



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 3.38 p.m. – 8.05 p.m.**

**Gibraltar, Thursday, 19th May 2022**

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# The Gibraltar Parliament

*The Parliament met at 3.38 p.m.*

[MR SPEAKER: Hon. M L Farrell BEM GMD RD JP *in the Chair*]

[ACTING CLERK TO THE PARLIAMENT: S Galliano Esq *in attendance*]

## Questions for Oral Answer

### Procedural

**Clerk:** Meeting of Parliament, Thursday, 19th May 2022. We continue with Answers to Questions.

The Hon. the Chief Minister.

5

**Chief Minister (Hon. F R Picardo):** Mr Speaker, just to give the House an indication that the magnificent parliamentary team at No. 6 is having a little bit of a printer issue this afternoon. I expect that all of my questions, with the voluminous amount of disclosure and the exercise of transparency that the Government is about to engage upon, is coming towards us. As soon as they arrive on the station – as GBC used to say in the old days, for those of us who remember that far back – we will be ready to start with my questions, but I am conscious that the Hon. the Minister for the Environment still has one or two to go, so we might continue with him before then.

10

### ENVIRONMENT, SUSTAINABILITY, CLIMATE CHANGE AND EDUCATION

#### Q84/2022

#### Skywalk essential maintenance – Details of cost and company carrying out work

**Clerk:** Question 84/2022. The Hon. D J Bossino.

15

**Hon. D J Bossino:** Please provide details of the cost of the essential maintenance carried out at the Skywalk site resulting in its temporary closure from 18th to 25th February, together with details of the company that carried it out and the nature of the maintenance.

**Clerk:** Answer, the Hon. Minister for the Environment and Education.

20

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the annual maintenance works were done at a cost of £5,230 by Integral Gibraltar Solutions. This consisted of an inspection of the entire metallic structure and anchor points and protective painting of the entire structure. Extra works to the flooring were done at a cost of £14,431.42 by the same company.

25

**Hon. D J Bossino:** Thank you. As a point of detail, can the hon. Member give me the full name of the company so I can carry out a search if I decide to do so? I think he said Integral Gibraltar Solutions. That may be the business name; if he has the full name of the company, I would appreciate that.

30      Also, the nature of the contract that the Government has with this company, was this a one-off, or is this the company that is assigned to maintain the Skywalk? And does it do other works for the Government, in particular in the Upper Rock?

**Hon. Prof. J E Cortes:** Mr Speaker, the name I have given is the name that I have. If it has  
35 another expanded name I would need to find out. I am told they are called Integral Gibraltar Solutions. This work was put out to a number of quotes and they were the only company in Gibraltar who offered to do it, in the sense that it is a very specialist type of work and they were the only people who were able to do it. I believe, subject to confirmation, that it was a one-off, but if they remain the only company able to do that specialised work on that location then I  
40 suspect they may get to do it again, but I would need to seek further information on that.

**Hon. D J Bossino:** Yes, simply to find out whether it just has 'Ltd' at the end, or it may have a fuller name – perhaps he can give me that information later on. I will send him a message and if he can deal with it on that basis ... Presumably he does not have the details of the shareholders and directors with him. I assume it is a Gibraltar company. The hon. Member does not know?  
45

**Hon. Prof. J E Cortes:** Mr Speaker, yes, it would be a Gibraltar company, and I do not know the details of those involved in the company.

50      **Hon. D J Bossino:** Mr Speaker, if I may?

**Mr Speaker:** One final one.

**Hon. D J Bossino:** There is quite a bit of information there, and –  
55

**Mr Speaker:** You are asking two supplementaries every time you ask a question, which is fine but let's not extend it beyond what is reasonable.

**Hon. D J Bossino:** Mr Speaker, the issue here is that whilst I understand that you want brevity  
60 and you want the process to move swiftly, this is relevant information which one needs to determine, depending on the answer, so it is very difficult to be beholden to two or three questions.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
65 But it is the same question each time.

**Hon. D J Bossino:** It is not the same question each time.  
If I may, in relation –

70      **Mr Speaker:** Just ask a question and then we will see how far we go.

**Hon. D J Bossino:** Thank you, Mr Speaker.

The other bit of information which the Minister kindly provided related to ... He split it into two. One, I think, was general maintenance – presumably a review – of the site. But then there  
75 was another one which dealt with flooring, which is quite a high number, certainly relative to the first tranche – £14,431.47 I think was the precise answer. Can he give us more details in relation

to that? Does he have any more particulars as to what was wrong with the flooring that resulted in what is a relatively high number?

