanted – Expected return home	48
Q233/2015 Government rental homes – Legal costs of evictions	49
Q234/2015 Government rental homes – Legal costs of evictions	49
Q235-236/2015 Mid Harbour Estate – Garage barriers	49
Transport, Traffic and Technical Services.....	50
Q237-238/2015 Big Publications Ltd – Revenue from advertising on buses.....	50
Q239/2015 Mid Harbour Estate – Garage barriers.....	52
The House recessed at 1.00 p.m. and resumed its sitting at 3.00 p.m.	53

The Gibraltar Parliament

The Parliament met at 9.15 a.m.

[**MR SPEAKER:** Hon. A J Canepa GMH OBE *in the Chair*]

[CLERK TO THE PARLIAMENT: P E Martinez Esq *in attendance*]

PRAYER

Mr Speaker

Mr Speaker: Those who follow the procedures of Parliament may not have realised that this prayer that we have just said is not a Christian prayer; it is a non-denominational prayer. That's for the record.

CONFIRMATION OF MINUTES

5 **Clerk:** (i) Confirmation of Minutes – the Minutes of the last meeting of Parliament which was held on 19th February 2015.

Mr Speaker: May I sign the minutes as correct? (**Members:** Aye.)

Mr Speaker signed the Minutes.

Clerk: (ii) Communications from the Chair.

COMMUNICATIONS FROM THE CHAIR

10 **Mr Speaker:** As hon. Members are aware, it is a requirement under section 69 of the Constitution that the estimates of expenditure for the next Financial Year should be tabled in the House before 30th April.

Since the House is not due to meet next month, I am proposing that the provisions of the Constitution will be deemed to have been met, if the estimates are circulated to all hon. Members before the end of April.

15 This is what we did last year, this is what we have been doing for the last two or three years. Is that agreed? (**Members:** Aye.)

Clerk: (iii) Petitions; (iv) Announcements; (v) Papers to be laid.
The Hon. the Chief Minister.

PAPERS TO BE LAID

20 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to lay on the Table: the Income Tax (Allowances, Deductions and Exemptions) (Amendment) Rules 2014; the Rates of Tax (Amendment) Rules 2015; and the Home Purchase (Deductions) (Amendment) Rules 2015.

25 **Mr Speaker:** Ordered to lie.

Clerk: (vi) Reports of Committees; (vii) Answers to Oral Questions.

Questions for Oral Answer

FINANCIAL SERVICES AND GAMING

Q240/2015

**International online gaming conference –
Plans to provide**

Clerk: We begin the session with Question 240/2015, the Hon. D J Bossino.

Hon. D J Bossino: Can the Minister for Financial Services please state when it is intended to provide an annual international online gaming conference?

Clerk: Answer, the Hon. the Minister for Financial Services and Gaming.

Minister for Financial Services and Gaming (Hon. A J Isola): Yes, Mr Speaker. Government has reviewed its original plans and moved forward in the following manner.

Firstly, both in October 2013 and 2014, Government hosted a 'Gaming Breakfast' around the Gibraltar Day in London with operators, regulators and professionals working in the gaming sector. The breakfasts were both addressed by the Chief Minister and myself and served as an opportunity to engage directly with existing and potential clients of Gibraltar. This was the first time such an event had been organised and was much welcomed by the gaming community. (**A Member:** Hear, hear.)

Secondly, Mr Speaker, Government has explored the hosting of an international gaming conference in Gibraltar with the sector and rather than compete with the existing leading International Gaming Conference in Gibraltar, which is now in its fifth year, Government has agreed to join forces and support the KPMG e-Summit on 23rd April 2015.

This means that we will jointly be expanding the original plans for this conference and inviting speakers from Gibraltar and internationally to address the event in areas such as responsible gambling and exploring the benefit of potential links, for example between the University of Gibraltar and the gaming community.

We are also expecting to launch at the event, our consultation process on the way forward for the gaming community and will be hosting a dinner for all delegates. This will enable us to support and use the existing conference for raising issues of importance to Government in the gaming sector, in total partnership with the private sector.

We believe this approach has worked well in the past and we are looking forward to the April Conference, after which we will evaluate and determine in full consultation with the GBGA and the sector whether the arrangements required are to be reviewed or improved.

Hon. D J Bossino: I am very grateful to the Hon. Minister for that very full reply and I am sure that what he said is very good for the industry.

But he started off his answer by saying that the Government had reviewed its original plans and the reason he may have suspected why I asked the question is because it arises from...it's a manifesto commitment. It is in terms of providing the organisation of a Gibraltar Annual International Conference in gaming in Gibraltar, was that the original plan which he has now tweaked and amended? Can he just explain what the original plan was which he has now decided to re-evaluate and change?

Hon. A J Isola: Mr Speaker, the intention was to ensure that Gibraltar had an international gaming conference. We are now satisfied that we do have a very successful one in its fifth year.

When we went through this and we discussed it with the sector, the thought of competing with the established sector, which has been supported by the private sector for some years now and invested substantially in it, it would have been unfair for us to compete with it by having a second conference in Gibraltar.

Consequently the decision was taken to pool resources together, use it for the things we want to use it for and also what the private sector requires too. So it made enormous sense and saved cost in having the two brought together and having one extremely good conference, which we hope to have at the end of next month.

Hon. D J Bossino: Just for clarification, that is the KPMG one you refer to?

Hon. A J Isola: Yes.

80 **Hon. D J Bossino:** Great.

Q241/2015
UK's Diverted Profits Tax –
Potential effect on Gibraltar

Clerk: Question 241, the Hon. D J Bossino.

85 **Hon. D J Bossino:** Can the Minister for Financial Services please advise whether the Government has made any assessment regarding the potential effect of the UK's Diverted Profits Tax, otherwise known as the 'Google' Tax?

Clerk: Answer, the Hon. the Minister for Financial Services and Gaming.

90 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, I confirm that the Government has had preliminary conversations on this matter with specific members of the industry.

We are advised that this tax, when it comes into force – and obviously there were budget announcements yesterday by the Chancellor of the Exchequer in the UK – will focus mainly on the avoidance of tax by royalties and management charges through, typically, companies established primarily in Luxembourg and Ireland. It remains to be seen how aggressively this legislation will be applied by the United Kingdom and whether they will be successful in doing so.

I can also confirm that this matter has not yet been flagged as a specific discussion point at any Finance Centre Council meeting by the industry. We are also considering this matter in the context of the related OECD initiative on Base Erosion Profits Shifting (BEPS), which continues to evolve as a global effort to deal with similar issues.

Q242-243/2015
Experienced Investor Funds –
Applications, enquiries, registrations and de-registrations since 2011

Clerk: Question 242, the Hon. D J Bossino.

105 **Hon. D J Bossino:** Can the Minister for Financial Services please provide details of all applications and enquiries there have been in relation to the establishment of EIFs in Gibraltar since 2011, broken down by year?

Clerk: Answer, the Hon. the Minister for Financial Services and Gaming.

110 **Minister for Financial Services and Gaming (Hon. A J Isola):** Yes, Mr Speaker, I will answer this question together with Question 243.

Clerk: Question 243, the Hon. D J Bossino.

115 **Hon. D J Bossino:** Can the Minister for Financial Services please provide details of the number of EIFs which have been registered and de-registered in Gibraltar over the last five years?

Clerk: Answer, the Hon. the Minister for Financial Services and Gaming.

120 **Minister for Financial Services and Gaming (Hon. A J Isola):** Mr Speaker, the details of all the applications there have been in relation to the establishing of EIFs including sub-funds in Gibraltar since 2011, broken down year by year, are as follows: 2015 – 1 to date; 2014 – 37; 2013 – 31 – 2012 – 55; 2011 – 61; and 2010 – 63. There is no specific information available on enquiries.

125 With regard to the number of EIFs which have been registered and de-registered in Gibraltar over the last five years, these are as follows: from 1st January 2011 to date, EIFs registered – 76; and EIFs de-registered 63, producing a net gain of 13.

Hon. D J Bossino: Mr Speaker, I am grateful for the response. In fact many of the statistics he gave in the first tranche of these questions, exactly, are available on the FSC website, so technically the question should not have been on the Order Paper, because it is publicly available, but I am grateful in any event for the hon. Member to have provided this information across the floor of the House.

I must say, for example, there has been a drop, it seems, in the number of the EIFs from 2011. We had 88 according to the... I have not taken a full note of the information he has given me and I think there is a slight discrepancy, but in the FSC website it shows 88. Well actually no, an increase by eight to 2012 and then a decrease by seven to 2013.

I just wanted to get an understanding if he would have been able to have answered the question in relation to how many enquiries there have been to see what level of interest there is. It may be that come a year's time, we will see those numbers increasing drastically, or not, is this a trend – those types of questions which I think, I legitimately, have in my own mind. So I am wondering whether he can give any further information in relation to enquiries and whether it would be of interest for the Government to start collating that type of information in the future?

Hon. A J Isola: Yes, Mr Speaker, I think the issue of funds is one that has troubled the sector for some years now. We have always talked about the enormous potential the funds community has and yet we never seem to hit the potential that we all feel that we have, because when you do a jurisdictional comparison of Gibraltar and other centres, in terms of what the Gibraltar fund product is, it is pretty difficult to beat.

Consequently we all ask ourselves why, in those circumstances, we are not reaching the success levels that we think we should. This is something that we have discussed at length with GFIA and with the sector more generally, as to whether there is something in the product that we should be revisiting, is there something in how it has been structured that we should be revisiting? Is it the cost? What is the issue that is holding us back in terms of EIFs?

Interestingly, the implementation of the AIFM Directive which we did in July of last year, we expected to be a catalyst for funds in Gibraltar. In fact what it has been shown to have done is almost the reverse, which is a number of funds that were here before have actually left to avoid AFIM, because they were not primarily focused within the EU, which we expected the reverse of.

So when you look at why it is that we are not getting the numbers that we think we should be getting, there is more work to be done with GFIA in particular, in assessing and reviewing the product itself which we are in the process of doing. One of the things we have targeted this year has been three conferences called the Hedge Fund Start-up Forums, which is really going back to the root of where funds are born from. We believe that could be interesting to see again, hand in hand with GFIA and the private sector in exploring whether the start-up forum is a better place for us to attend than the more established fund conferences. So it is something that we have been thinking about, we have been considering for some time, as I say working very closely with GFIA.

Interestingly, another aspect which I think is important is the Stock Exchange. We believe that the Stock Exchange will be a catalyst to Gibraltar's use of funds, certainly in my visit to Hong Kong last January, that was one of the key issues that attracted a huge amount of attention. We note from that visit alone, when we talk about enquiries, there are two very interesting investment firms who we met during the course of one of our lunches, who are engaged with professionals in Gibraltar, talking through the possibility of setting up in Gib.

We believe that actually to bring investment managers to Gib is what will kick off the setting up of more funds because they themselves will launch those funds from Gibraltar, rather than seeking to attract the fund itself, which has proven to be so difficult over the past years.

So all of these things are very much under consideration and we are exploring ways in which we can help the industry to kick start it. The funds lunch we did in London was hugely successful. The funds events that we are hosting are proving to be – in the words of the sector – very beneficial, but we are not seeing that translated into new EIFs.

Now, of course, we have to bear in mind that the EIFs are not just EIFs. You have got private funds which are unregulated, which are happening and which are not included in these numbers, but again, not at the level that we would like to see them at.

And so we will continue to work very closely with GFIA, to see what are the things that we need to do to try and make this product work better on the back of AIFM, on the back of the Stock Exchange and on the back of more targeted marketing, which is what we are in the process of doing.

May I just say in relation to enquiries – the hon. Member raised the point on enquiries – we have asked the FSC to begin to collate information which may be of assistance to us in terms of the enquiries they receive. We do know from members of the private sector that they are working on a series of new funds coming into Gib, but again, like anything, it is very difficult to establish until you see them. These things can change course at the last minute.

One that I have been engaged with in the last week could be a very quick private fund that is set up in Gibraltar as a result of enquiries, but it is very difficult to... The information will be useful but in terms of the noise that we get from the sector, it is very difficult to pin anything on it because until it happens, it is not really reliable in terms of assistance to us.

Hon. D A Feetham: Yes, Mr Speaker, I have got a number of supplementaries, if I may.

This is a subject that is very close to my heart. He may know that I chaired the working group on the establishment of the Experienced Investor Fund structure here in Gibraltar in 2005 and indeed, was one of the co-authors of the original regulations – the Experienced Investor Regulations that were introduced, I think it was in 2005/2006. Indeed, prior to becoming a Government Minister, I think I had set up over half of the Experienced Investor Funds in Gibraltar. Like the hon. Gentleman has said, I expected it to really take off, so that this would become really one of the main pillars of the financial services sector and it appears that unfortunately it has not.

But can he just explain, because I do not quite understand it, how will the establishment of the Stock Exchange actually aid the Experienced Investor Funds and the sale of the Experienced Investor Funds, when most of these Experienced Investor Funds really have private placement memorandums? Are we talking about the sale of units in Experienced Investor Funds through the Stock Exchange, just a valuation that will help in terms of...? Can he explain that, because I do not understand it?

Hon. A J Isola: Mr Speaker, the first phase of the Stock Exchange listing process is closed ended funds. In other words there is no trading so the benefit of the listing for managers seeking to raise investment in their funds is almost like a second tier of KYC due diligence and transparency. It means that the fund itself has succeeded in a listing which has been successful in its pre-qualification stage to list on an exchange.

So in terms of investor confidence, it helps. What the sector tells me is that the Stock Exchange enables you not to just have that, but also to have external funds not registered in Gib listed on the Exchange. So it could bring a different type of business to Gib that could not have been done without an Exchange. That is why I say I think it would be a catalyst, if what I am told again from the private sector... I am told there are a number of funds from Luxembourg – a small number, three or four who are currently considering listing on the Gibraltar Exchange. Luxembourg funds, not EIFs, so I am talking about the funds community, as opposed to the EIF.

As I mentioned before the EIF regime, for whatever reason, does not do what we thought it would do, going back to 2006, and to be honest every year since. But interestingly, if I can just give you another statistic, the number of investment firms registering or applying in Gibraltar has increased, which is from zero in 2009, one in 2010, one in 2011, three in 2012, three in 2013, five in 2014 and one in 2015. Still small numbers, but an indication that there are more investment firms coming to Gib, which hopefully will assist in the lifting of the registration of EIFs in Gibraltar.

Hon. D A Feetham: We are talking effectively about two separate issues. We are talking in a global context, I accept that. But we are talking about Experienced Investor Funds, which are targeted at experienced investors with a minimum investment of usually about \$100,000 or €100,000 and then you are talking about funds that may well be, for example, listed for valuation purposes and all the other purposes the hon. Gentleman has outlined, on the Stock Exchange, that may be sold not to just simply experienced investors, the people who want to invest really large sums of money in very focused funds, but also UCITS funds or funds that are available to members of the public.

It may well be that effectively the Experienced Investor Funds – I am just asking the hon. Gentleman to perhaps comment on this – the Experienced Investor Funds regime, turns out to be a niche market in Gibraltar, a part of the range of services that are offered by the financial services sector, but that in terms of funds, for Gibraltar to become a funds jurisdiction of renowned... and with sufficient mass to make it really one of the main pillars of the economy, one really has to branch out into other types of funds which will overtake the Experienced Investor Funds, which have been the staple product for those who are practising in the area of funds.

Is that how he sees it, that really what we are talking about is trying to do as much as we can in order to attract other types of funds, rather than the Experienced Investor Funds which, for whatever reason, he has not been able to pinpoint a reason, it almost remains stuck at 2011? I have seen the figures at 2011 levels for the last four years and certainly, as I have accepted in my previous question, it did not take off after 2005 in the manner that we wanted it to take off.

Hon. A J Isola: Mr Speaker, I think the hon. Member has raised a number of interesting points. The first one is he has mentioned UCITS. When you move forward with AIFM, what we are finding is that more and more managers are finding it almost easier to set up a small UCIT than an AIFM, because obviously the standards for AIFMs have increased. UCITS are now a very popular and common way of

setting up these retail funds and you can have a private fund, an AIFM, as a UCIT. So the competition for what we are selling increases to then decrease.

At the same time, as the hon. Member will know, in the same way that we have got EIFs, Luxembourg has them, Ireland has them, there are a lot of jurisdictions with the QIFs, the PIFs, all variations of the same EIF term. And so when you talk about niche, it is what we conceived in 2006 to have a niche area for these Experienced Investor Funds, for people with enormous experience in the investment sector to be able to set up their own niche funds, primarily designed at people who would be leaving, asset managers leaving a big institution and setting up their own small fund, bringing some clients with them and kick-starting and building up their own track record.

It has not happened and that is the honest truth. If you look at the levels of competition and where they are coming from, it is not going to get easier, because primarily of UCITS, and although there is certainly an angle with AIFM for us, which is hence the focus in places like New York, Bermuda and Hong Kong – non-EU jurisdictions that want a speed to market in a relatively cost-effective way to hit the market – Gibraltar remains in competition with primarily Dublin, as the main centre for that to happen.

That is why we are working with GFIA very hard, to see if we can try and secure at least that entry point into Europe from those jurisdictions. But as you know, it is a long process. You do not start marketing and results start coming three months later. We are now getting traction and I am hopeful that in a year's time, those numbers will be different. But we have just got to get our heads down and work very closely with GFIA and see how far we can go and take this. I cannot make any promises but that is what we are doing.

Hon. D A Feetham: Well, Mr Speaker, certainly to the extent that it is necessary, the hon. Gentleman will have all the support possible from the Opposition, because at the end of the day we will have a vested interest in seeing this particular product and other products succeed in Gibraltar. So I wish him all the best and all the success.

But in relation to just statistics for one moment, he said there was a net gain of 13. Is that correct when you take into account PCCs? Because for members of the public perhaps watching this debate, if anybody is –

Mr Speaker: It is not a debate; it is answering questions.

Hon. D A Feetham: Questions, I apologise, Mr Speaker – questions absolutely, no debate. No debate this morning or this afternoon.

Mr Speaker: We shall see. *(Laughter)*

Hon. D A Feetham: A PCC – yes, we shall see if we can be as restrained as we have been in the last few months, Mr Speaker. *(Laughter)*

For members of the public watching, a PCC – you can set up a company and that company will have a number of cells underneath it, each cell a little sub-fund. But effectively, what you have is just one company. So of course, from a statistical point of view if each of the little cells, if you have one company with five cells, that can distort the statistics in terms of how many, effectively, funds are actually coming into Gibraltar.

How many of these...? Does this take into account, factor into, protected cell companies so that the net gain is after you take into account those sub-funds?

Hon. A J Isola: Mr Speaker, as I said in the first line of my answer, the details of the applications are in relation to establishing the EIFs *including* sub-funds. The numbers that we have been talking about throughout the whole course of the morning are EIFs including the sub-funds that you have referred to.

So when I talk about producing a net gain of 13, that is solely in respect of the EIFs registered and de-registered. So it does include sub-funds, the whole way through the numbers we have been talking about include the sub-funds.

Hon. D A Feetham: That is what I thought. In other words, effectively if you just treated those sub-funds under this one company as effectively one unit, because you are talking about one company with, for example, five sub-funds, then the statistics may well show a deficit.

I really am not saying this from the point of view of criticising the Government or anything like that, I just want to get an idea of the statistics. Because if it is inclusive of sub-funds, then of course that must be so, because I expect that out of that 76 there has to be a substantial number that are sub-funds within one umbrella company.

Hon. A J Isola: Mr Speaker, the same is true both ways, to the extent that if you include sub-funds, it could distort in the manner that you have just mentioned. If you do not, it could distort the other way in terms of not really reflecting the number of funds there are, whether there is funds or sub-funds. The issue with sub-funds really is that a core company, the PCC itself, could have five different funds with different investment strategies, different investors and so for those purposes, it is easier for us to just deal with the sub-funds and have the full number so that we know what we are talking about, and we are using the same numbers across the board.

If we begin to talk about funds and then sub-funds, it will complicate it and we will not be comparing like with like. For that reason I have used sub-funds throughout. As the hon. Member, Mr Bossino mentioned earlier, the numbers of both are on the website, so they are there on the FSC website so you can see the funds themselves and the sub-funds themselves. So if you want that distinction, I do not have it here with me but it is available on the website.

Hon. D A Feetham: And is it possible to do the calculation? I have not looked at the table; I have only come into this exchange as a consequence of the questions that are being asked. But is it possible to calculate the difference? Because what I am interested in is effectively what has been the net gain.

To a certain extent, I understand the hon. Gentleman's argument in relation to the distortion working both ways. I do not quite agree with it because of course when you talk about inward investment, when you have one... Effectively there is a series of investors comes in, sets up one company and then, underneath... – (*Interjection*) Well the people that set up the company are the investment managers or..., exactly, and that is how one looks at, in my view, the inward investment.

That investment manager may then have five different investment strategies. One in relation to property, another one in relation to future, something else, so to get a true reflection of whether there is a net gain or a net deficit, I think one also has to look at the question of the companies themselves that are effectively being set up, rather than the sub-funds.

It is not intended to criticise the Government in any way, shape or form. It is just intended to give me and indeed my Party and Mr Bossino who is dealing with this, a clearer reflection both ways, it has to be said, about what the net gain or the net deficit has been for Gibraltar.

Hon. A J Isola: Mr Speaker, I do not agree with the analysis the hon. Member has made because a core company, a PCC is set up by an investment manager who may then have ten different clients with ten different cells. So what is the difference between that and that same investment manager setting up ten funds?

In terms of analysing what it is that is happening, I think the inclusion of sub-funds gives us a much clearer picture than not including it. Having said that, I do not know what the answer to the question is in terms of whether it is more or less. I do not know that answer.

But as I have said before, the information is on the website, it can be looked at and questions can be raised next time. But I do not agree with that analysis because as I said before, the investment manager could choose to have ten different funds or ten sub-funds.

Hon. D J Bossino: Mr Speaker, the hon. Member made a comment I think in answer to one of my supplementary questions, that in relation to one of the fund conferences, he described it as being hugely successful and I just wanted to explore that a bit further, given what he said in relation to this particular area not kicking off, and he has admitted that, quite rightly so.

So on what basis is he making that analysis? Is it just simply on the basis of the attendance figures or is there something else that he can provide to this House?

Hon. A J Isola: No, I said as a result of that conference, I am aware of a number of companies from that jurisdiction who are potentially going to be listing on the Stock Exchange and there are also two investment firms that are in touch with local professionals. I understand the professionals are actually going to be flying to that jurisdiction this month to see if they can pursue those firms moving to Gibraltar. In that sense, I said it was hugely successful, because there is real traction and it looks like real business.

But at the same token, as I say that, I say that we cannot really call it a success until we have seen it delivered and that obviously is in the lap of the gods at this moment in time.

Hon. S M Figueras: Mr Speaker, I am grateful. Just one final supplementary: the one aspect of this discussion that we are having during Question Time this morning that we have not yet touched upon, but I am certain has been in previous exchanges on the subject, is the impact on the net asset value of the funds registered in Gibraltar.

I wonder, it may well be that the hon. Member does not have the information at his disposal and certainly it is something that we can file in a question come May, but given that in 2015 to date there is only

one new fund registered – I seem to recall from the original answer that the hon. Member gave – could the Minister provide any information in relation to the impact on net asset values of the trends that we are seeing?

Hon. A J Isola: I assume by that you mean assets under management by all the funds pooled together. It is on the website, because I have seen it on the website. I cannot recall what the numbers are because there are two numbers that they have: one is asset under management; another one is total assets, which obviously differentiates. But no, I do not have that information available but it is on the website.

Q244/2015

**Gibraltar International Bank –
Costs of construction works**

Clerk: Question 244, the Hon. D J Bossino.

Hon. D J Bossino: Can the Minister for Financial Services please provide an update as to the current and budgeted costs of the construction works relating to the Gibraltar International Bank?

Clerk: Answer, the Hon. the Minister for Financial Services and Gaming.

Minister for Financial Services and Gaming (Hon. A J Isola): Yes, Mr Speaker, the certified expenditure to date is £3,599,502 and the estimated budget cost is £5,208,979.

Q245/2015

**Gibraltar International Bank –
Update on opening**

Clerk: Question 245, the Hon. D J Bossino.

Hon. D J Bossino: Can the Minister for Financial Services please provide an update as to when he expects that the Gibraltar International Bank will open?

Clerk: Answer, the Hon. the Minister for Financial Services and Gaming.

Minister for Financial Services and Gaming (Hon. A J Isola): Mr Speaker, the bank will open to the general public one month after the completion of the construction works at Inces House. The project management team are confident that the building will be handed over to the executive team at the bank on Monday, 30th March. If this is the case – and we fully expect it to be – the bank will be open to the public towards the end of April of this year.

I would like to take this opportunity to thank the contractors GJBS and the project management team for the excellent work they have carried out at Inces House in what has been a short period of time and I look forward to seeing the premises completed later this month.

I trust Members opposite will want to join me in welcoming their work and looking forward to the imminent opening of the bank.

Hon. D J Bossino: Mr Speaker, just by way of confirmation and acknowledgements perhaps on his part, will he acknowledge that there has been a slight delay in terms of the intended opening time. I think the original – if I recall, I have not checked *Hansard* – but I think on at least two occasions, he said that he was quite confident that the opening month would be March and there is a slight delay in relation to that to April. It is not significant and just to confirm that.

And also... well, he has already answered it, that the project managers are confident that they will be delivering the project on 13th March and it will take a month to open, presumably at the end of April, I think he said.

Hon. A J Isola: Mr Speaker, there has been a delay in the works and the reason for the delay stems back to the original date that we managed to get vacant possession of the premises for. There were a number of relocations that had to be done which took us significantly longer than we thought it would and

so the construction works have been done in a very, very short period of time because unfortunately, the vacant possession was not given until last summer, so there has been a delay, not in the works but in the delivery of the site to the contractors enabling them to do their works.

Hon. D A Feetham: Mr Speaker, yes. May I start by congratulating the Hon. Minister for being able to hold at bay the Father of the House in not preventing any overtime at this particular site, as has happened on other Government sites across Gibraltar where overtime has been halted.

But can I ask him this: is it going to open in April for all intended services, for a limited amount of services and then there will be an expansion of offerings as time goes by, or is it open to business for everything that the bank intends to do, as from April?

Hon. A J Isola: Mr Speaker, I think that there is perhaps a slight misunderstanding when the hon. Member refers to overtime, because when you enter into a design and build contract, it is a fixed price and therefore if you stop overtime, you are actually going to be adding to your own cost. So that certainly has not happened on this site or indeed any other sites where there has been a design and build contract.

Where overtime has simply got out of hand in traditional build contracts, then I think the justifiable step would be to stop overtime and I think the hon. Members opposite should be congratulating us if indeed we have done that.

In respect of the bank certainly it is a design and build contract at a fixed price and therefore whether there is overtime or not is the contractor's problem, not the Government's problem.

With relation to the services the bank will be offering, when the bank opens its doors on 30th or towards the end of April, the phase one suite of services will be there and ready, in terms of retail banking, loans, mortgages, on-line banking with a phone app, all of those suite of services will be there.

In terms of what will happen in phase two later on which could be wealth management, all those sorts of things which we have not even sought a licence for yet, those will come later. But in terms of what we intended to start, which is a fully fledged retail bank, that will be with effect from the opening of the doors, yes.

Clerk: That concludes questions to the Minister for Financial Services and Gaming.

BUSINESS AND TRAINING

Q186/2015

**Employment vacancies –
Availability to job seekers**

Clerk: We now move to Question 186/2015, the Hon. D J Bossino.

Hon. D J Bossino: Further to Question 545/2014, can the Minister for Employment please confirm that his Department makes all vacancies available to all those who seek them, irrespective of whether they are in employment?

Clerk: Answer, the Hon. the Minister for Business, Employment, Skills and Training.

Minister for Business & Training (Hon. N F Costa): Mr Speaker, I can confirm that the Department of Employment makes all vacancies available to persons who are registered in the Department and actively seeking a job, irrespective of whether the person is in employment or not.

Hon. D J Bossino: Yes, Mr Speaker, that is the answer I expected and indeed that is the answer that in summarised form is the one that his colleague, the Hon. Mr Bossano gave me back in –

Mr Speaker: Yes, and may I remind the hon. questioner that he asked that series of supplementaries last October. So it is within the six-month rule, therefore he should ask new questions and not go over the same old ground, not ask the same supplementary but new ones.

Hon. D J Bossino: Mr Speaker, you are absolutely right in relation to the six-month rule. I will need to check the detail of that particular rule, but it is a further development and the only reason why I ask this question, Mr Speaker – and I am grateful that he is allowing me to pose it in any event, because I am

always very conscious of that particular rule – but the reason why I ask is because I continue to receive representations from members of the public that this is indeed happening.

I think what the Hon. Minister Bossano – by way of assistance to the Minister for Employment – told me, as a possible explanation for that, is that what the Department will not do is send them to the places where the vacancies are available and perhaps that is the cause of the confusion.

But in any event, he ended the answer to my supplementary in this way, and I wonder whether I can put it to the Minister for Employment whether he could carry out further investigations, where it says:

‘It just that they will not send somebody who is working to vacancies.’

This is the Hon. Mr Bossano:

‘The information on the vacancy is available – and I will go back and check again,’ is what he said, ‘but I am told that when people say, “Well, look, I want to be sent by the Employment Service”, the answer is, “No, we cannot send you.”’

but the vacancies are made available.

But I still receive complaints and that is why I ask the question again in relation to this matter. They ask for vacancies and they are not provided to them unless they are unemployed. That is the information I am receiving and is a matter of serious concern and the Hon. the Leader of the Opposition tells me he is also receiving as well.

So it must be of concern to both sides of the House, but given that the – it is not – but given that the Hon. Mr Bossano, Minister Bossano (*Laughter*) – he is nodding his head – said that he would go and check and it is happening, I thought it was appropriate to ask the question.

Hon. N F Costa: Mr Speaker, in the first place to reply very briefly to the preface that he is conscious of the six-month bar, I do not think he is, because he has asked the question and he has gone over exactly the same matters which he raised with Minister Bossano, which are recorded in *Hansard* of 16th October.

Therefore, given that he has referred me to that question and answer session, I will reply exactly with what the former Minister for Employment said which was:

‘The rate of jobs taken up by people from the unemployment list is still under 20%.’

which means that the people who find employment are those who are already employed.

And in answer to the specific question that he asks me, yes, I can confirm that the Department does make all vacancies available to persons. I have given those instructions and I have no reason to doubt that my instructions are not being carried out.

Hon. D A Feetham: Mr Speaker, does he not accept that even if the vacancies are handed out – and I receive those complaints, the Hon. Mr Bossano receives complaints – that is not the position? That if you are not sending people to those vacancies that they are being disadvantaged, people who are employed are they not being disadvantaged in access to those particular jobs?

Because no doubt he will agree with me that people in the private sector are as entitled to improve themselves in life and their lot and the lot of their families as indeed people who are unemployed who deservedly, of course I understand that, need as much assistance from the State as possible in their quest for a job.

Hon. N F Costa: Mr Speaker, I cannot but agree with the statement that people who are in employment do have the right absolutely to improve themselves in whatever way they can, certainly to obtain better employment or better terms of employment, which is why the vacancy information is provided to anybody who attends the ETB offices and asks for all of the vacancies.

In respect of whether it should be the function of the ETB to send employed people to an employer that has posted a vacancy in the ETB, well, as has been the case since I can recall, the function of the Job Centre, the ETB, is to assist those who are unemployed. What I do in my employment surgeries is that I attend the ETB for the entire day and I meet people who are unemployed. I then ensure that one of the employment officers joins that meeting and during the course... and after they leave the meeting with me, they sit down and they go through all of the vacancies. Then the ETB itself calls the employers who have posted those vacancies and actually arranges the interviews for the unemployed.

The function of the ETB, as I see it, certainly, is to be able to assist those who are seeking employment. I suppose that in circumstances where we had double the staff and double the resources, we could help those who are seeking employment who are already employed and those seeking employment who are unemployed. But the former Minister for Employment did bring up what I think is a very important point in

this question, which is that for some reason – and given that the statistics are – that it is only 20% of people who are filling the vacancies and therefore 80% of those vacancies are being filled by people who are already in employment, it makes absolute sense that we should be helping those who are not in employment.

525 And for whatever reason, it would appear to me to be a case that being out of a job, interestingly or perversely, is almost a bar to an employer choosing that person. They would rather choose, it seems, from the hard statistics and from my very limited experience, they wish to choose people who are already employed. Of course, people who are already employed can, on their own steam, because they can find the vacancy information at the ETB, do so.

Q187/2015

**Gibraltar's employment law –
Amending any age bar**

530

Clerk: Question 187, the Hon. D J Bossino.

Hon. D J Bossino: Can the Minister for Employment please state if the Government has any plans to amend those provisions of Gibraltar's employment law which impose an age bar?

535

Clerk: Answer, the Hon. the Minister for Business, Employment, Skills and Training.

Minister for Business & Training (Hon. N F Costa): Mr Speaker, Her Majesty's Government of Gibraltar is considering the Industrial Tribunal's ruling of 6th February of this year, reported in the *Gibraltar Chronicle* on 10th March of this year.

540

This ruling may have an impact on our employment laws. I have therefore instructed my legal counsel to review the ruling and related legislation. Once this assessment is completed, I will take a view as to whether our employment legislation requires amendment.

SPORTS, CULTURE, HERITAGE AND YOUTH

Q188/2015

**Gibraltar Sports and Leisure Authority –
New 'Management Structure'**

545

Clerk: Question 188, the Hon. E J Reyes.

Hon. E J Reyes: Mr Speaker, further to the answer provided to Question 85/2015, can the Minister for Sports update this House as to what stage the new 'Management Structure' discussions in respect of the Gibraltar Sports and Leisure Authority are currently at?

550

Clerk: Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, the answer to this question remains the same as that of my answer to Question 85/2015.

555

Mr Speaker: Can I give the hon. questioner some guidance. As he knows, as a matter of course, I allow him in particular questions where he does refer 'further to the answer provided to question so and so', and I have explained why, because very often the answer is different.

560

But in this case we have an answer which is identical: the position remains the same as that in Question 85. Therefore I must rule that he cannot ask the same question again for six months. He cannot, at the next meeting of the House, say 'Further to the answer provided to Question 188', because the answer provided to Question 188 is the same as the answer provided to Question 85, there is no progress made.

565

I always allow him to update information that he is seeking, but here we have a different situation. So I must ask him not to refer or bring up this matter again of the management structure for another six months – although of course, he will probably have the opportunity to do so during the Budget session. He can raise the matter then. Is that clear?

Hon. D A Feetham: Mr Speaker, I think that we need to exercise some care in relation to this, because I can understand that perhaps in relation to something like the management structure where one would not expect a change within a short period of time, there might be some logic in what Mr Speaker is saying, but I often ask questions about, 'has the position changed?' and the answer –

Mr Speaker: And he does and –

Hon. D A Feetham: And I suppose we have got to take it case by case is what I am saying.

Mr Speaker: Because I take it case by case, I am ruling in respect of this particular, and not in respect of others.

I do allow him and he knows, I have stated it – I do allow him and any other Members when they want to update information, the question is exactly the same and the only thing that changes is the first few words, 'further to question so and so'. Really, up to a point you are asking the same question. But the answer might be different, because if it is a case of statistical information in particular, in updating that information the answer is different, and that is why I do allow it.

But in this case, we have an answer which is totally identical. But as I say, there is no problem and he can raise the matter in June during the Budget session.

Hon. E J Reyes: Yes thank you, Mr Speaker.

I understand what you are saying. I did actually think about this question and having looked back on the answer, the Minister said that it was work in progress and there was an indication given that it was more or less towards the end of March, the current Financial Year, when he hoped to have had this settled.

Given that we all knew that because of the Easter recess there was going to be no meeting in April, I could not have asked him for an update in May. Now given that there is a lot of public interest from service users, employees and those who potentially would like to become employees of the Sports and Leisure Authority, I asked the question.

If Mr Speaker judges the Hon. Minister said the answer remains the same, I have not even pushed him further in any supplementaries because I have taken it that 'the same' means work in progress and I was not going to be pedantic by saying, 'Well you know, you said March and we are now in the second half of March', and so on.

But although I understand what Mr Speaker is trying to say, and obviously keeping within the spirit of the six months, I may have to seek his advice behind the Chair, because six months from now could be a very long period. For all I know, during the month of April, the structure could be completed, and yet it would be September before I can even ask about anything that appears in April. So we could talk at a future date on how to pose the question.

Mr Speaker: I invite the hon. questioner to seek my advice, if he wants to. He knows that I usually treat him with an air of liberality.

Next question.

Q189/2015
Heritage sites –
Costs of works

Clerk: Question 189, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Heritage provide details of all works, together with a breakdown of respective cost undertaken at any heritage related site since the answer provided to Question 91/2015; as well as stating by whom these works were carried out?

Mr Speaker: Here we have a case in point. The subject matter of this question is the same as the subject matter of the question that he asked, Question 91. The subject matter is the same. But because during the time that has elapsed there has been further work, the answer has progressed and because the answer has progressed, I do allow it. It is as simple as that and I am sure they will understand. I think it is important that Members should understand the reasoning behind it, okay?

Clerk: Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, further to the answer to Question 91/2015, further works undertaken at heritage sites inclusive of costs and works carried out are: one, actually.

The site is The Grand Battery, Phase 2 External Areas, Gibraltar Regiment Premises; Works – Outline and Scheme Design; Contractor – WSRM Architects Limited; Amount – £10,300.

Mr Speaker, I would also like to add that this will soon be in a website where all these things will be updated on a monthly basis.

Q190/2015
Gibraltar Museum –
Contract for running

Clerk: Question 190, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Heritage provide details of any contract entered into or renewed for the running of the Gibraltar Museum?

Clerk: Answer, the Minister for Sports, Culture, Heritage and Youth.

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, after the repeal of the Gibraltar Culture and Heritage Agency, the running and management of the Gibraltar Museum is carried out by the same entity that was responsible before the agency was constituted.

Hon. E J Reyes: Mr Speaker, from that answer I can deduce that it is Knightsfield Holdings who has it again, but my question does ask for details.

Does the Minister have any details please?