80 **Hon. Prof. J E Cortes:** Yes, Mr Speaker. There were some issues with the flooring, including some of the seals between the two laminies of the glass. It is sealed, and if you are not careful with the sealing then you can get humidity and mould in between, and obviously the transparency – which is what one wants to have in a skywalk – is compromised. It was that kind of fairly complex technical work.

85 I believe there was some damage also that had to be resolved, and some of the flooring –not the glass flooring but the other pathway – was also damaged. Remember this is a very exposed site. It is at the top of the Rock – Levanter, gales, what have you – so that needed work and it was identified and done quickly because otherwise it would have deteriorated further.

90 **Hon. D J Bossino:** Mr Speaker, the hon. Member talked about going out for quotes, I think he said. Did it formally go out to tender? Was there a formal tender process in relation to this?

**Hon. Prof. J E Cortes:** Mr Speaker, even with the additional relatively small amount, practice is that you go to a minimum of three quotes and you work on that basis, and that is what happened on this occasion.

**Mr Speaker:** Next question.

#### Q85/2022

#### Solar panels abandoned at Mid Harbours – Plans for removal and details of cost of purchase

**Clerk:** Question 85/2022. The Hon. D J Bossino.

100 **Hon. D J Bossino:** Please provide details as to when the stacks of unused solar panels are going to be removed or otherwise installed, which now lay abandoned at the Mid Harbours Estate, together with the costs of the panels and from which company they were purchased.

105 **Clerk:** Answer, the Hon. Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the panels in question do not belong to the Government. Therefore, the Government is not aware of the cost, nor is it responsible for their installation.

110 **Hon. D J Bossino:** Mr Speaker, these panels are in the Government estate. I am surprised by the answer. The information I have from the tenants is that they were advised that actually it already belongs to the Government.

Just to understand a bit more what is going on here, I understand it is an issue because where they are situated ... I am told they have already moved once. I think they were underneath one of the blocks and they had to be moved because – they are quite high; the stacks are about two and a half metres high – they caused an issue with one of the flats because anybody could have accessed or burgled the flats. That is why they moved them to where they are now, and where they are now presents an issue because a decision, I understand, has been made to remove the current children's playground and put it very close to where the stacks are now. This is what was explained to me when I visited the area.

In that context, does the Government have an intention to deal with this in any way? Particularly I think what is of interest to the tenants is to have the stacks removed as soon as possible.

125 With the Speaker's permission, if I may, by way of a further supplementary ...? He says that the stacks do not belong to the Government. Is that because they have not purchased them yet but there is an intention to purchase? He says he is going to explain that point – I would be grateful for that reply.

**Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):**  
130 Mr Speaker, just in order to help the hon. Member, he is absolutely right, the park has to be moved for the simple reason –

**Hon. D J Bossino:** It is not safe.

135 **Hon. S E Linares:** No, it is not because it is not safe, it is because it creates water ingress down below to the car park because it was not done properly initially and we are putting right what was wrong. So the park is going to be moved where the hon. Member says and we are in the process of doing that.

The hon. Member will explain more about the solar panels but I can confirm that the park will  
140 be placed down below, yes, for that reason.

**Hon. Prof. J E Cortes:** I am grateful to my hon. Friend for contributing that explanation.

Yes, the panels will not be there forever. As I said, it is a private company that owns them, but this is in relation to a power purchase agreement, so the panels belong to them. When they are  
145 installed, the Electricity Authority will purchase the power, as has happened, for example, in the Europa Business Centre, which is currently producing solar power successfully. There have been a number of delays due to technical issues, but I am informed – because I wanted to have the information before answering this question – that these are now resolved and that the work on placing the panels is imminent. Therefore, hopefully they will not be there in order to conflict with  
150 the playground, as my hon. Friend has explained.

**Hon. D J Bossino:** Mr Speaker, can he say – if he has not already, and I do not think he has – which company owns the panels? And, secondly, where is it intended to install them? I imagine it is in the estates, but he has not clarified the position.  
155

**Hon. Prof. J E Cortes:** I hesitate to give the name of the company that I have in front of me because the hon. Member is going to ask me for the name, like he did earlier, but I would rather just double-check and let him know.

These panels will go on the roof of the estate.  
160

**Hon. D J Bossino:** He is more than welcome to provide any information he has and then he can back it up with further details, if required.

**Hon. Prof. J E Cortes:** The name I have in my notes here is Park Solar One.

**Q86/2022**  
**Dog parks –**  
**Progress and locations**

165 **Clerk:** Question 86/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, can the Government update the House on the progress of the development plans for proposed dog parks and their works and locations?