Hon. S E Linares: Mr Speaker, the details are exactly as they were before. That means that they – and he is correct, it is Knightsfield Holdings that are running the museum and they will be running the museum exactly as they used to before. All that has changed is that they were all put into the agency and we have negotiated with them. They are now out of the agency and back happily to where they came from, and the works they used to do.

Hon. D A Feetham: Yes, Mr Speaker, I quite understand that, but I think the question is targeted *inter alia*, amongst other things, at this: has the Government negotiated a contract with Knightsfield Holdings Ltd and what is the term for example of that contract?

Hon. S E Linares: Well, Mr Speaker, in relation to the wages and the – (*Interjection*) yes, I am going to go into the terms, because the Budget is actually part of the terms, and therefore when the contract is signed –

Hon. D A Feetham: Will he give way?

Hon. S E Linares: No I will not give way.

Mr Speaker: Order, order. Ask the question again.

Hon. D A Feetham: Mr Speaker, by ‘term’ I do not mean the terms generally; I mean the length of the contract.

Hon. S E Linares: The length of the contract is 20 years.

Hon. D A Feetham: Mr Speaker, 20 years from when? From this year?

Hon. S E Linares: From when it was signed, which is the beginning of September, I think, we negotiated.

Hon. D A Feetham: Mr Speaker, I know absolutely nothing about this, but of course we are the Opposition of Gibraltar and anything that ties the Government into long-term contracts we are entitled to scrutinise it.

I understand that one of the principals of this company, Mr Finlayson, who does sterling work in relation to his area, I do not know what his age is but he must be late 50s, perhaps early 60s. If we are talking about a contract for 20 years from today, that would take that particular gentleman till the age of 80, presumably well after his retirement.

Is the Government satisfied that there are sufficient succession plans within this particular company in order to ensure that the Museum is going to be run properly over the next 20 years, because I accept Mr Finlayson is the right man for the job, but of course, this contract takes him up to the age of 80.

Hon. S E Linares: Mr Speaker, the contract is not with Mr Finlayson; it is with Knightsfield Holdings and therefore it is Knightsfield Holdings which will then decide who runs the Museum after Mr Finlayson moves – and I hope he lasts a very long time.

But there are safeguards within the contract, if you are interested in learning – there are safeguards within the contract that say that suitably qualified people are the only ones that can be part of the company in order to run the Museum. What you cannot have, is Mr Finlayson selling this on to somebody, the Knightsfield Holdings for example, and then be the curator of the Museum. The curator of the Museum is a specific qualification that is needed and there are safeguards within the contract which state that whoever runs the Museum has to be suitably qualified.

Hon. D A Feetham: Mr Speaker, I would not believe for one moment that any Government, any reasonably competent Government, would not have terms within the contract preventing an assignment of the contract to a third party, bearing in mind that although this is a contract with a company, effectively the people that run the company are everything to that company and indeed to the contract itself. Because although the Government is entering into a contract with Knightsfield Holdings Limited, it is only doing so because Mr Finlayson has the expertise.

In order to properly answer – and with respect, he has not properly answered my question – one has to look at the succession plan within that company itself and Mr Finlayson is late 50s/early 60s. This contract takes him to the age of 80, and I would have expected the reasonably competent Minister, entering into that kind of contract with Knightsfield Holdings Limited, would have asked the question, ‘Well look, it takes you up to the age of 80 – who is there in this company that will be taking over from you, in order to safeguard the safe running and reasonable running of the Museum when you are gone?’ Unless of course, Mr Finlayson has told the hon. Gentleman, ‘Look, I intend to stay until the age of 80.’

MR. Speaker: Like Mr Bossano does. *(Laughter)*

Hon. D A Feetham: Indeed, as Hon. the Father of the House... although he has not got to 80 yet, he is only a sprightly 76 -

Hon. S E Linares: Well, Mr Speaker, as a person who does not believe that age makes any difference, I can say to him that there are two options which Knightsfield Holdings can do. Either they have people within their directorship who can take over and qualify themselves if they are not already qualified; or employ someone to be qualified to be able to run the contract.

So I think Mr Finlayson is going to last until 80 anyway, and I hope he does, but even so, they have the option whether – and we have discussed this issue with them – they are having a succession plan within already. But should that not work, then Knightsfield Holdings could well employ people who are qualified to run the Museum.

Hon. D A Feetham: Yes, but Mr Speaker, the more he provides me an answer, the more unfortunately I come to the conclusion that he has not applied his mind to this. Because it is all very well for the hon. Gentleman and we are talking about assets belonging to the people of Gibraltar and the running of assets belonging to the people of Gibraltar and the running of important assets belonging to the people of Gibraltar.

And it is all very well for the hon. Gentleman to say to me Knightsfield Holdings has a succession plan. I am asking him, has he seen the succession plan? Is he satisfied that there are people within that organisation that can take over from Mr Finlayson in a properly organised succession plan?

Because look, if there is not at the moment anybody within Knightsfield Holdings that can actually do that job after Mr Finlayson has gone, then I would have expected a reasonable Government and a reasonable Minister to have said, ‘Well no, we are not giving you a 20-year contract; we are giving you a

10-year contract, and we will review it at year 8, 9 or 10, when we know that you have got people within your organisation that can safely run the Museum.'

Because it strikes me that if Mr Finlayson decides to retire at the age of 70 and the Government or any future Government is not satisfied that there is somebody who is appropriate within Knightsfield Holdings that can run the Museum, you are stuck with a contract for a 20-year period. That is what it appears.

Hon. S E Linares: Mr Speaker, that is not correct because he did not listen to what I said before: that there are clauses within the contract that says that you need *suitably qualified people*.

So if the scenario that the hon. Gentleman is saying, that in 10 years' time Mr Finlayson decides to retire at the age of 70, which I hope he does not, then the Government has the right to say to Knightsfield Holdings, 'Who is the qualified person that is going to run this place? Let me see the qualifications, let me see...', because they could employ somebody. If we are not satisfied with the qualifications and the credentials of the person that they are employing, we can terminate the contract. Therefore what you have just said: after ten years a review. Well, after ten years, should Mr Finlayson move, we can review by using those clauses in the contract which say that they need suitably qualified people.

Now, have I discussed a succession plan with Mr Finlayson? Yes, and those are between Mr Finlayson who is the director of Knightsfield Holdings and his team, because he is not the only director; there are three or four other directors. We have discussed it, but these are things that are discussed, we do not need... I do not need to divulge all the things that we have discussed with him, but we have gone through that, and that is why we have added these clauses in the contract.

Q191-192/2015

King's Bastion Leisure Centre Fitness Gymnasium – Future plans and membership fees

Clerk: Question 191, the Hon. E J Reyes.

Hon. E J Reyes: Mr Speaker, can Government state what its plans are for the future of King's Bastion Leisure Centre Fitness Gymnasium?

Clerk: Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, I will answer this question together with Question 192/2015.

Clerk: Question 192, the Hon. E J Reyes.

Hon. E J Reyes: Can Government explain why payment cheques in respect of membership fees to King's Bastion Leisure Centre Fitness Gymnasium are now required to be made to LMS (Gib) Ltd?

Clerk: Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, the King's Bastion Leisure Centre Gymnasium which was previously run by the Gibraltar Sports and Leisure Authority is now operated by LMS (Gib) Ltd.

The future plans for the gymnasium are to increase and improve the services currently being provided.

Hon. D A Feetham: Mr Speaker, can the hon. Gentleman perhaps tell this House who are behind LMS (Gib) Ltd?

I asked for a company search in relation to this particular company, and I was not able to obtain – and I accept it may be the fault of whoever did the search for me – any information on the company. Perhaps he could provide that information to the House.

Hon. S E Linares: Mr Speaker, the directors of LMS are the two employees who have been running the Leisure Centre since it was opened and they were employees of the GSLA. So basically there are two employees in this case who have been running the Leisure Centre since 2008 since it opened, but on behalf of the Gibraltar Sports and Leisure Authority. They have decided to make LMS Ltd and run the whole place without the GSLA.

Hon. D A Feetham: Mr Speaker, did this particular contract...? Well, first of all, before I ask that question, can I ask him this. Is the contract limited – with LMS (Gib) Ltd – limited to running the gym or is it going to be a contract that is going to extend to other parts of the Leisure Centre as well?

795 **Hon. S E Linares:** The whole of the centre.

Hon. D A Feetham: Mr Speaker, did this particular contract go out to tender?

800 **Mr Speaker:** I think we have to be careful because we are widening the whole scope now. Here we had a question about the plans for the future of the gymnasium. Now there is another question about payment cheques, and now we are widening the whole scope of that.

I am allowing the supplementary, but there is a limit.

805 **Hon. D A Feetham:** Mr Speaker, may I –

Mr Speaker: Please go ahead and ask it.

810 **Hon. D A Feetham:** Yes but may I say, just in relation to the points made by Mr Speaker, it is the first time that the Opposition has in fact learnt – and it arises out of the information that the hon. Gentleman has provided – that this company LMS has been contracted by the Government in order to run the gymnasium and indeed, not only the gymnasium but the entirety.

815 The reason why this question comes about is because I am a member of this particular gym. I saw that cheques should be paid to this company and I thought, ‘Well, who is this company?’ That is why it has been broadened out of the answer, so I think that in fairness, Mr Speaker, although we are not going to obviously have a debate across the floor of this House, I know Mr Speaker’s views on that, I think we are entitled to pursue supplementaries on this, what may turn out to be actually quite important for the community.

820 **Mr Speaker:** Go ahead and ask the question.

Hon. D A Feetham: Well, I think I have asked it, and the hon. Gentleman has got to answer.

Hon. S E Linares: And I heard it the first time, so okay.

825 Mr Speaker, no, it did not go out to tender because we believed that because this was being run by the Sports and Leisure Authority, and employees of the Sports and Leisure Authority who were running it anyway, they are there. It is like a co-operative and they do have succession planning in this case.

They have employees there from the GSLA who have been willing to go into making a private company in order to run the centre. So the centre has been run by them anyway and the terms and conditions are exactly the same that they were with the GSLA.

830 In fact, the GSLA was running that and was charging King’s Bastion Leisure Centre Ltd for its services. So it is a question of just getting the same people to run the centre.

835 **Hon. D A Feetham:** Well, Mr Speaker, I am sure that these two individuals are thoroughly decent individuals and, indeed, everybody that works there, in my own experience – and I am there every other day, as I say, I train at this particular gymnasium – my experience of everybody has been that the service and the quality of the service is very good going back years to when it was opened.

840 But, Mr Speaker, we are talking again about an asset which belongs to the community, and it is about the management and the proper management of an asset. For example, what kind of premium has this particular company paid in respect of this particular contract which the Government has entered into with them?

845 **Hon. S E Linares:** Mr Speaker, premiums do not come into question here. It is a question of running the Leisure Centre with the same people. Instead of being from the GSLA they are exactly the same people. Instead of being from the GSLA they are the same people running the centre now, so there is no question of premium or anything like that. All they are going to do is just run it as a more commercial and private entity, running the King’s Bastion Leisure Centre. That is exactly how we ever contracted with them.

Hon. D A Feetham: Yes, Mr Speaker, I understand that the Government wants it run on a commercial basis, I understand all that.

850 But, Mr Speaker, we are talking about a potentially substantial contract where the Government has just simply decided, ‘We are going to hand this particular contract to these two individuals’ – decent as those

two individuals may be – without affording the opportunity to anybody else to compete for that particular contract.

855 Does he not accept that it is important, in fact, in the Government contracting with people or in relation to the management of assets of this community, for not only the Taxpayer to get the best value for money, but also for service users to obtain the best service, and for there to be an element of competition.

860 Effectively what the hon. Gentleman is saying is, he has deprived anybody else in Gibraltar who may have had an interest in providing this particular service, who may have been able to do it as well as these two individuals, who may have been prepared in fact to pay a premium to the Government for this particular contract, the ability to compete.

Hon. S E Linares: Well, Mr Speaker, why did that not happen in 2008?

865 **Mr Speaker:** No, that is irrelevant.

Hon. S E Linares: Well, Mr Speaker, with all due respect, Mr Speaker the –

Mr Speaker: You have been asked a question –

870 **Hon. S E Linares:** I will answer the question –

Mr Speaker: Nothing to do with 2008. Answer the question if you can.

875 **Hon. S E Linares:** Mr Speaker, King's Bastion Leisure Centre Ltd is a company completely different to the Sports and Leisure Authority.

The Leisure Authority has been running it on a fee basis. It is a question of passing on the same responsibility that the Gibraltar Sports and Leisure Authority had, passing it to the same people who have been running that place, so there are no issues at all.

880 What they are doing now is running it, the same people running it as a company, the Leisure Centre. There is no question... Mr Speaker has told me not to go back to 2008 – was there a tender there? No, there was not. It was just handed over to the Authority and in this case, what we have done is negotiated with LMS Ltd in order for them, who are the same people, to continue running the Leisure Centre.

885 **Hon. D A Feetham:** But, Mr Speaker, with respect, I think really that is a thoroughly ridiculous answer that the hon. Gentleman has provided.

Does he not recognise that there is a distinction between King's Bastion Ltd and this particular company? King's Bastion Limited was a Government-owned company – *Government-owned*. Therefore it was the Government through indirectly – the famous word – indirectly providing services to effectively the GSLA or whatever, but it was a Government-owned company.

890 This is a private-owned company that has been incorporated, which the Government has gifted a contract to run the Leisure Centre on a commercial basis. Does he not recognise the important distinction? Does he not recognise what the Government has effectively done, is to gift two individuals, however thoroughly reasonable, however thoroughly decent those individuals, however thoroughly competent those individuals may be, without going out to tender? That is the distinction.

895 **Hon. S E Linares:** No, Mr Speaker.

Mr. Speaker: Next question.

900 **Hon. E J Reyes:** Sorry, Mr Speaker, I just wanted a bit of clarity because my understanding from the Minister, he is saying that the employees who were running it are the ones who are now running the other company. But, Mr Speaker, from my experience there were more than two employees running it. Were all the employees given the option and then only two took it up?

905 I am a bit confused because there were certainly more than two members of staff working there, so how does it end up just being two? Can the Minister clarify that a bit?

Hon. S E Linares: Mr Speaker, it was offered to the administration, the management and only two got it. The others wanted to stay within the GSLA, which they had the right to do. If they wanted to stay within the GSLA, they stayed within the GSLA.

910 **Hon. D A Feetham:** Yes, Mr Speaker, can the hon. Gentleman tell me what the value of this particular contract is?

Hon. S E Linares: Mr Speaker, I do not have this to hand.

915

Q193/2015
GSLA sea bathing facility –
Cleaning costs

Clerk: Question 193, the Hon. D A Feetham.

920

Hon. D A Feetham: Mr Speaker, can the Government please state what has been the cost of cleaning the GSLA sea bathing facility since works were completed last year?

Clerk: Answer, the Hon. the Minister for Sports, Culture, Heritage and Youth.

925

Minister for Sports, Culture, Heritage and Youth (Hon. S E Linares): Mr Speaker, the cost of cleaning the GSLA sea bathing pavilion since works were completed last year is £33,540.64.

These works have been undertaken by Master Services as an extension of their general cleaning duties for all the Gibraltar beaches.

930

Hon. D A Feetham: So, Mr Speaker, £33,000 is just the portion allocated to the cleaning of this particular facility, nothing to do with the rest of the beaches?

935

Hon. S E Linares: No, Mr Speaker, it includes employing part-time lifeguards on a seasonal basis, it includes the management, everything. The £33,000 includes the running of, because the question was –

Hon. D A Feetham: Cleaning.

Hon. S E Linares: Yes.

940

Hon. D A Feetham: So £33,000 effectively is the cost of the cleaning of this particular facility, including the green moss that –

Hon. Dr J E Cortes: The algae.

945

Hon. D A Feetham: The algae that polluted it. I am very grateful to Minister Cortes for that technical answer! *(Laughter)* Of course he is a scientist and I am not and that exchange demonstrated that. *(Interjection)* Yes, although I have to say that my Learned and Hon. Friend, Mr Figueras, reminds me that probably moss is more readily understandable to members of the public than algae, but in any event.

950

The £33,000 includes the cleaning of this facility and also the lifeguards. Is this going to be a recurrent cost every single year to the Government under a particular contract?

955

Hon. S E Linares: Yes, it will. Obviously like I said before, we will have to add on the other bits like the lifeguards and the management so all that needs to be, and he was correct, that needs to be added to the £33,000. The £33,000 is specific to the cleaning, yes.

960

Hon. S M Figueras: Yes, Mr Speaker, I rise only to address what I think might be a confusion which is quick developing and which we may be able to nip in the bud.

The hon. Member said in his original answer that the £33,500 was done by way of an extension of the contract that Master Services already has, and then in answer to the first supplementary, he said that it included lifeguards, etc. *(Interjection)* Oh I see, so the Minister is clarifying that it is only the cleaning. The £33,500 is just the cleaning by Master Services – because I am sure lifeguards are not employed by Master Services.

965

Hon. S E Linares: Correct.

HEALTH, THE ENVIRONMENT, ENERGY AND CLIMATE CHANGE

Q194/2015

**GHA European Health Insurance Cards –
Delay in renewal**

Clerk: Question 194, the Hon. Mrs I M Ellul-Hammond.

970 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health confirm whether there are delays in the renewal of the GHA European Health Insurance Cards and if it is as a result of a lack of printing ink?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

975 **Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes):** Mr Speaker, there are currently no delays in the renewal of GHA EHIC cards, other than the four to five days it takes for checking documents, printing and collection which is a standard procedure.

The Primary Care Centre recently experienced a three-week delay in issuing of cards due to a combination of several factors, these being a surge in demand and one printer breaking down.

980 There had been a delay in the delivery of cartridges, but this was not the cause of the backlog – a backlog Mr Speaker, which was quickly dealt with.

Q195/2015

**St Bernard's Hospital –
Primary care clinic for children**

Clerk: Question 195, the Hon. Mrs I M Ellul-Hammond.

985 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health say as outlined in the Government's manifesto, when a primary care clinic for children, with dedicated GP resources, will be set up in St Bernard's Hospital associated with the Rainbow Ward?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

990 **Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes):** Mr Speaker, a dedicated children's area is being prepared in the Primary Care Centre. In addition, plans are being developed to set up such a clinic in St Bernard's when space issues are resolved.

995 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Hon. Minister say if that means there are plans to bring the whole of the Primary Care Centre on site to where St Bernard's Hospital is, as part of a new building that could be erected?

1000 **Hon. Dr J E Cortes:** Not necessarily, Mr Speaker. Clearly that opens all sorts of possibilities, but we are looking at doing this as a separate exercise. Demand for space in St Bernard's is very high as we increase the amount of activity and this is one of the things that we are considering.

Q196-198/2015

**'Objective Standards' in Health –
Policy update**

Clerk: Question 196, the Hon. Mrs I M Ellul-Hammond.

1005 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health explain as outlined in the Government's manifesto on page 31, how the commitment for 'Objective Standards' has been fulfilled and which areas of this policy still need to be introduced?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

1010 **Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes):** Mr Speaker, I will answer this question together with Questions 197 and 198.

Clerk: Question 197, the Hon. Mrs I M Ellul-Hammond.

1015 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health explain, as outlined in the Government's manifesto commitment for 'Objective Standards', how much staff flow with the UK, in both directions, have taken place and especially, how many GHA staff have spent time in the UK on exchange programmes or work placements and for how long, since January 2012?

1020 **Clerk:** Question 198, the Hon. Mrs I M Ellul-Hammond.

Hon. Mrs I M Ellul-Hammond: Mr Speaker, can the Minister for Health explain as outlined in the Government's manifesto commitment for 'Objective Standards', whether a fully formed and impartial complaints process has been set up in order for a UK trust to be able to arbitrate in disputes?

1025 **Clerk:** Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes): Mr Speaker, both corporate and clinical governance arrangements have been set up.

1030 A new contract with a major NHS Foundation Trust is close to being agreed. Not only will this arrangement improve tertiary services, but will open up opportunities for staff to undertake training and clinical placement. It will also allow access to policies and protocols which once adopted could be used within the GHA. Having a formalised arrangement will also assist in developing closer working relationships with our providers.

1035 This will see a significant increase in exchanges. Amongst those that have taken place are: for the Radiology Department a three-month CT placement in Guy's and St Thomas' from mid-January to mid-April. It says 2015 but I believe it should read 2014. I need to confirm that Mr Speaker.

1040 For nursing, two registered nurses had placements, one in 2012 in the UK and one in the Isle of Man in 2013. The first of these was a one-week placement as part of an ongoing training and development. The second was a four week placement. In physiotherapy, a three-month junior placement, 2nd April to 29th June 2012 at Darlington NHS Foundation Trust.

Consultants often attend such placements as part of their study leave commitments. The GHA supports training and development of their staff and is actively pursuing placements for other staff members, for example, operating department practitioners.

1045 The new Complaints Handling Scheme, under the umbrella of the Office of the Ombudsman, is planned to commence in April or May 2015. The relevant legislation has been completed and due to be commenced. There is a typing error there in the prepared answer.

1050 This will provide a more independent and a fairer process in managing complaints. In addition, membership of NHS Employers will fulfil the role of arbitration in matters relating to employment. Close contacts have been developed with a number of health care trusts on which we can call on, in order to carry out investigations and arbitrations. I will add for example, in this context, the Isle of Wight.

1055 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, the Hon. Minister said they were close to closing a deal with an NHS Trust. Can he say which NHS Trust it is, or at least say if it is one of the ones based in London?

Hon. Dr J E Cortes: Mr Speaker, I would rather not give the name as we are on the point of closing the deal. It is one of the major London Trusts and this will allow us to send our patients to what is a Centre of Excellence, and will allow us to develop other links in relation to staff training.

1060 The costs will be well controlled, because it will be a contract that will close costs for certain treatments whereas now they are often open ended, depending on the length of time and so on. We are very close to announcing the final signature of the deal.

Q199/2015
Stroke emergencies –
Creation of protocol and specialist unit

Clerk: Question 199, the Hon. Mrs I M Ellul-Hammond.

1065 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Health say when a stroke protocol and a specialist unit for stroke emergencies will be created, as outlined in the Government's manifesto?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

1070 **Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes):** Mr Speaker, the review of stroke services has been completed. The recommendations will shortly be presented to Cabinet for approval.

Q200/2015
Upper Rock Management Plan –
Publication

Clerk: Question 200, the Hon. J J Netto.

1075 **Hon. J J Netto:** Mr Speaker, can the Minister for the Environment say if he is now in a position to provide Parliament with a copy of the Upper Rock Management Plan?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

1080 **Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes):** Mr Speaker, the Gibraltar Nature Reserve Management Plan will be published in spring this year.

1085 **Hon. J J Netto:** Mr Speaker, the reason why I have asked this particular question is because way back in 2014, I asked this question and the Minister at the time, I think he said that the plan would be published 'soon', way back in 2014. He is now saying that it will be published sometime in spring of this year. Can the Minister say why the delay?

1090 **Hon. Dr J E Cortes:** Yes, Mr Speaker, because I have very hard-working officers who have a lot of work to do and they obviously have to dedicate themselves to the wide range of environmental initiatives that we are carrying out. Therefore, because in addition this is a complex plan which involves a lot of stakeholders, it has taken rather longer than we envisaged.

But I am sure that the quality that will come out at the end of the process will have been well worth the wait.

Q201-202/2015
Macaques –
Culling; illegal feeding

1095 **Clerk:** Question 201, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Minister for the Environment state how many Macaques have been culled on a monthly basis during 2014.

1100 **Clerk:** Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes): Mr Speaker, I will answer this question together with Question 202.

1105 **Clerk:** Question 202, the Hon. J J Netto.

1110 **Hon. J J Netto:** Mr Speaker, further to the answer given to Question 364/2014, can the Minister for the Environment say how many individuals have been fined or cautioned for the illegal enticing or feeding of macaques, contrary to the written changes in legislation passed in Parliament, either inside or outside the Upper Rock Nature Reserves, stating where, the nationality, the amount imposed, which entity imposed the fine and whether any cases are waiting to be heard in the courts?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes): Mr Speaker, no macaques were culled in 2014. One large adult male was put down on 21st September, as a result of it having attacked and bitten a person.

In relation to Question 202, yes, Mr Speaker, I answered this question very recently in response to Question 739/2014 in December, and not Question 364, which was in May.

In any case, I can inform the hon. Member that no individuals have been cautioned or fined since I last provided the information requested in December 2014.

Hon. J J Netto: Mr Speaker, I am grateful for the clarification made by the Hon. Minister in relation to the latest question which was, I think he said 739/2014.

Hon. Dr J E Cortes: Yes, Mr Speaker.

Hon. J J Netto: Would that have been in September of last year?

Hon. Dr J E Cortes: Mr Speaker, my reply says it was December last year, Question 739.

Hon. J J Netto: I am grateful, Mr Speaker, for that clarification on the part of the Minister. So since December, therefore, we have not had any person, regardless of nationality, who has either been cautioned or fined as a result of that.

Is that due perhaps because for whatever operational reasons no particular officer has been able to be looking into this particular activity; or is it because the Department is saying that there is a change in the attitude either from locals or from tourists alike in getting the message that you cannot entice or feed the Macaques illegally?

I mean can the Minister perhaps provide some kind of information on this matter?

Hon. Dr J E Cortes: Well, Mr Speaker, I think it is even a better answer than those suggestions. Certainly in the case of urban areas, the hon. Member opposite may have noticed that the frequency of occurrences of Macaques in urban areas is now hugely reduced. I think we have been able to tackle that problem quite effectively and therefore there are fewer occasions in which this will happen in the town.

On the Upper Rock, it seems likely that the work of the Department in working with operators in reducing the Macaque/human interaction seems to be working. So I think it is a reflection of an improvement in the situation rather than an operational thing, but that is my opinion.

Clearly the animals are unpredictable and there could be a surge in the future, but at the moment, I think the situation is pretty well contained.

Hon. J J Netto: I am grateful, Mr Speaker, particularly the question that the Minister is alluding to that there seems to be a closer relationship in the Upper Rock Nature Reserve in relation to working with operators in that field, and that is extremely important and should be maintained.

But perhaps, can the Minister provide some information to that part of my supplementary question, which was basically saying individuals, who either may be local or tourists, who still have this attitude of illegally feeding the macaques. Is that being assessed during this particular period as well?

Hon. Dr J E Cortes: It is not being assessed in a structured way. We are dedicating the manpower resources or have been dedicating them to dissuading the Macaques from coming into town rather than from monitoring on the Upper Rock. Now that situation has improved, we will be able to use some of those resources in the Upper Rock to monitor more closely what these interactions are.

Q203-219/2015

Liquefied natural gas (LNG); new power station – Fire and Rescue Service; health and safety

Clerk: Question 203, the Hon. Mrs I M Ellul-Hammond.

Hon. Mrs I M Ellul-Hammond: Mr Speaker, can the Minister with responsibility for the Fire and Rescue Service say if the Government is satisfied that the Fire and Rescue Service is equipped and certified to deal with a liquefied natural gas (LNG) accident?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

1170

Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes): Mr Speaker, I will answer this question together with Questions 204 to 219.

Clerk: Question 204, the Hon. J J Netto.

1175

Hon. J J Netto: Mr Speaker, can the Government state if any of his advisers on LNG has elaborated a report on the need to resource and train the Gibraltar Fire and Rescue Service in order to deal with an accident from the new power station and the LNG facility and if so, provide details of such considerations and provide Parliament with a copy of any report produced on this matter.

1180

Clerk: Question 205, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Government provide Parliament with all the reports and advice given by the UK Health and Safety Executive and the Health and Safety Laboratory in relation to both the new power station and the proposed LNG facilities?

1185

Clerk: Question 206, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Government state if the operator to build a new power station has already submitted a safety report to the competent authority prior to work commencing and if so, detail the areas covered in the report and provide Parliament with a copy of the report or reports submitted?

1190

Clerk: Question 207, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, given the Government's statement on 23rd February 2015 in which it states:

1195

'...the tender for the new dual-fired power station was only awarded after it was established that the LNG could be safely delivered and stored in Gibraltar',

could the Government state by whom was such a decision established, when, and could the Government provide Parliament with a copy of the report submitted to establish such a decision?

1200

Clerk: Question 208, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, given the Government's statement on 23rd February 2015 in which it states:

'This was followed by a vapour dispersion modelling and pool fire scenario testing to determine the safest option for the storage of LNG and its supply to the power station',

can the Government provide Parliament with all copies of such reports?

1205

Clerk: Question 209, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Government state if the competent authority in relation to the building of the new power station and the LNG facility has produced an emergency plan for off-site use, including arrangements for providing the public and neighbouring establishments or sites, specific information in relation to a possible accident and if so, provide details of such and could the Government provide Parliament with a copy of the report produced?

1210

Clerk: Question 210, the Hon. J J Netto.

1215

Hon. J J Netto: Mr Speaker, given the close proximity the Government intends to have the new power station to the LNG facilities, can the Government say what measures will be taken to avoid a 'Rapid Phase Transition' from any spills of LNG to water, which can cause structural damage to the plant?

1220

Clerk: Question 211, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, has the advice given to Government in relation to the LNG identified all possible sources of ignition that need to be avoided in case of an accident that could form an 'Ignitable Vapour Cloud', and if so, state what such possible sources can be, and provide Parliament with a copy of the report given?

Clerk: Question 212, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Government state if any of its advisers have produced any report on the possibility of a terrorist attack on the new power station and the LNG facility and, if so, provide Parliament with a copy of such a report?

Clerk: Question 213, the Hon. J J Netto.

Hon. J J Netto: Mr Speaker, can the Government state if any of its advisers have undertaken a study of seismic movement around Gibraltar in order to inform its decision on the location of the new power station and the LNG facility and, if so, provide Parliament with a copy of such a report?

Clerk: Question 214, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Government please state what experts have been contracted in order to provide reports on the safety and viability of the proposed LNG installation and who have they been contracted by?

Clerk: Question 215, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Government please state what is the total cost to the Taxpayer thus far of the Sparks Energy temporary generators?

Clerk: Question 216, the Hon. D A Feetham.

Hon. D A Feetham: Can the Government please state what is the total cost thus far to the Taxpayer of the temporary turbines which the Government imported in 2012?

Clerk: Question 217, the Hon. D A Feetham.

Hon. D A Feetham: Can the Government please state what parts of the electricity distribution network has been renewed since it was elected and at what cost?

Clerk: Question 218, the Hon. D A Feetham.

Hon. D A Feetham: Can the Government state the cost of the land reclamation associated with the new power station?

Clerk: Question 219, the Hon. D A Feetham.

Hon. D A Feetham: Can the Government please state the cost of relocating businesses in the area of the North Mole as a consequence of the new power station and associated installations?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes): Mr Speaker, clearly this is not a matter of great interest to the Opposition as there are only two Members present to listen to my reply. But nevertheless, I will continue.

Mr Speaker, the Government in consultation with experts will ensure that should it be necessary, the Gibraltar Fire and Rescue Service is provided with any additional resources and training.

Any specific emergency and fire requirements will be detailed in the on-site and off-site plan under COMAH – the Control of Major Accident Hazard Regulations, Mr Speaker.

The new power station is not subject to the provisions of Part IIA of the Public Health Act – Control of Major Accident Hazard involving dangerous substances, because the fuel will not be stored within the site.

The Environmental Agency entered into a contract with the Health and Safety Laboratory as part of the Health and Safety Executive (HSE), to provide consulting services on all aspects of LNG. They considered

the north western end of the North Mole and the Detached Mole as potential sites. Their decision is based on site specific considerations and involved numerous teleconferences where members of different Government Authorities, Departments and Agencies were present. HSL's analysis included vapour dispersion and pool fire modelling. The HSL concluded that storage plants meeting certain design criteria, capacity and safety features are feasible at the proposed sites. The site specific report will be prepared and made available once the Government has received detailed proposals from potential suppliers of LNG.

Bouygues has not submitted any safety reports to the competent authority as these are in the process of being completed.

During 2012, the Gibraltar Electricity Authority at the request of Her Majesty's Government of Gibraltar discussed with several potential providers, the feasibility of supplying small quantities of LNG to Gibraltar to provide natural gas for the power station. All those consulted indicated that this could be done.

The preferred option was through an LNG carrier and the report was commissioned from Braemer Engineering to assess the viability of doing so. The report concluded that this was technically viable and recommended that further studies be carried out which is what we are doing now.

Vapour dispersion and pool fire modelling formed part of the assessments carried out by the HSL. These are very site and installation specific. The results were subject to numerous teleconferences. These results cannot be viewed in isolation without full knowledge of these discussions. The site specific report will be made available once the Government has taken the decision on the successful tenderer. An off-site and on-site plan will be produced in due course, after the plant has been fully designed as a part of the COMAH requirements.

The exact location of the LNG facility is still being assessed and hence, so are the required safeguards all of which will of course be put in place.

The necessary preliminary assessments are currently being conducted as part of the proposals that will be put to Her Majesty's Government of Gibraltar shortly. These assessments will be followed by design specific risk assessments which will include ignition sources.

No report, Mr Speaker, on potential terrorism has so far been requested.

No seismic studies have been undertaken. This will be done if the risk assessment indicates that this is a particular hazard that needs to be considered further.

Experts consulted are as follows: as part of the preliminary investigations, Braemer, contracted by Gibelec; HSL, contracted by the Environmental Agency.

As part of the LNG proposal (LNG PIN notice) a number of commercial entities have provided positive feedback to Gibelec on the issues. As the House is aware, Shell has entered into a Memorandum of Understanding with Her Majesty's Government of Gibraltar, related to the possible supply and storage of LNG in Gibraltar. As part of the power station tender discussions, Torgy and HSL have been consulted.

The cost of the Spark Energy installation so far is £7,105,209.61 with another £835,007.99 being paid to GJBS to prepare the sites.

The cost of the temporary turbines since 2012 has been £7,850,795.92.

The information on works to the network is contained in the schedule that I now hand over:

Answer to Question 217

The following electrical equipment which form part of the network has been procured, replaced, upgraded since December 2011.

1	S6 Line Wall Road – Full S/S Upgrade - Premset	£227,229.84
2	S17 Palace Gully – Full S/S Upgrade - Premset	£208,365.68
3	S34 Laguna (In lieu of S61 Bedlam Court) - Full S/S Upgrade	£149,705.84
4	S28 Governors Parade - S/S Upgrade - Genie EVO	£162,022.84
5	S84 Buena Vista - New S/S - Genie EVO	£170,188.92
6	S11 Devils Tower Road - S/S Upgrade - Premset	£89,945.12
7	S4 Forty Steps - S/S Upgrade - Premset	£67,722.08
8	S18 Sandy Bay - S/S Upgrade - Premset	£49,262.24
9	S31 Sandpits - S/S Upgrade - Premset	£67,722.08
10	S9 Rosia Road - S/S Upgrade - Premset	£67,722.08
11	S19 North Face - S/S Upgrade - Premset	£67,722.08
12	S2 Casemates - S/S Upgrade - Premset	£79,015.04
13	S21 Varyl Begg West - S/S Upgrade - Premset	£67,722.08
14	S8 Mount - S/S Upgrade - Premset	£49,262.24
15	S7 Europa Rd/Maida Vale – Full S/S Upgrade - Genie EVO	£175,859.36
16	S11 Devils Tower Road (Beach View Terraces) – Full S/S Upgrade - Genie EVO	£353,200.24
17	S41 Rosia Bay - RMU RN2c-T25A/21 – S/S Upgrade	£18,235.20
18	S63 Waterport Terraces S/S Expansion - Mons Calpe Views	£55,209.60

The new power station will not be constructed on the reclaimed land but ancillary services may be located there.

Finally, no estimated costs of relocating businesses in the area of the new power station can presently be accurately provided.

Hon. D A Feetham: Mr Speaker, whilst we digest some of the answers and I believe that we are obtaining copies of the answers as I speak, may I just get on with some of the questions in relation to the monetary questions, the cost questions and ask some supplementaries in relation to that?

Mr Speaker, first of all, I did not hear the answer that the hon. Gentleman gave, if he did answer it, as to the cost to the Taxpayer of the Sparks Energy temporary generators. There is a difference between the Sparks Generators and the temporary turbines which were imported in 2012, which I think he said was £7 million.

Hon. Dr J E Cortes: Mr Speaker, I did provide that information, I provided that information just after I listed the experts that we have consulted. Spark Energy installation so far is £7,105,209 and that is the payment to Spark Energy itself. I provided that as part of my answer.

Hon. D A Feetham: Mr Speaker, what about the temporary turbines which were imported in 2012 which is – ?

Hon. Dr J E Cortes: Mr Speaker, I also provided that – maybe he was too busy thinking about the difference between moss and algae to listen to what I had to say – £7,850,795.92.

Hon. D A Feetham: Well I am afraid that answer does not stack up and if he is going to use sarcasm and quips, then yes, perhaps he can give me an accurate answer. In relation to the temporary turbines, I have asked this question before and I asked it last year and the Chief Minister told me that it is £12 million. I can go back to *Hansard* and demonstrate that, so how can it now be £7 million? How can the cost go back instead of...? If anything it would increase, unless what the Government would have said to me was, 'Well actually we replaced them with the Sparks, so it remained at £12 million.'

The hon. Gentleman cannot tell me it is £7 million, when the Chief Minister has already told me that the cost was £12 million.

Hon. Dr J E Cortes: Mr Speaker, first of all the comment I made about algae and moss was in the spirit that we had exchanged earlier – it was not sarcasm; it was humour. (*Interjection by Mr Speaker*) Well precisely, Mr Speaker.

Mr Speaker, the information I have been provided by my team is the one that I have given. If there is an inconsistency with a previous answer then I will have to go back and check that but that is the information I have been given and I have in good faith provided to the House.

Hon. D A Feetham: Well, Mr Speaker, it is not accurate and of course we were all here when the Chief Minister provided the answer to the previous question. He is the individual; the Minister that is responsible for this particular area and let me read the answer that the Chief Minister gave me –

Mr Speaker: But he was not responsible at the time of the last Budget, and therefore he is not aware of any discrepancy and he has undertaken to find out and come back.

Hon. D A Feetham: Well the answer, and let me read on 29th May 2014, the Hon. the Chief Minister said:

'Mr Speaker, the total cost so far of the temporary generators since 2012 until the end of April 2014 has been £10,252,359.75.'

That was the answer to the question and I think the cost has actually gone up to about £12 million. Indeed, I took him up on that answer because that answer appeared to me again to be inaccurate in the light of a previous answer, and he corrected it and said it was closer to £12 million.

So I would appreciate it if the hon. Gentleman went back and gave me an accurate answer in the light of the fact that *Hansard* quite clearly shows that at the very least in May 2014, it was already £10.2 million.

Mr Speaker: Could I suggest to the Hon. Minister, given that we are not meeting in April, that when he concludes answering questions, he gets in touch with the Department to see if the accurate information can be reconciled during the course of this meeting.

Hon. Dr J E Cortes: Certainly I will, Mr Speaker, but we could perhaps do a little bit of mathematics, which I learned from your good self many years ago. It could be, Mr Speaker, that this is not that inconsistent because if the answer was a global figure for all temporary generation –

Hon. D A Feetham: No, it was not. Mr Speaker. No, it was not.

Hon. Dr J E Cortes: The answer that – (*Interjection by Hon. D A Feetham*) I will give way in a minute, but the answer that the Hon. the Leader of the Opposition has read out says ‘temporary generators’. You can be absolutely sure that it does not mean all temporary generators because if that were the case, then if you calculate that you would have probably a year ago spent about two thirds of the £7 million in two different places, you would more or less have £5 million and £5 million, which would make £10 million at that time. I just wonder if it maybe that it was combining two, but I will certainly check, Mr Speaker.

Mr Speaker: Any other questions?

Hon. D A Feetham: Yes, Mr Speaker.

Mr Speaker, the cost of relocating businesses. The hon. Gentleman says that he cannot provide me with a figure at the moment, but surely the Government... and knowing the Father of the House as I do, who has probably examined this in the minutest detail, because he is responsible at the present moment for the Government to keep Government spending within limits, I would have expected him to at least have made enquiries in relation to what the cost of relocating these businesses is.

I have done my own enquiries and I am being informed that in fact the cost is between £3 million and £3.5 million. Can he at least tell this House whether those costs are likely to exceed £3 million? I am not asking him to give me an exact figure, but certainly that is the figure that I have at the present moment, excluding – and I am giving the Government the benefit in relation to this – excluding the kitchen, the relocation of the hospital’s kitchen which would have to be relocated, but I believe that those plans were already afoot before the power station plans were engaged and that is going to cost I think, about between £6 million and £7 million.

So excluding that, I believe that it is going to cost over £3 million and perhaps the hon. Gentleman or indeed, the Father of the House can confirm that.

Hon. Dr J E Cortes: Mr Speaker, the kitchen is a separate project which was started before and clearly is a separate one.

I repeat my prepared answer and the enquiries that I have made tell me that we cannot accurately calculate the cost of reprovinding the businesses. Clearly I can look into it and see at what stage we have that information and clearly I will have no problem with sharing that. But that is the information I have at the moment.

Hon. D A Feetham: Well, Mr Speaker, I would ask him to look into it although he could have said to me look the cost is estimated at this particular amount. I wonder whether the Father of the House has that information available to him, because as I say, I would have expected him in particular to know what the cost of the relocation of the business is.

I do not know, Mr Speaker, with your indulgence, whether I can address this question to the Father of the House.

Minister for Economic Development, Telecommunications & the GSB (Hon. J J Bossano): Well, Mr Speaker, my role is to make sure that people stay within the Budgets that are approved by the Parliament and that is what I am doing, for the benefit of the Opposition, which is what their role is.

Hon. D A Feetham: Mr Speaker, thank you very much to the Father of the House for that very helpful answer.

Mr Speaker, the cost of the land reclamation. Yes, I understand that the power station is not going to be located in the land reclamation, but of course originally, when this particular project went out to tender, the power station was going to be located in the land reclamation. The land reclamation, the plans, only happened because of the power station. As the hon. Gentleman has also conceded, there are going to be ancillary services to be provided in the land reclamation area, and indeed under one of the three proposed sites for the liquid natural gas installation, the land reclamation is also going to be one of those three proposed sites.

So therefore it is a cost associated, with respect to the Government, with the power station and I believe that the Opposition is entitled to be provided with the information as to what the Government estimates the

cost of the land reclamation is or, if he cannot provide me with that, at least what cost so far has been incurred by the Government in relation to the land reclamation.

Hon. Dr J E Cortes: Mr Speaker, as the Hon. Leader of the Opposition has said, what I said was ‘*may* hold ancillary services’ – not *will* – *may* hold ancillary services. Clearly that information can be sought, but it was not relevant to the letter of the question, in the sense that he was clearly assuming that the power station... or at least the implication in the question was that the power station would go on the land reclamation itself.

Hon. D A Feetham: No. I am sorry, I have not.

Mr Speaker: I think regardless of whether the implication is that the power station would go there or not, it is possible for the Government – and the Government is aware of what land reclamation project the question is addressing. Therefore, I would assume that an answer can be given, regardless of whether the power station is going to go there or not. An answer can be given about the cost.

Hon. Dr J E Cortes: Yes, Mr Speaker, I will seek that information.

Hon. D A Feetham: Mr Speaker, because I know perfectly well that the power station is not going to be located here. Indeed that is not completely an accurate statement, nor is the statement that the hon. Gentleman made, because a small part of the corner of the power station will be located – because I have seen the plans – will be located on the land reclamation. But it says ‘associated with the new power station’; not that the power station is going to be built entirely there. I know that the liquid natural gas installation certainly is one of those three sites.

And I will tell the hon. Gentleman what the importance of this is. The importance of this is that when the Government announced this particular power station project in June of last year, the Government made great play of the fact that this power station was going to cost at the time £67 million, it went up to £77 million, whereas our power station, which included a Gibelec building, a new distribution network throughout Gibraltar, also the installation facilities, was going to cost £120 million.

But when you take into account relocation of businesses, and I am telling him for his benefit so he knows where I am coming from in relation to asking these questions, when you take into account the electricity distribution network, when you take into account the land reclamation, when you take into account the relocation of businesses and the building of the liquid natural gas installation and ancillary issues associated with the power station, including the cost of temporary generators, you are going to be talking about a power station that, all in, is going to be costing the Government over £140 million.

So I want the hon. Gentleman to know exactly where I am coming from when I ask these questions.

Hon. Dr J E Cortes: Mr Speaker, the hon. Member opposite is predictable enough for me to have known where he was coming from before he started speaking. (**A Member:** Oooh!) (*Interjection by Hon. S J Sacramento*) Mr Speaker, the maths do not add up.

Mr Speaker, our project is estimated or the contract was for £77 million. Theirs was for £120 million.

Mr Speaker, our generating station will be able to produce over 80 megawatts; theirs was 64. So already our cost is about two thirds per megawatt to what theirs was.

But let us add, let us do a little bit of addition. Assume, Mr Speaker, not that the relocation costs £3 million to £3.5 million, which is what the hon. Member opposite has calculated. Let us assume even that it were to cost £5 million – and I am not saying that is the figure – let us say that is what it was going to cost. That would bring us to £82 million.

The temporary power supplies would have had to have been brought in by them if they had carried on with the other power station because otherwise they would not have been able to deliver power until about now or a few months’ time when perhaps, if all had gone well, their power station might just about have been ready.

But let us say that because we have got another 18 months for our power station we would have had to bring in those generators and that cost *pro rata* would be about another £8 million. That is still £90 million. Let us say even that we had to put in some more money for infrastructure, which I can say we are already dealing with elsewhere, let us just put in for argument’s sake another £12 million. That is still £102 million. We have got almost £20 million change, even taking all those things into account.

Then, Mr Speaker, let us deduct from our power station the savings from gas and add to their power station at least £1 million a year for carbon credits and let us calculate possibly another, perhaps £2 million per year as fines for excess nitrogen oxide.

Mr Speaker, the maths is entirely on our side. (*Banging on desks*)

1500 **Mr Speaker:** Yes, but now the hon. Members are beginning to debate. All those arguments which the Minister has put across are not in answer to a question providing information.

Both the Minister and the Leader of the Opposition are now beginning to debate – which they can do; there is no problem in tabling a motion to debate the whole question of the power station. I invite Members to do so. They know that I am very keen to promote the idea of debates, but not now.

1505 **Hon. D A Feetham:** Mr Speaker, of course.

Mr Speaker, it does not take into account the £5 million it cost you to cancel the contract and indeed it does not take into account the cost of an energy installation, which I understand exactly why the Government wants the private sector to pay for it, in exchange for bunkering which we believe will create an unacceptable safety hazard for many people living in the area.

1510 But what about the electricity distribution? What about the electricity distribution? He has not – and I will be corrected if I am wrong because he bunched many, many questions together... The electricity distribution network, how much is that going to cost? Because of course within the £120 million for our contract, that was also included. How much is that going to cost and what is the balance that the Government will have to pay in order to have a new distribution network around Gibraltar which is also
1515 part of the problem with electricity resilience in Gibraltar?

Hon. Dr J E Cortes: Mr Speaker, that specific question was not asked. If he asks me the question, I will provide the answer. But it is not true to say that their £120 million included the whole distribution network. (*Interjection by Hon. D A Feetham*) No it did not, Mr Speaker, because a lot of it was actually
1520 hidden in other projects which were going to pay for sizeable stretches of that distribution network.

The Leader of the Opposition must remember that I was alive before 2011 and very active in the discussions and the debates in relation to the power station and so I know rather more than he thinks I might.

1525 **Hon. D A Feetham:** Well, Mr Speaker, whatever the hon. Gentleman thinks he knows or does not know, I am telling him because I have seen the documents, that it did include an entirely new distribution network around Gibraltar, obviously where it is necessary. In other words, where it has not been done, where it had not been done at the point at which those works were going to be commenced. But it did include, now I am asking him – and that is a question that I have asked in the Order Paper – I have asked
1530 him, can the Government please state what parts of the electricity distribution network has been renewed since it was elected and at what cost?

Hon. Dr J E Cortes: Mr Speaker, and I provided a schedule giving that information. He did not say, ‘How much are you going to be spending in the next year, two years or three years?’ I have provided the
1535 information as asked and, Mr Speaker, I am not going to be tempted into mentioning a question of the guaranteed increases in electricity prices.

Hon. D A Feetham: Well, Mr Speaker, turning to the question of LNG, away from the question of costs, where clearly we are not going to be agreeing on anything, but on the question of LNG and on the
1540 question of experts, the HSE, or the HSL from the United Kingdom, one of the Government’s communiques that was issued was that they had been first contacted in June 2013 and that they came to Gibraltar for a site visit in January 2014.

Can he therefore confirm that the HSE was not involved in providing any kind of report to the Government prior to the decision taken by the Government to locate the power station at the North Mole
1545 which was a decision that was taken in 2012, because it was announced very early on in 2012?

Hon. Dr J E Cortes: Mr Speaker, the decision to locate the power station at the North Mole and the decision to use LNG as the preferred source of fuel, are two separate decisions in a process. What I can absolutely and categorically state is that we did not progress into any kind of commitment to LNG without
1550 having had the advice of the experts that we have mentioned.

Hon. D A Feetham: Well, Mr Speaker, what experts are you talking about? Mr Speaker, if the Government in its communique has said that the HSE was first contacted in June of 2013 and that is a matter of record and they came to Gibraltar in January 2014, it is in a communique, you can read it.

1555 On what basis will the HSE be involved in the decision to basically locate a liquid natural gas operated power station at the North Mole? I do not understand the chronology, it does not quite add up.

Hon. Dr J E Cortes: Mr Speaker, I am looking – I am sure I have a copy of that press release and I do recall the dates that were given in the press release, but the Leader of the Opposition must not think that there is nothing that happens between dates.

As I have said actually in my answer, there have been numerous teleconferences and discussions, and in this day and age a lot of work can be done across remotely. There were numerous discussions with information being exchanged in relation to all matters connected with the power station and no decision will have been taken by us, without having had the information that we require in order to make a sensible and responsible decision, Mr Speaker, that is absolutely certain. I have spent many, many years looking after the environment and I am not going to change my principles now, Mr Speaker.

So I cannot find whether it actually says that they were first contacted in June 2013, I was not the Minister responsible at the time, therefore that is not in my memory, but I am fairly certain that if it is that they came over in June 2013, there will have been conversations between the different agencies and those experts before then and certainly, before a decision was taken that LNG was a reasonable source of fuel of energy to consider for our power station.

Hon. D A Feetham: Mr Speaker, it is a matter of record whether the Government has said in communiques that it was in June of 2013 or whether now, in the light of what he is saying, it was not June 2013, it was earlier.

But certainly it struck me that when the Government said June 2013, in fact that appeared to post-date the date on which the Government had already made a firm decision in relation to liquid natural gas in this particular area. I understand that from June 2013 to January of 2014, there may have been many, many conversations on the telephone with the HSE, but the decision to locate liquid natural gas, a dual-fired power station, had already been taken by then.

But, Mr Speaker, is the decision now to move towards bunkering of liquid natural gas? Has that been taken? Because in fact it is not economically viable to have a liquid natural gas power station unless you have sufficiently large storage tanks which would enable a quantity of liquid natural gas for a period of time, for example two months, three months or four months. If you have smaller tanks, then you are going to have either barges having to come into Gibraltar ships having to come into Gibraltar or alternatively tankers through the frontier coming in every two weeks. Was that factored into the equation at the point at which the Government decided to go out to tender with a dual-fired power station?

Hon. Dr J E Cortes: Mr Speaker, in relation to the decision taken, the decision was taken to site the power station in the North Mole and LNG has always been a possibility – even in their day it was a possibility, but the crucial date is when was the notice published asking for potential providers of LNG. Had that been done without the advice from experts, then that could have been questioned. But the fact that we were discussing possibilities, it is the responsibility of the Government to discuss possibilities and look at how we can better what we do for our community. So of course we talk about it, we discuss and we have conversations about it.

But the publication of the notice calling for LNG interest was not, I believe, until February or maybe later in 2014 and therefore clearly after that visit which we have quoted in January 2014.

Mr Speaker, bunkering was not in any of the questions that I have been asked, but I will answer anyway in two words, all the various things that the Leader of the Opposition has postulated, and the two words are: no sir.

Hon. D A Feetham: Well, Mr Speaker, let me read to him a press release of 23rd February 2015. It basically says:

‘On 7th June 2013, the Environmental Agency contacted the Health and Safety Executive (HSE) in the UK on behalf of the Government and entered into a contract with the Health and Safety Laboratory (HSL) – a part of the HSE – to provide consulting services on all aspects of Liquefied Natural Gas.’

Then it says, in January 2014, two representatives came to Gibraltar to assess the sites.

Well look, I am asking Mr Figueras to look at exactly the date at which the Government actually went out to tender for this particular project, because by January 2014, which is presumably the first time – well clearly from the press the first time – HSE came to Gibraltar in order to inspect the site and then report, we were only three or four months away, five months at the most, from the Budget session at which the Chief Minister of Gibraltar announced that Bouygues was the winning tenderer for a dual-fired power station.

In other words, by the time that the HSE came to Gibraltar in January 2014, the Government had already gone out to tender and the Government had already instituted its plans for a dual-fired power station.

Or is the hon. Gentleman telling me, 'We just simply went out to tender for a dual-fired power station, but really it was all subject to the HSE coming over and reporting that it was safe to do so', because that would have entailed an awful lot of expense for an awful lot of companies, tendering for this particular project?

Hon. Dr J E Cortes: Mr Speaker, I have explained already, there is a separate process from the power station and the LNG, and the LNG PIN was published after that visit.

In any case, Mr Speaker, it was never... it is the delivery of how the LNG is delivered to Gibraltar that is the question, not the possibility of using it and we had enough conversations with the different experts. Gibelec had it with Braemer and the Environmental Agency had it with HSL, telling us that it was a viable proposition and here we are.

We are still looking at the detail as I have said amply, and as I said amply last week on the *Viewpoint* debate, we are still looking at the detail but we have done absolutely everything responsibly to make sure that the solution that we deliver for energy in Gibraltar in the future –not just the energy but all the other things we are looking at with renewables and so on – will be an excellent strategic view of delivering energy for Gibraltar.

A Member: Hear, hear. (*Banging on desks*)

Hon. D A Feetham: Mr Speaker, he may be an environmental expert and I recognise that, I do not seek to detract from that, but I have to say that I have been observing people giving evidence and people answering questions for 22 years, and his answers simply do not stack up.

You see, the Government has gone out to tender on a dual-fired power station, and he is now shifting, but on a dual-fired power station. In other words, to use electricity and also gas, before the HSE were contracted and certainly before the HSE provided their report. Now, Mr Speaker, that raises all sorts of questions about the competence of this Government on the handling of this particular issue. Because if you have got a tender –

Mr Speaker: You are debating.

Hon. D A Feetham: But may I –

Mr Speaker: You are making points in support of your argument.

Hon. D A Feetham: Well, may I ask him this question. What report did the Government have in its possession prior to the decision to go out to tender for a dual-fired power station in 2013? What report did it have in its possession and from whom?

Hon. Dr J E Cortes: Mr Speaker, I have to check some of the dates, because as you rightly say, we are now debating, and I have prepared a set of replies and now things are being spuriously thrown up and I have to check dates.

But I can tell you, Mr Speaker, that – and as I said earlier – we have publicly declared the experts that we have consulted. The only expert that I know the Opposition has consulted is Mr Google, or maybe Professor Google. But I have already said that the Gibraltar Electricity Authority contracted Braemer Engineering to carry out a preliminary survey and that was done in 2013. I need to confirm the actual dates but these sort of expert advice are developing as you go in discussions and I have already said there were many teleconferences. You do not actually have to wait to have the report in your hand to know that certain things are possible.

And what we are forgetting, Mr Speaker, is the fact that we really need a power station and that we have responsibly explored all the different options and we want to deliver this as soon as possible. But, Mr Speaker, I can assure you that we would never have taken any decision which was not based on sound advice and certainly the indication from the very beginning was that LNG was a suitable possible source of fuel for Gibraltar. But I do repeat again, Mr Speaker, that a dual-fired power station can run on gas and on diesel.

Hon. D A Feetham: Yes, and look it would not surprise me one jot if eventually this particular power station fires on diesel and not on gas, the way that we are going.

But, Mr Speaker, on 8th May 2013, the Government announced the tender for a dual-fired power station, gas and diesel. It announces the tender, in other words it has made the policy decision to locate a gas-fired power station at the North Mole before it has even contacted and made contact – yes, Mr Speaker – because the Government has been hung by its own petard. That is the press release of 26th February,

which says that they only first contacted the HSE and contracted with them in June 2013 and the report then comes after January 2014.

Does he not think that this is irresponsible? Or look, if he does not think that it is irresponsible – and I really do want to believe that he and the Government have not acted irresponsibly in relation to this – well, I am giving him the opportunity to tell me what experts were engaged and what expert reports were produced – I am not even asking for a copy of those reports – prior to the decision to go out to tender in May 2013.

Mr Speaker, it is a very simple question and the hon. Gentleman is not answering, and people out there are coming rapidly to the conclusion that this Government did not know what it was doing when it first made the decision to locate a liquid natural gas power station in the North Mole. (*Banging on desks*)

Hon. Dr J E Cortes: Mr Speaker, the Government clearly did not know what it was doing is the Government that left power generation in Gibraltar in the horrendous state that they left it in. (**Several Members:** Hear, hear.) (*Banging on desks*) They have absolutely no policy, absolutely no strategy and they were dinosaurs in trying to resolve it.

Mr Speaker, I apologise for debating, but I have to rise to the fact that the Leader of the Opposition has embarked on a debate. But I do not mind taking the Leader of the Opposition on, I assure you, Mr Speaker.

Mr Speaker: What is unfortunate is that this is a very serious matter, that the Minister and the Shadow are able to go to television and debate it there, but not in this House, and I have to safeguard the interests of this institution. That calls for a debate here in the House.

By all means, ask 16 questions because it is important and because there is information to be obtained. But what is now happening is that we have a debate at Question Time, when what we should have is a motion tabled in the House in which not only the Minister and whoever is asking the question can take part, but everybody else, because this is an important matter. I think that hon. Members are letting Parliament down as an institution.

Hon. D A Feetham: Mr Speaker, may I intervene at this stage in relation to that and say to the Hon. Mr Speaker that it is our intention to bring a motion in May about this particular issue. It has been discussed between myself and Mr Netto, but of course at this session we took the decision – one, because we had the Dr Giraldi motion, so we did not want to issue another motion; but secondly, we need answers to these questions before we can properly debate it.

I do not want to be unfair with the Government and if the Government has a report and has received a report from experts prior to the decision to go out to tender, I am asking him to at least identify it. That is a very simple point that no doubt the hon. Gentleman understands very well.

Hon. Dr J E Cortes: Mr Speaker, I have to reply, I believe, to the question that was asked before your intervention. I totally agree, Mr Speaker, I think it is accepted that the invitation to discuss this on television came from GBC, and was not at the Government's initiative or the Opposition's initiative.

Mr Speaker, I have to once again make the distinction between gas storage, which is what seems to be concerning the Leader of the Opposition, and the gas-powered power station. They are two very, very different things and we had plenty of advice from our own experts about the possibilities of generating power using LNG as a fuel source.

It is a very different thing, you can bring LNG to Gibraltar in many different ways and the decision to go with the tender for the power station stood not on how we were going to store it, because that is the subject of a separate process, but on the fact that it was a viable option. And clearly, because a process still had to proceed, there was a dual-fired option, as a responsible Government does in putting different options across.

I am absolutely looking forward to any debate that there might be in this House, because I am absolutely 100% certain that we are a responsible Government and that we have done things in a responsible way and that we will provide the best possible power solution for the future of our community.

A Member: Hear, hear. (*Banging on desks*)

Hon. D A Feetham: Mr Speaker, responsibility that did not include a safety report before the decision to go out to tender for a dual-fired power station – it is obvious from the way that he has answered that question; otherwise he would have provided me with a categorical answer saying there was a report and it was conducted by these particular people, but he has not and I have given him plenty of opportunities for him to do so.

But does he not recognise, Mr Speaker, the inherent flaw in his argument? It is this: that if you are going to have a dual-fired power station at the North Mole, it is obvious to anybody – it does not have to be an

1735 expert – that there would have to be storage of liquid natural gas. Now, that storage may well be small storage facilities for two weeks – which I believe no doubt is what the Government originally intended but we will leave that to one side – or larger storage facilities that will provide larger quantities and more liquid natural gas for a longer period of time, which is what the Government is opting for now.

1740 But the fact that you would have had storage of liquid natural gas in the vicinity of the power station must be obvious to him, as indeed it must be obvious to any lay person, because a power station operated by liquid natural gas requires as a minimum an installation, storing the gas. It does not produce gas – well unless he tells me and I have to say, I will apologise to him profusely – unless he tells me that this power station produces its own liquid natural gas.

1745 **Hon. Dr J E Cortes:** Well, Mr Speaker, I am not going to shock him into suggesting that it will.

Mr Speaker, it must be recalled that at the time – I do not have the information at hand because at the time I was not the Minister responsible, therefore I have relied on being briefed. But I can assure the Opposition that discussions with people who know about liquid natural gas had been taking place from a very, very early stage, regardless of whether a date on a report is a particular date.

1750 We have been considering the implications and the benefits of liquid natural gas from a very, very early stage. I do not have exact dates or all the details because I was not the Minister responsible at the time. But as you yourself have said, Mr Speaker, when we come to debate, clearly we will have the opportunity of having all the information present.

1755 I think the most important thing to bear in mind is that we will not do anything that will endanger our community and that the Opposition is just resorting to a pointless... well, not pointless, (**Hon. Miss S J Sacramento:** Scaring.) but irresponsible scaremongering.

Hon. D A Feetham: Mr Speaker, nobody on the Opposition side is resorting to pointless scaremongering. (**A Member:** No.) No, not at all. (*Interjections*) Not at all – we want to ensure that the Government has done its homework before locating what is a hazard. The risk may be low and I accept that one in 10,000 is a low risk, but actually it is about consequence, Mr Speaker. Because I may take a risk every day of my life and people up and down Gibraltar take risks every day of their lives, but if you tell the residents of the land reclamation that on a credible scenario, however low the risk, it will cause hundreds of lives or – (*Interjection*) hang on a minute! – (*Interjections*)

1765 **Mr Speaker:** Order! I must call hon. Members to order.

This is not seeking information; this is expressing views about the dangers of liquid natural gas. That is a matter for debate. It is also a matter for specific questions, but not to express views.

1770 **Hon. D A Feetham:** Mr Speaker, I apologise and in fact on this particular occasion, Mr Speaker is right. We were descending into the realms of a debate and my apologies.

1775 But Mr Speaker, turning to the Government's prospective plans and the Government's prospective policy in relation to liquid natural gas, is what the Government is considering effectively installation tanks of about – hang on a minute – 12,000 cubic metres, which will provide the Government with roughly, for this particular power station, which I believe I have done the calculations and I have consulted our own expert in relation to this, which will roughly consume about 5,000 to 6,000 cubic metres per month?

1780 Is the Government's intention for these storage facilities to be about 12,000 cubic metres, which if they are refilled on a monthly basis, it will allow at any given time for there to be enough for the month for the power station with another 5,000 to 6,000 or 7,000 cubic metres for bunkering purposes.

Hon. Dr J E Cortes: Mr Speaker that is pure speculation.

1785 We are in the process of receiving proposals and therefore we are not only not in a position to state what those proposals are, we do not even know what those proposals are. So that question is purely speculative. We are awaiting proposals from potential suppliers of LNG and then they will be assessed in detail by health and safety experts and then we will make a decision – and as we have said, we will share that publicly.

1790 But at this point in time, he is well ahead of the time when we are able to provide that information. It is pure speculation. We do not have the plans. The plans are not ours. We are waiting for the providers to come up with their plans.

Hon. D A Feetham: Well, Mr Speaker, that is a very strange answer, I have to say. The Government of Gibraltar has the duty of care to Gibraltarians and is he telling me that he does not even know...? Bearing in mind that we are already four years, three and a half years into their term in office and this power station has not got off the ground, is he telling me that they still do not even know what the size of the installations are going to be for the supply of gas to the power station, because that is going to be determined not by any

policy decision of the Government, but by commercial decisions by commercial operators who will be making proposals to the Government? That appears to be what he has just said.

1800 **Hon. Dr J E Cortes:** Mr Speaker, I am not talking about commercial decisions! We put out a PIN. We have a number of companies who want to come to Gibraltar to provide this facility. We are awaiting their recommendations. We have to await their recommendations. I am not a designer of LNG storage – I do not know, the Leader of the Opposition might well be. We are waiting to see what recommendations they come up with as to what is viable or not viable and then they will have to adhere, under COMAH Regulations, very strictly to any HSE conditions that there may be, but we are not designers of LNG installations. We certainly are not, and therefore we have to await to see what the specific combinations, locations, size of tanks and regularity of filling is going to be.

1810 **Hon. D A Feetham:** Yes, but Mr Speaker, does he not recognise in what he is saying that effectively the decision as to the size of these particular installations is being left entirely to the private sector? (**Hon. Dr J E Cortes:** No!) Of course, because the Government is not...! What he is telling me is, *at best*, 'I have absolutely no clue whatsoever what the size of these liquid natural gas installations are going to be, because really we are waiting for proposals from the commercial sector.'

1815 These are the people that are going to be building it, the ones that are proposing to do liquid natural gas bunkering. Does he not accept that is a wholly unacceptable answer to be giving to this Parliament on something as important as liquid natural gas, with the potential consequences that it has?

Mr Speaker: The Hon. Minister can answer the question and I am not allowing any more supplementaries on the question of liquid natural gas.

1820 Well, I will allow Mr Netto because he does have a number of questions on the agenda, but he must not cover the same ground as the Leader of the Opposition. Is that clear?

1825 **Hon. Dr J E Cortes:** Mr Speaker, if the Government now came up with its own design for liquid natural gas storage, the Opposition could very, very clearly criticise us for having done it without the advice of experts. Now that I am saying that we are waiting for the experts in the industry to provide us with those plans, he is criticising us for doing exactly what he would have wanted us to do.

Mr Speaker, it makes absolutely no sense.

1830 **Hon. D A Feetham:** Mr Speaker, may I just, in relation to the experts, can you clarify that the experts that you are talking about – the three experts in relation to the three sites – are experts that are engaged by the commercial operators, are being paid for, not by the Government but by the commercial operators that are going to be making the proposals to the Government?

1835 **Hon. Dr J E Cortes:** Mr Speaker, what I am saying is that companies – and one has been named publicly, so I can name it again – Shell, of course they have their commercial interest, but they also have the expertise in designing and running these sorts of installations. Therefore, we are awaiting their proposals of a number of these, and then we will assess with the advice of our experts, which are the most viable ones. That is a responsible way of doing it – not me going with a sketch pad and Google Earth, and designing a gas cylinder.

1840 **Mr Speaker:** Mr Netto.

Hon. J J Netto: Yes, Mr Speaker, thank you very much. I do have a number of supplementary questions and taking your lead, I will try and avoid a repetition of some of the issues which have been raised so far in here.

1845 In relation to my first supplementary question – and I will direct the Question No. which is 203 by my hon. Friend, Mrs Ellul-Hammond – it is in relation to the question of whether the Government is satisfied that the Fire and Rescue Service are equipped and certified to deal with an LNG accident. The answer provided by the hon. Member opposite said, '*should it be necessary*, the Government will then provide additional sources and training.'

1850 Now to me, I would have thought that by now, given the time that the Government has been considering all these issues and taking decisions and tenders and implementing policies as they have gone along, that there would have been a requirement at least by the City Fire Brigade to analyse what the risk entails. And anyone who has knowledge on firefighting will know that there is a clear distinction in the way that the resources and training need to be taken into account between firefighting say an LNG storage tank and the difference between a diesel tank.

1855

So can I ask the Hon. Minister whether the Government or the Government advisers or indeed the City Fire Brigade has raised these questions with the Government and whether the Government is in the process of establishing whether extra resources and training is required, arising from the decision of the Government to go ahead with the dual-fired power station and LNG storage tanks?

1860

Hon. Dr J E Cortes: Mr Speaker, the Gibraltar Fire and Rescue Service, as we know they are now called, has been involved in discussions and continue to be involved in discussions and will continue to be involved in discussions, to ensure that any additional resources and training that may or may not be required, is available. That is what I said in my answer and that is what I can confirm now. But they have been and are involved in these discussions.

1865

Hon. J J Netto: I am grateful to know that they are involved in these discussions but that is not my supplementary question. If I could be more focused perhaps on this issue: has the City Fire Brigade, in those discussions that the Minister has just said, have they raised the issue that they would need extra resources and training arising from the decision of the Government to proceed with their policies?

1870

Hon. Dr J E Cortes: Mr Speaker, I am not aware whether the Fire and Rescue Service has requested anything specifically, because I am not the Minister responsible for that service, nor was I the Minister responsible for energy at the start of this process.

1875

Clearly, should there be any necessary resources, and it all depends on the detail, they will be provided and as I say, they continue to be involved in the discussions. Clearly, if they are involved in the discussions and if they have any questions or concerns, they would have raised them. That goes without saying.

Hon. D A Feetham: Mr Speaker, the reason why we are asking this question is because we know, we are being informed, that in fact firefighting in relation to an LNG accident requires different equipment, different boats, a different way of fighting fires in relation to an accident with LNG than another type of fire accident.

1880

In those circumstances, one would have expected that the Government would have at least had a project in mind or a timeframe in mind, a road map in mind, of making sure that the City Fire Service had all the resources in place and had all the necessary training in order to deal with any kind of accident with LNG. I think that is really... What steps are the Government taking?

1885

Obviously I understand that he has not been in meetings, but it is a very, very obvious question arising from LNG bunkering in Gibraltar.

Minister for Education and Justice & International Exchange of Information (Hon. G H Licudi): Mr Speaker, as Minister responsible for the Fire Service, I will deal with that particular supplementary.

1890

I have only taken over this portfolio quite recently and I have not been directly involved in the LNG project and I have not had the specific discussions yet with the Fire Service.

But I can tell him this: whenever a new facility is set up, whenever a new initiative is introduced by the Government which has implications for example in relation to firefighting, clearly those responsible at that end, at management level of the Fire Service will be involved, their issues will be taken into account and in particular any necessary requirements, as my hon. colleague has already mentioned, any necessary requirements specifically in relation to training, which is the point that the hon. Member has made, will clearly be taken into account, and will be addressed and will be provided as necessary.

1895

The hon. Member may or may not know, because I have made public comments in relation to this issue, that we are looking at training facilities in particular and the provision of very specific training facilities for the Fire Service, the expansion of the training facilities that are available. That is something that we are not just actively looking at, but planning and finalising plans to actually put it in place.

1900

Clearly part of those training facilities will include looking at the needs of Gibraltar and to the extent that this is going to be a future need, we will address that future need before anything happens on the ground in that the training that will be required will be provided. We will bring over the necessary experts, we will send people to the necessary courses and we are fully committed to having a fully resourced and fully trained Gibraltar Fire and Rescue Service which will be able to cope with any particular incident.

1905

Given that this is a new facility and a new installation for Gibraltar, clearly one of the priorities will be to get the Gibraltar Fire Service not just involved, but fully kitted and fully trained in this matter.

1910

Hon. D A Feetham: Mr Speaker, I quite understand that but it actually, the training aspects of this is just one part of the equation; it is the resources as well. There are going to have to be pretty advanced resources for the Fire Brigade to be able to deal with an accident relating to LNG.

1915

And let me tell the hon. Gentleman that in certain parts of the United States, certainly, where there are specific routes that LNG tankers can travel – they cannot travel outside those specific routes – all fire

brigades on those routes have got to be certified that they have the equipment necessary, and the training, in order to be able to deal with those accidents because you are talking about some pretty specialised equipment.

1920 And it is a question that no doubt – and it is an evolving situation, I accept that – but it is a question that no doubt we will continue to ask further down the line, as to the preparedness of the Fire Brigade in relation to a possible LNG accident in the future.

1925 **Hon. G H Licudi:** Mr Speaker, I can say to the hon. Member that there will be that level of preparedness, there will be the level of training that is required and whatever is advised by the experts that the Government consults in relation to this particular issue will be addressed.

The hon. Member may not know but I actually had a team sent off to the United Kingdom very recently specifically to look at training requirements and to look at training facilities to see what it is that we need to build in to our final plans that we are producing in Gibraltar for the training in order for the Gibraltar Fire and Rescue Service to be fully equipped, fully trained and fully able to deal with any incident of this and other issues.

1930 Because what we are looking at is risk assessment throughout the course of Gibraltar – not just in this particular area, but risk assessment throughout the whole of Gibraltar. How it affects legislation, for example, is an issue that has been looked at. The building rules which provide for fire safety and fire prevention issues: that is being addressed and being looked at. I already have proposals in relation to a risk management plan which will include clearly this area and which is obviously being looked at by the Government.

1940 **Hon. J J Netto:** Mr Speaker, before I go into other supplementary questions on some of the other questions that are still remaining on this particular issue, both Ministers' contribution so far to my first supplementary question was basically to say, 'Well if, perhaps, maybe, we will develop it further.' But my question in relation to question 204 is quite clear: I am asking a question to the Government regardless of the fact that perhaps the Minister of the Environment or the new Minister for the Fire Service are new today within the subject of firefighting and risk analysis.

1945 So my question to the Government is if there has been any advisers on LNG in relation to the power station and the LNG facilities and if they could provide all the assessments and reports to Parliament. All I want is a clear answer as to whether the Government – either the Ministers who are now the Ministers or were before – can tell me in relation to LNG and the power station whether there have been any reports from any advisers and if so, can they provide a copy to Parliament?

1950 **Hon. G H Licudi:** Mr Speaker, I know that this is a matter that primarily my hon. colleague has been dealing with and he will address the substance of that particular question because he has been more involved in meetings in relation to LNG generally and the power station generally, than I have –

1955 **Hon. J J Netto:** I am referring to the Fire Service.

Hon. G H Licudi: Yes, he is referring to the Fire Service and the hon. Member has confirmed that the Fire Service has been involved in meetings and providing input into this.

1960 But let me just address the preface to the hon. Member because the hon. Member started his supplementary by saying that the contributions of Members on this side have been on the basis of ifs, buts and maybes. There are no ifs, there are no buts and there are no maybes. Whatever needs to be done to make sure, and I have made it absolutely clear, to make sure that the Gibraltar Fire Service is fully kitted and fully trained to deal with any incident, that will be done in advance and as part of the plans that we are proposing. No ifs, no buts and certainly no maybes.

1965 **Hon. J J Netto:** But, Mr Speaker, that does not answer my supplementary question. My supplementary question in 204 in relation to firefighting is, and I will repeat it again, whether the Government – not a particular Minister, the Government – has any advice in relation to the Gibraltar Fire and Rescue Service in terms of dealing with an accident of the new power station and the LNG facilities and if they have had, then can they provide a report to Parliament? (*Interjection*)

1970 **Hon. Dr J E Cortes:** Mr Speaker, again, there are two different issues here. One is the power station which is currently going through its final design stages and its EIA and so on where these things will be addressed. The other one is the LNG installation which will go through a similar process once it has been decided which type of installation it is.

You cannot have a generic plan for something so specific. Therefore we have to await the details before these plans can be developed. But, as my hon. Friend has said, regardless of what the specific plans are, we will be ready and we will be resourced and if there is anything we need to do, it will be done.

1980 **Hon. J J Netto:** So therefore they are saying there has been no report whatsoever by any advisers in relation to the Fire Service.

1985 **Hon. Dr J E Cortes:** Mr Speaker, you can only have a specific report when you have a specific detail. We are going through a process; we are not at the end of the process. The contractor for the power station is now going through – and I said it in my reply – all the different processes and assessments and the EIA which will look at all these different things and then the LNG plant, whichever model we decide to go with, will go through a similar process. The reports will come then. You cannot have a report about something that has not yet happened, Mr Speaker.

1990 This obsession with reports while you are still in the process, I just do not understand it! We hear it time and time again.

Hon. J J Netto: Mr Speaker, therefore the answer is no, so I will move on to my next question. *(Laughter)*

1995 In relation to the answer to Question 204 the Minister said any specific emergency and fire requirement will be detailed on the on and off-site plan under COMAH.

Now my understanding – and I have not got the legislation in front of me is that this has to be made open to the public so that the public is made aware of the particular plan. How does the Government envisage doing this particular task?

2000 **Hon. Dr J E Cortes:** Mr Speaker, we have already committed to when we have the specific reports on the specific projects, then we will make them public. Make them public means make them public. It could be on a website – we will wait and see what the information is and what is the best way, but we are committed and I think we said this clearly in a press release last week or the week before that we will make it public when there is something specific to be made public.

2005 **Hon. D A Feetham:** Mr Speaker –

Mr Speaker: Mr Netto.

2010 **Hon. D A Feetham:** Sorry –

Mr Speaker: Mr Netto is still asking supplementaries.

2015 **Hon. D A Feetham:** Yes, I know but I am –

Mr Speaker: I think –

Hon. D A Feetham: Well, it is up to this side of the House whether Mr Netto gives way, and I think that he is giving way in relation to this particular supplementary question. *(Interjections)*

2020 Mr Speaker, *(Laughter)* the COMAH Regulations – is he aware of the fact that in relation to these COMAH regulations, they are very, very onerous for large installations and there is, as I understand it, a threshold of 12,000 cubic metres, above which certain regulations which are very onerous will bite and below 12,000 cubic metres the regulations are less onerous? Is he aware of that?

2025 **Hon. Dr J E Cortes:** Mr Speaker, I have not studied the detail of the COMAH Regulations. I do not know whether the relevance as to whether I am or I am not aware of that is, because I am not the competent authority. I think I am very competent, but I am not the competent authority and therefore it is the competent authority that has to be aware of those regulations and advise me, and help me to work with the Government in taking these decisions.

2030 **Hon. J J Netto:** Mr Speaker, in formulating my next supplementary question, I have got to be careful not to re-ignite some of the questions and answers already given recently, so I need to focus this very specifically.

2035 In relation to part of the answer given to Questions 205 and 207, on 205 the Government and the Minister said in relation to the storage of fuel that the fuel will not be stored at the site. That was part of the

answer given to 205 and in Question 207 in relation to the supply of quantities of LNG, the second paragraph started off by saying the preferred option was through an LNG carrier.

Now, in order not to cover the ground that we have already done, can I ask the Hon. Minister whether the Government is conceiving the idea of having a... whether they call it a super tank or a mother tank, or whatever they call it – basically an LNG super tank anchored outside in the Bay of Gibraltar as the refuelling bunkering facilities to the storage tanks wherever they are sited? Is that the Government thinking over this?

Hon. Dr J E Cortes: Mr Speaker, I do not know how many times I have said this. We are awaiting the recommendations of the entities that are going to be making proposals to provide LNG to Gibraltar. Therefore, until we have those recommendations and we have studied them, I cannot answer that question.

I repeat, these questions are actually quite premature in the process.

Hon. J J Netto: Mr Speaker, while I acknowledge what the Minister has said, that does not stop the fact that the Government has taken a decision that the storage tank will be of a limited size. That has already been factored into the answers being given by the Ministers this morning and in a previous session before.

So we know that as far as Government policy is concerned, so the next step is basically the options available to continue to refill those storage tanks, given that the size is going to be small. So it is not unreasonable to ask the Government what those options are.

Hon. Dr J E Cortes: Mr Speaker, this is all pure speculation. I do not know how many times I have to say it, it is all pure speculation.

Mr Speaker, it is all pure speculation. I cannot answer the detail of proposals that have not yet come my way.

Hon. J J Netto: Well obviously, he has not got a clue on the answer –

Hon. Dr J E Cortes: Mr Speaker – ! (*Interjections*)

Hon. J J Netto: Well you will get a chance –

Mr Speaker: Was that a remark from Mr Netto? (**Hon. Dr J E Cortes:** Yes!) What was the remark?

Hon. Dr J E Cortes: He said I clearly do not have a clue. (*Interjections*)

Hon. J J Netto: Moving on, Mr Speaker, to my other supplementary question and that is in relation to the answer given in relation to Question 2012 and the answer –

Mr Speaker: Not 2012 – Question 212.

Hon. J J Netto: Sorry, Question 212. No report on potential terrorism has so far been requested. This is an issue for which the Hon. Minister, Mr Linares only 10 minutes ago from his sedentary position said, this is scaremongering.

Now the reason why I raise this is because – perhaps Mr Linares is not aware – of the fact that there is a difference in legislation between the USA, the way they actually look at the potential risks, which does include terrorist attack because of the fact they have experienced that and the difference between the EU Directive – the EU Seveso Directive – which does not necessarily take them into account.

But the fact that we do know that the reality of such a terrorist attack is a very feasible idea, because we do know that there are sleeping terrorist cells both in Ceuta, Spain and Morocco, that means that we could have a terrorist attack on any future LNG facilities, whether Mr Linares knows it or not. So it is conceivable and realistic to ask the particular question.

So can I ask the Minister whether in those analyses, they will go the extra mile in relation to the standards adopted by the US in relation to incorporating those prescriptive scenarios which are likely to emerge from a terrorist attack or whether the Government is of the view that such a thing is not going to happen in Gibraltar because terrorism around in the Iberian Peninsula or in North Africa does not happen?

Mr Speaker: No, the answer, the Minister did not say that they do not think that it can happen. The answer is no report on potential terrorism has *so far* been requested. There is no indication in that answer whether the Government thinks that it may or not happen.

2095 I would think that we are all here subject to terrorist activity, or aren't we? (*Laughter*) Do they not think, do Members not think that someone could come in here with a gun? Is it out of the question in the world in which we live? Because if we think that we are, then we are barking up the wrong tree, I think.

2100 **Hon. D A Feetham:** Mr Speaker, I think that is the precise point that the hon. Gentleman is making. Of course, it is possible in the world that we live in to have a terrorist attack.

The difference between this and the scenario that he is talking about is of course, that if there is a terrorist attack here, well Gibraltar loses – except for the Chief Minister who is not here – all the Parliamentarians and the Hon. Backbencher – loses the entire Parliament.

2105 But of course if something goes wrong with a liquid natural gas installation, it has got wider consequences for the community.

I think that is what he is saying, although I have to say – I make this point – that normally with these types of reports, unless it is specifically –

2110 **Hon. G H Licudi:** Point of Order.

Mr Speaker: What is your Point of Order?

Hon. G H Licudi: Mr Speaker, there has been a supplementary asked by the Hon. Mr. Netto.

2115 **Mr Speaker:** Yes, I interrupted it myself. He has not answered it. Perhaps the Hon. Minister should answer it and then (*Interjection by the Hon D A Feetham*) the Leader of the Opposition.

Hon. G H Licudi: I am happy to give way in a moment to the Hon. the Leader of the Opposition –

2120 **Mr Speaker:** We do not know who is giving way to whom now. I think we had better come back to Mr Cortes –

Hon. Dr J E Cortes: I am happy to rise and give way to Mr Licudi.

2125 **Hon. G H Licudi:** I am dealing with the point made by the Hon. Mr Netto, and I rise as Minister for Justice.

Certainly we should not be flippant with these things and refer to, 'Well, if there is an attack here then all Parliamentarians might die and that is a different kettle of fish to an attack on an LNG facility.' We have to treat these matters with the seriousness that they deserve.

2130 I am very concerned about the use of language used by the Hon. Mr Netto when he says that a terrorist attack in Gibraltar is *feasible*. Those were the words that he used and that is very, very concerning. I am sure that the Hon. the Leader of the Opposition, as former Minister for Justice, would also be concerned with any suggestion that that is the case.

2135 We are all aware of the risks. We are all aware of the realities of the world that we live in and we all share all of those concerns and we have to be as prepared as we possibly can be in Gibraltar, through intelligence, through actions, through co-operation, through international agreements. We have to be as prepared and as ready, not just to meet the consequences of an attack but to prevent, and that is the effort that is being made.

2140 I would certainly ask the hon. Member to withdraw the use of that word because whatever the risks might be, certainly we do not want to give the impression that it is *feasible* for terrorists to come to Gibraltar. It certainly is not feasible. We are as prepared as we certainly can be to face any possibility of an attack as anybody else might be.

2145 And can I just say, this contribution is not meant in a partisan or party political way. I am *absolutely* sure that in this particular area, we are all singing from the same hymn sheet and we are all aware of those risks and we want to be sure that those risks are minimised as much as possible, as indeed is every other government in the world that takes these matters as seriously as we do.

Hon. J J Netto: Well, Mr Speaker, I am quite happy to reformulate that particular comment in the terms that we need to be as prepared as necessary in the circumstances. I have no problem with that.

2150 Perhaps the way I elaborated the point was to make sure that it can happen. The reality is that it can happen. Whether it is feasible or not is a different issue, but it certainly can happen and we live in a world today where we all see through the news that there are constantly people being arrested in Ceuta, people being arrested in Morocco, people being arrested in Spain, who are certainly engaged. It is a matter of concern and this is the reason why I am raising the original question which is to say are we looking into that.

2155

Now fine, going back to Mr Speaker, where he did say that the original answer to the question has been that such reports have so far not been requested. Can I therefore reformulate my original supplementary question to ask whether it is the intention of the Government to actually look at this matter and perhaps see the consequences of this?

Hon. G H Licudi: Yes, Mr Speaker, of course. To the extent that we have any facility that is exposed to any risk. All angles will be considered and to the extent that the risk that the hon. Member has alluded to, is a risk that is a reality in the world and everybody has to take action to minimise the risk, to deflect the possibility of attacks that is something that we all have to work towards.

I would urge the hon. Member not to try and engage in a party political way in this sort of area because this is something that the whole Parliament, the whole of Gibraltar – in fact the whole of the democratic world – take very seriously in terms of making sure to the fullest extent possible, that every single jurisdiction – and it is certainly in our case, the one that we are responsible for – is as prepared as possible for the possibility of any attack, we anticipate any possibility of an attack and we take steps to be fully trained and fully prepared and to prevent any such attack as necessary.

So yes, the answer is we will take all necessary measures and all the necessary agencies that need to be involved in assessing risk. I mentioned risk earlier in the context of fire prevention risk and certain things that we are doing, but when you talk of risk at a much wider level, then *certainly* all risks will be taken into account and all relevant agencies will be involved in looking at that risk and minimising the risk.

Mr Speaker: Next question.

Q220/2015
Solar panel installation –
Contracted companies and individuals

Clerk: Question 220, the Hon. D A Feetham.

Hon. D A Feetham: Mr Speaker, can the Government please provide a list of companies or individuals who have the benefit of contracts with either the Government, a Government-owned company, Government Authority or Agency for which the Government is accountable, for the installation of solar panels in Gibraltar?

Clerk: Answer, the Hon. the Minister for Health, the Environment, Energy and Climate Change.

Minister for Health, the Environment, Energy and Climate Change (Hon. Dr J E Cortes): Mr Speaker, no individuals have contracts with either the Government or a Government-owned company, Government Authority or Agency for the installation of solar panels.

Two companies have signed contracts for the installation of solar panels. These are Helios and Green Resources Investments Ltd. Other proposals are currently being considered.

Hon. D A Feetham: Mr Speaker, does the hon. Gentleman have the information as to what contracts have been awarded in relation to what areas to Helios and Green Resources?

Hon. Dr J E Cortes: Mr Speaker, Helios was awarded the tender for Tangier Views and also to install the system at the Tercentenary Sports Hall.

Green Resources Investments Ltd installed the system at the swimming pool and have a power purchase agreement with the GEA. They have also been awarded the tender for the installation of a solar thermal photovoltaic system at the Gibraltar Health Authority.

Hon. D A Feetham: Mr Speaker, does he have the values in terms of these contracts at all with him?

Hon. Dr J E Cortes: No, Mr Speaker, but I am happy to share them with him.

Hon. S M Figueras: Mr Speaker, could the Hon. Minister provide some more details about the power purchase agreements that they have got with the GEA and how that actually works in practice?

Hon. Dr J E Cortes: Mr Speaker, it does not work yet because it has not yet commenced. The power purchase agreement is similar to what we are doing with the company that we signed an MOU with – I am

not sure whether we actually signed the PPA with them as well to do with the wave power – and that is that they install at their cost and then we purchase the power off them.

So that is the detail. Any more details as to costs and so on, as I say, I do not have them with me but that is the principle of it.

2215

Hon. S M Figueras: Yes, just one other supplementary to understand how it is working in practice now, not the power purchase arrangement which I understand from the Minister is not yet working, but is the power being generated by these installations already being taken advantage of in the specific context of their installation?

2220

Hon. Dr J E Cortes: My information – and I think I have shared this before in Parliament, I do not have the details here but I have said it before – I believe that at least the one in the swimming pool has on occasions produced surplus energy to the one required there and it has been fed into the grid.

TOURISM, EQUALITY, SOCIAL SERVICES AND HOUSING

Q221/2015

Disability Action Plan – Update

2225 **Clerk:** Question 221, the Hon. Mrs I M Ellul-Hammond.

Hon. Mrs I M Ellul-Hammond: Mr Speaker, can the Minister for Social Services say at what stage the Disability Action Plan is at as outlined in the Government's manifesto?

2230 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, the Disability Action Plan is at an advanced stage.

2235 **Hon. J J Netto:** Mr Speaker, I do recall that that is almost word for word what the hon. Lady said to me almost two years ago. What has happened since I asked the original question two years ago?

2240 **Hon. Miss S J Sacramento:** Mr Speaker, it is an ongoing matter. Disability Action Plans are working documents for a five-to-ten-year period. It is a complex working document. It is a massive project. Remember that it is something that we are starting from scratch. The hon. Gentleman opposite may have asked me about this two years ago. It is a shame that prior to two years ago when it was his responsibility, it did not occur to him to do anything about it. (**A Member:** Hear, hear.) (*Banging on desks*) It surprises me that he feels so strongly about it now. But in any event, it is being done, Mr Speaker.

2245 But the thing is, although the plan itself is not a plan that has been published, as we work on it we do develop the strategies that will form part of the plan. The irony is that the more things that we do, the more things that we realise that we can then do. It is like a web, Mr Speaker. The more initiatives that we have, the more further initiatives that flow from that.

2250 But again, as I said before, it is a massive project. A lot of research and preparation has already gone into it and it is a manifesto commitment that is not timed, Mr Speaker, but will be delivered in the term of this Parliament.

Hon. J J Netto: Mr Speaker, leaving sarcasm to one side, I think that the hon. the Party opposite did have a manifesto commitment, particularly to the Disability Society in general, that they would implement this particular measure within a year of being in Government.

2255 Now, I asked the question three years ago as she rightly reminded me, and the answer was then, that soon, it will be done soon. Now, all the answer she is giving me now is that this is work in progress, but surely there must be a point in time where she has to meet the commitment given to the Disability Society.

2260 **Hon. Miss S J Sacramento:** Mr Speaker, the supplementary question that I am being asked now has nothing to do with the Disability Action Plan. It relates to a different question on a different matter – in the field of disability, but he is asking me on something else, Mr Speaker.

In any event, Mr Speaker, as I said before, because an actual document has not been published does not mean that the work in progress is not happening.

2265 But what I can say, Mr Speaker, is that for 16 years there was nothing – no document, no work in progress. (*Banging on desks*) So perhaps we can leave it at that.

Mr Speaker: Next question.

2270

Q222/2015
Sheltered Employment –
Companies involved

Clerk: Question 222, the Hon. Mrs I M Ellul-Hammond.

2275 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Social Services say why only one company is part of their ‘Sheltered Employment’ programme for disabled persons, as outlined in the Government’s manifesto, and what is being done to fulfil the commitment to:

‘Develop sheltered employment for disabled members of the community and support for disabled people to provide outsourced services to companies.’?

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2280 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, Question 121 referred to the employment of service users at St Bernadette’s and Dr Giraldi only, and not generally to people who are employed under the sheltered employment scheme. It is a different question to what it is now.

However, there are seven other companies or associations engaged in providing voluntary placements to service users of St Bernadette’s and Dr Giraldi Home.

2285 In relation to the second part of the question, as Parliament has already been informed, in accordance with the Government’s manifesto commitment, Supported Employment Company Limited was created in February 2012 and its employees include people who were previously on the VTS Scheme. The difference is that those previously on VTS received a training allowance between £300 and £450, but these are now in employment in this company with indefinite contracts, earning a salary, as well as contributing to Social Security which in turn gives them an opportunity to receive an old age pension.

2290

Q223/2015
Dr Giraldi Home –
Respite beds

Clerk: Question 223, the Hon. Mrs I M Ellul-Hammond.

2295 **Hon. Mrs I M Ellul-Hammond:** Mr Speaker, can the Minister for Social Services say how many respite beds are available at the Dr Giraldi Home for disabled persons?

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2300 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, there are five.

Hon. Mrs I M Ellul-Hammond: Mr Speaker, can the Hon. Minister say if there are plans to increase the number of respite beds?

2305 **Hon. Miss S J Sacramento:** Mr Speaker, the service as a whole is something that is continually looked at and different methods of expanding how the service is offered is being given consideration. So the answer is yes.

Q224 & 226/2015
Government rental properties –
Expenditure on refurbishment and repair

Clerk: Question 224, the Hon. E J Reyes.

2310

Hon. E J Reyes: Mr Speaker, further to the answer provided to Question 111/2015, can the Minister for Housing now provide details pertaining to the type/nature of repair works undertaken by the two companies listed?

2315

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, I will answer this question together with Question 226.

2320

Clerk: Question 226, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing provide details in respect of all expenditure incurred since the answer to Question 111/2015 in respect of contracts awarded for making empty homes suitable for re-allocation, stating to whom payments were made, how much has been paid, the number of residential homes pertaining to each payment, as well as indicating the type/nature of repair works or cleaning services undertaken?

2325

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2330

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, in answer to Question 224, further to the answer provided to Question 111 the nature of the repairs undertaken were general refurbishment works which include painting and plastering.

In answer to Question 226, the information for the month of February 2015 is as follows: AJEC was paid £9,830 for carrying out general refurbishment works to one property; MC Construction was paid £12,400 for carrying out general refurbishment works to one property; Trotters were paid £10,270 for carrying out general refurbishment works to one property; CRJN was paid £9,874.89 for carrying out general refurbishment works to one property; and that is it, Mr Speaker.

2335

Hon. E J Reyes: Mr Speaker, I do not want to be over pedantic but can the Minister tell me a bit more? When she says 'general refurbishment works', with the example I gave last month, well is it of a plumbing nature, electrical nature? I do not know if she does have something.

2340

We accepted that last month perhaps those who provided her with information had not been paying due attention to that, but Mr Speaker did guide the Minister that she should ask the public servants to provide a bit more guidance on that type of information.

2345

Hon. Miss S J Sacramento: Mr Speaker, I have said that it is for general refurbishment. So if say, for example, within that refurbishment a bathroom is being replaced or a kitchen is being replaced, then naturally there will be plumbing works involved. But they are all sort of general refurbishments, I did say that they include plastering and painting. To be exact, for one of them, for example, there was a replacement of a floor and the replacement of a door and painting a door and replacement of a kitchen worktop.

2350

Mr Speaker. I am happy to go into minute detail in every single property that we refurbish every month but I question whether it is really necessary and whether it is really proportionate if I give the value of the refurbishment works. And I say that it is general refurbishment: is it proportionate to have my officials and public servants having to spend a whole day looking through the whole sort of the minutia of the works order to provide this level of detail, when the actual value of the contract is relatively small, Mr Speaker? Because if we look at it, they are all in the region of £10,000, Mr Speaker.

2355

Hon. E J Reyes: Yes, Mr Speaker. I accept that we do not want to be over pedantic or whatever, but perhaps a general indication, for example if it was because it required electrical installation or just refurbishment to the fabric that could include in very general terms, like the Minister said in answer to Question 224, paint and plastering. That suffices. I do not need to know whether it was the kitchen, the bathroom or not.

2360

2365 Here I am looking as well in cases where if there has been a roof repair, because there are many Government tenants at the moment expressing lots of concerns to the Opposition mainly of big problems with water ingress and so on.

2370 So if in the future the Minister has anything that can guide us more to that then we know whether we are talking about the same cases that are being reported to us or whether those are just separate and still need further actions.

Q225/2015

**Referendum House 'Breakdown Fault'–
Firefighters in attendance**

2375 **Clerk:** Question 225, the Hon. E J Reyes.

Hon. E J Reyes: Further to the answer provided to Written Question W20/2015, can the Minister for Housing explain what is meant by 'Firefighters', which is listed as the 'Breakdown Fault' for Referendum House on 25th January 2015?

2380 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

2385 **Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento):** Mr Speaker, the reference to firefighters means that the attendance of the Fire and Rescue Service was required.

2390 **Hon. E J Reyes:** Yes, Mr Speaker, but the schedule which was provided last month, there was a written question for all the cases under the heading of 'Breakdown Fault'. It says whether a main switch cut or a lift was blocked and so on. This one in respect of the firefighters. What struck my attention was that the report came through on 25th January at 23:42 hours and it was not functional again until 09:53 hours the next morning so it was an 11-hour stretch and so on.

One wonders what happened: had there been unfortunately vandalism? I concur with the Lady in condemning those who seem to get some sort of weird enjoyment out of vandalising the lifts. In other cases, it says there was an electrical fault or whatever.

2395 But if the firefighters had to attend, did they have to attend because the lift had got stuck? They did attend but it got stuck because of... The reaction that one gets is that maybe the firefighters were at fault and had been the cause of the damage to the lift.

2400 **Hon. Miss S J Sacramento:** Mr Speaker, I agree that the word 'firefighters' should not have been in the original schedule as the reason for the breakdown. But that is the way that the schedule was completed and there was a reference to firefighters.

2405 The question on this occasion is what does 'firefighters' mean and the answer to that is that it is a referral that there was an attendance by the Fire and Rescue Service. The reason the Fire and Rescue Service attended was because someone was stuck in the lift. So because it broke down at almost midnight, the Fire Brigade were called to get the people out at midnight.

Hon. E J Reyes: Would the Minister happen to know why a person got stuck in the lift and what caused the breakdown? Was it anything similar to one of the other ones?

2410 **Hon. Miss S J Sacramento:** Yes, Mr Speaker, that is a separate question again. The question is now the cause for the breakdown of the lift and the cause of the breakdown of the lift was a technical fault in the lift. There was a technical fault, someone was stuck and the Fire Brigade were called.

Q227/2015

**Government rental homes –
Weather damage**

Clerk: Question 227, the Hon. E J Reyes.

2415 **Hon. E J Reyes:** Can the Minister for Housing provide full details of the extent of damages, either internal or external, inclusive of locations, caused to rental homes as a result of inclement weather during the ongoing refurbishment works at any housing estate since the answer provided to Question 108/2015 which provided details only up to 9th February 2015?

2420 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, the damage reported due to inclement weather since 9th February has been to clothes-drying screens at Referendum House, Glacis Estate and at Rodney House, Laguna Estate.

2425 **Hon. E J Reyes:** Can I ask, Mr Speaker, is the Minister now satisfied that, with the unfortunate damage caused, appropriate measures have been taken so we try as far as possible to avoid a repetition, should strong winds and so on occur again?

2430 **Hon. Miss S J Sacramento:** Appropriate remedial action was sought immediately, Mr Speaker, so yes.

Hon. E J Reyes: And just for the sake of the record, Mr Speaker, can the Minister then confirm that since 9th February the only sort of damage that has been done has been to the clothes-drying screens, that no other reports, as in previous answers, any other examples – for example, water ingress through the windows, through the roofs, because of refurbishment works, that none of that has occurred luckily since 9th February?

Hon. Miss S J Sacramento: On the basis of information that has been provided to me, Mr Speaker, no.

Q228/2015
Families with disabled persons –
Housing provision

2440 **Clerk:** Question 228, the Hon. Mrs I M Ellul-Hammond.

Hon. Mrs I M Ellul-Hammond: Mr Speaker, can the Minister for Social Services and Housing say, as outlined in the Government's manifesto, how many families with disabled persons have been provided with adequate and affordable housing since January 2012?

2445 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, the answer is 119.

Q229-230/2015
Government rental homes –
Unpaid rents

2450 **Clerk:** Question 229, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing provide details of arrears in respect of unpaid rents pertaining to Government rental homes as at 28th February 2015?

2455 **Clerk:** Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, I will answer this question together with Question 230.

2460 **Clerk:** Question 230, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing provide full details of how much has been written off in respect of unpaid rents pertaining to Government rental homes since the answer provided to Question 110/2015?

2465

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, the total of arrears of unpaid rents as at 28th February 2015 was £5,340,483.59.

2470

In answer to Question 230, no monies have been written off since the answer provided to Question 110/2015 as the exercise in this respect is continuing.

Hon. E J Reyes: Yes thank you, Mr Speaker. But I think I also recall from the last time in respect of how much money had been written off, the Minister was able to say last month that nil, or none had been written off except for those that had, sort of, time had expired or whatever.

2475

Is the Minister aware of how much money will have to be written off because – what is it called – the statutory limitation kicks in?

Hon. Miss S J Sacramento: No, Mr Speaker, because as I have just said, this is an exercise which is continuing.

2480

Q231-232/2015
Tenants urgently decanted –
Expected return home

Clerk: Question 231, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing say when the three tenants listed in answer to Question 112/2015 who required urgent decanting from their homes will be able to return to their own dwellings?

2485

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, I will answer this question together with Question 232.

2490

Clerk: Question 232, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing provide details of how many tenants required urgent decanting from their homes since the answer to Question 112 of 2015, indicating the reason why the date when said decanting became necessary and the date when the tenants were able to return to their homes?

2495

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, in answer to Question 231, further to the answer provided, one tenant has returned to their flat, another is due to return by the second week in April and there is no set date for the other.

2500

In answer to Question 232, since the answer to Question 112, two tenants have required urgent decanting from their homes due to works. The first tenant was decanted on 18th and the other on 27th February. There are as yet no set dates for their return.

2505

Hon. E J Reyes: Sorry, Mr Speaker, in Question 232, I asked there ‘indicating the reason why’, so does the Minister have at least a general idea of the reason why the last set of decanting has been necessary?

2510

Hon. Miss S J Sacramento: Mr Speaker, I did say that it was in relation to works. One is in relation to works required due to water ingress and the other one is because of severe dampness in the flat.

Q233/2015
Government rental homes –
Legal costs of evictions

Clerk: Question 233, the Hon. E J Reyes.

2515

Hon. E J Reyes: Can the Minister for Housing say how much expenditure has been incurred in respect of legal costs relating to the eviction of squatters from Government rental homes since the answer provided to Question 114/2015, providing a breakdown showing the number of homes involved and to whom payments were made?

2520

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, since the answer provided to Question 114/2015, £260 has been paid to Triay & Triay for the eviction of a squatter from one property.

2525

Q234/2015
Government rental homes –
Legal costs of evictions

Clerk: Question 234, the Hon. E J Reyes.

Hon. E J Reyes: Can the Minister for Housing provide pertinent details pertaining to the Government flat which was repossessed in January 2015 and shown in Table H27 on the Housing Ministry's statistics website?

2530

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, a Government tenant needs to be in occupation of the property for 270 days in the year. In this case because the tenant was not, the process of repossession was commenced and a repossession order was obtained by the court.

2535

Q235-236/2015
Mid Harbour Estate –
Garage barriers

Clerk: Question 235, the Hon. E J Reyes.

2540

Hon. E J Reyes: Further to the answer provided to Question 106/2015, can the Minister for Housing inform this House by when the garage barriers at Mid Harbour Estate will be operational on a permanent basis?

2545

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, I will answer this question together with Question 236.

2550

Clerk: Question 236, the Hon. E J Reyes.

Hon. E J Reyes: Further to the answer provided to Question 107/2015, can the Minister for Housing provide updated details in respect of the projected maintenance contract for the garage barriers at Mid Harbour Estate?

2555

Clerk: Answer, the Hon. the Minister for Tourism, Housing, Equality and Social Services.

Minister for Tourism, Housing, Equality and Social Services (Hon. Miss S J Sacramento): Mr Speaker, in answer to Question 235, it is envisaged that the barriers will be operational by the beginning of May 2015.

In answer to Question 236, as previously explained a contract for the services of an electrical contractor to provide maintenance for the new barriers will be entered into once the new system is fully operational.

TRANSPORT, TRAFFIC AND TECHNICAL SERVICES

Q237-238/2015

Big Publications Ltd – Revenue from advertising on buses

Clerk: Question 237, the Hon. S M Figueras.

Hon. S M Figueras: Mr Speaker, can the Minister for Transport now tell the House how much advertising revenue is owing to the Government from Big Publications Ltd for advertising on the buses further to the Government's confirmation that it has received accounts from the company?

Clerk: Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

Minister for Transport, Traffic and Technical Services (Hon. P J Balban): Mr Speaker, I will answer this question together with Question 238.

Clerk: Question 238, the Hon. S M Figueras.

Hon. S M Figueras: Mr Speaker, can the Minister for Transport say what is the total amount of advertising on the back of the buses that the Bus Company has contracted with advertisers since September 2014, broken down on a month by month basis?

Clerk: Answer, the Hon. the Minister for Transport, Traffic and Technical Services.

Minister for Transport, Traffic and Technical Services (Hon. P J Balban): Mr Speaker, I am still not in a position to be able to provide the hon. Gentleman with the information requested, as the detailed examination of the accounts has not yet been considered. I expect to be in a position to give a fuller answer at the next meeting of the Parliament, when I would invite him to ask me again so I can provide further details.

As to Question 238, there was only one advert placed on the back of the buses since September 2014 to date.

Hon. S M Figueras: Mr Speaker, in relation to the answer to the first of the two questions that I have asked together, the Minister has said that the detailed examination of the accounts has not yet been considered. Could he clarify for the House whether a detailed examination has actually been carried out and that the results of that examination have not been considered or that a detailed examination has not yet been conducted?

Hon. P J Balban: Mr Speaker, as far as I have been told, a detailed examination of the accounts received from the company has now been carried out and the report has been presented to the directors of the Gibraltar Bus Company Ltd. The report is now being considered by the directors.

Hon. S M Figueras: I am grateful Mr Speaker. In relation to the second question, the continued advertising on the back of the buses, I have asked it because it has been impossible to miss the fact that the livery on the new red buses does not seem to take into account the possibility of advertising on the back of them.

Is it a policy decision that has been taken by the Government that advertising on the back of the buses is something that will no longer be done on the new fleet of buses?

Hon. P J Balban: Mr Speaker, at present the buses just have the logo of the Ministry for Transport at the back and so in the future we could well allow for advertising but we have not taken a decision yet.

2615 **Hon. S M Figueras:** So is the Minister then saying, Mr Speaker, that the reason why no advertising has been taken on the buses is because they do not have a contractor to administer the sale of the advertising as Big Publications was doing before September? Or is it that there has been no interest in advertising on the buses and therefore none has been contracted beyond the one that he has mentioned?

2620 **Hon. P J Balban:** Mr Speaker, the Government is still taking a decision as to whether they will. There is a possibility that the Government could well sell advertising in the future, it does not necessarily mean that the Government will go down the same route as was done previously which was to have someone to sell the advertising for it, and so all these options are still open.

2625 **Mr. Speaker:** Next question.

Hon. S M Figueras: Sorry, Mr Speaker, just one other supplementary. When the Government conducted the tender for the new contract before they awarded it to Big Publications Limited in 2012, there were other applicants. Has the possibility of those other applicants being approached to administer the contract been taken into account?

2630 If of course it is a matter of the Government developing a new policy position – because it would be a departure from existing policy in terms of having a contractor selling the advertising – if it is in fact the case that the Government needs to develop a policy as to whether they are going to continue with that arrangement or not, is there a timeline for when that decision might be taken?

2635 **Hon. P J Balban:** No, sir.

Hon. S M Figueras: I take it that is in relation to the last part of the question. The first part of the question was whether the possibility of getting in touch with tender applicants for the contract in 2012 has been considered as a possibility in the interim to generate some revenue for the bus company?

2645 **Chief Minister (Hon. F R Picardo):** Mr Speaker, if I can assist, what we are saying is that those possibilities are on the table. But the other possibility which may also be relevant is that the Bus Company may sell its own advertising. Having seen how the advertising has worked under two different contracts, the Government may take the view, may take the view that it is in the Government's interest to see the Bus Company do its own sales of advertising.

But that is not a determination that has yet been made. We need to see what resource that would take up. If it does not take up much of a resource, which appears to be what we are being told, then it may make sense to cut out the middle man and simply sell the advertising direct.

2650 He may have seen that the advertisers seem to be more or less the same advertisers, so it is more or less a case of renewals rather than actually aggressively having to pursue any entity in the market to persuade them to advertise. Therefore if that is the case, it may be that at least initially the Bus Company can benefit from the advertising payment coming in without the need to interpose an agent and that of course would be beneficial.

2655 **Hon. S M Figueras:** I am grateful for the Chief Minister's interjection. And certainly on the point of selling the advertising yes, Mr Speaker, I agree with the observation that they tend to be the same advertisers over and over again.

2660 But I wonder whether perhaps that is just as a result of any kind of lacking in terms of marketing the possibility to other potential advertisers. I would simply urge the Chief Minister to bear that possibility in mind that having a contractor that actually goes out there to sell the advertising, may also be in the interest of the bus company.

2665 The last supplementary would be in relation to this subject and is clearly the resource that we are talking about and I would ask for clarification is the printing resources I suppose and the installation of advertising on the buses and that I trust is something that could probably be sub-contracted. Is that the case, is that something they are contemplating?

2670 **Hon. Chief Minister:** Mr Speaker, we are looking now at the situation with the benefit not just of one contractor but of two contractors, and the other contractor is one of the ones that had applied on this occasion as well, that he is asking us to consider.

2675 So therefore if two contractors have failed to reach out further into the market, given that Gibraltar is a very small market, it is likely that the market is the size that it would appear from the back of the buses it is, and not much larger and waiting to be tapped. That is why it is likely that we may take the decision that the Bus Company can simply be its own agent for the sale of advertising, because there does not seem to be a huge untapped market that a person with talent in promotion of the product, which is i.e. the back end of a

bus, could sell to advertisers, that you know the two entities that have already been trying to do that historically have not been able to achieve.

I know that he sells himself now as a marketing man, rather than as a lawyer and I am quite happy to sit down with him and take his marketing advice on this issue if he thinks he has anything, or perhaps he would like to come and sell advertising for the Bus Company as a more potentially rewarding career than the one he is experiencing in the benches Opposite.

Mr Speaker, I say that by way of a quip and nothing else, but we do not think there is a huge untapped market in advertising that anybody else might be able to reach that has not been reached yet and therefore it looks like it is really more or less renewals.

But that is the selling of the advertising that we are talking about, not the printing of the designs or the preparation of the designs. The graphic design and the printing of the stickers and all the rest of it would not be something that would be done in-house. That would be produced for the advertiser to go on the back of the bus.

But the renewal of the contracts and the cost of the advertising is something that would be contracted directly by the Bus Company potentially, if we are deciding to go down that route.

Mr. Speaker: Question 239.

Hon. S M Figueras: Just one question which will tend to clarify, rather that there is an element of disagreement between what the –

Mr Speaker: I am anxious to finish – *[Inaudible]*.

Hon. S M Figueras: Yes, it is a very simple supplementary. It is a very, very short supplementary, Mr Speaker.

Will the Chief Minister not concede that the first contractor, if we look at the data that was provided in answer to questions last year in relation to this point, will he not concede that actually the first contractor was a nice little earner, not just for the contractor but certainly for the Bus Company in terms of the successful, really I think if we look at it objectively, amount of advertising that they were managing to sell?

It seemed that the problem is that with the second contractor, the experience has been nightmarish by comparison. So I do not know whether perhaps it is a question for him to answer and it is something that we have covered, but would he concede that the experience with the first contractor was by far and away a much better and much more profitable experience than that of Big Publications Limited?

Hon. Chief Minister: Well, I have been following the debate in the House, although I was not here, and I am surprised by that question by the hon. Gentleman, because the first contract, Mr Speaker, was not granted by tender. It was a direct allocation by the previous Administration to one particular company.

Now, is he saying to me that by analysing the data that produced more income than the contract that you gave out by tender? Well look, I have not got the tender. I have not got the data. He has analysed it but I am prepared to take at his word that a direct allocation without going out to tender by them when they were in power may have produced a greater return than the properly dealt with tender that we did which produced an unfortunate result.

Which I suppose, Mr Speaker, just goes to show that tenders are not always the best way of making the best amount of money for the Taxpayer. Something that all of us perhaps may be reticent to admit but given some of the exchanges that we have had this morning in relation to other matters in respect of tenders and whether things should go out to tender, is really quite remarkable.

And in fact, Mr Speaker, I was particularly struck by one exchange where the issue of tenders which the hon. Gentleman has tangentially touched upon by the way that he has phrased his question, was dealt with given that in one question we were talking about the Government having awarded to the managers of a particular Government installation, the contract to run that installation without a tender, and yet in the next question we were told what it cost to clean another installation by a contractor that was also awarded the right to clean Government sites by the previous Administration without a tender.

Q239/2015

Mid Harbour Estate – Garage barriers

Clerk: Question 239, the Hon. S M Figueras.

Hon. S M Figueras: Mr Speaker, can the Chief Minister provide details to this House of all costs incurred by Government in the servicing and maintenance of his official car, the G1, indicating which service provider has carried out said servicing and maintenance?

2735 **Clerk:** Answer, the Hon. The Minister for Transport, Traffic and Technical Services.

Minister for Transport, Traffic and Technical Services (Hon. P J Balban): Mr Speaker, since the Tesla was first registered on 15th October 2013; it has undergone one service, namely its first service. This service was carried out by a Tesla technician, known as a Tesla Ranger, at a total cost of £1,390.

2740 **Hon. S M Figueras:** Mr Speaker, can the Minister say at what installation the service was carried out?

Hon. P J Balban: Mr Speaker, we do not know where the actual service took place, but it was carried out using Bassadone Motors.

2745 **Mr Speaker:** I think as there are no other supplementaries that this is perhaps a convenient moment to recess until this afternoon at 3.00 p.m. when the Chief Minister will be answering questions.
The House will now recess until 3.00 p.m. this afternoon.

The House recessed at 1.00 p.m. and resumed its sitting at 3.00 p.m.