**Clerk:** Answer, the Hon. Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the Government was looking at options for dog parks when the pandemic hit. We have, as yet, not revisited these but hope to do so in the near future. Dog parks are important but providing them comes at a cost, and as a result, although we continue committed to the provision of the planned dog parks, other areas of public finance must take priority.

**Hon. K Azopardi:** Mr Speaker, that is understood, of course, by Members on this side. I was just asking does it remain the intention of the Government within the life of the Parliament to try to progress those ideas?

**Hon. Prof. J E Cortes:** Mr Speaker, it remains the intention, yes, but qualified by what I have just said.

#### CHIEF MINISTER

##### Q168/2022

##### Air traffic control services –

##### Reason for absence and lack of contingencies on 24th April 2022

**Clerk:** Question 168/2022. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government state why Gibraltar was left without air traffic control support on Sunday, 24th April 2022 and why no contingencies were in place to respond to this situation?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, Her Majesty's Government of Gibraltar does not provide air traffic control services at Gibraltar Airport. These services are provided by the UK Ministry of Defence, who contract NATS Ltd, through Aquila Air Traffic Management Services, to meet the requirement. The Government is therefore not formally answerable in this House for any matters relating to air traffic control, as this is not our area of ministerial responsibility.

**Hon. E J Phillips:** Mr Speaker, I think everyone in this House appreciates the answer provided by the Hon. Chief Minister, but I think it is a matter of public interest that visitors to our shores and residents returning to Gibraltar who have difficulties in landing ... and the excuse that is provided, or the reason that is being provided, that it is in relation to a lack of air traffic support ... that it is incumbent on the Government to reassure the public that insofar as civil aviation is concerned ... and commercial airlines coming to our jurisdiction are not affected by these difficulties.

Whilst I understand that it is not within the Government's remit, it would be helpful if the Government could reassure the public at least that these difficulties will not happen again and that there are contingencies outside the control of the Government that assist in this matter moving forward.



**Hon. Chief Minister:** Mr Speaker, there is a boring issue of procedure in play, and that is that this is Question Time. The hon. Gentleman has not brought a motion about this subject, and perhaps he would not want to because he did not feel it was an issue that should be dealt with in that way, but there were press releases on the subject, I think from his colleague Mr Bossino, which were answered by the Government. I fully recognise that this is a matter of public interest, but this is not Question Time about matters of public interest, this is Question Time about matters which are the ministerial responsibility of the Government.

I have information which the Government garnered about that incident, because of course the Government is very concerned about it and wanted to ensure that the MoD is doing everything possible to ensure for itself that the provision of air traffic control services was uninterrupted in the hours of the commercial operation of the airfield. Of course, Mr Speaker, I would like to share with the House the information that I have, which is, I think, not too dissimilar to the information that was shared publicly already about the events of 24th April, but I think it is important that we recognise, for the purposes of giving business efficacy to the way that we do our work in this House, that at Question Time the Government answers questions about the things that we are ministerially responsible for, and formally we do not have ministerial responsibility for the provision of air traffic control services.

We have an agreement with the Ministry of Defence for the operation of the airfield and we expect, under that service level agreement with the MoD, that they provide the service. I think the MoD were very candid and very open – at least they were with us, Mr Speaker – that they felt very let down by the circumstances of that day and that they are putting in place arrangements with their provider to ensure that this does not happen again. It is the least that we would expect. It is what this community would expect. It is what this community would expect the Government to be doing to follow up in this instance in an area which is not an area of ministerial responsibility but which is an area of public interest.

I am just concerned, Mr Speaker, that in terms of questions we have to be careful that I am not pretending that we have taken on a new area of ministerial responsibility, because we have not and we do not provide air traffic control services.

**Hon. K Azopardi:** Mr Speaker, I address this point just to clarify, because the way we see it perhaps ... We can disagree on it, but the way we see it, Members opposite... in particular, the Chief Minister is responsible for civil aviation. I believe he has that responsibility, or one of his Ministers is responsible for civil aviation; I cannot remember which one it is.

This is a question put to the Government, *qua* its responsibility for civil aviation, as to whether they have information that they can provide to the Opposition and to the public. It is no more than that. We are not trying to get into a spat with the hon. Member opposite as to who manages the airfield. We accept what he has said at the beginning, but we do think it is a proper question to put. Mr Speaker, respectfully, we do think it is a proper question to put, in terms of responsibilities that Members have opposite for civil aviation, to garner that information and indeed to share it with the public and the Members on this side of the House.

**Hon. Chief Minister:** Mr Speaker, I am grateful for the hon. Gentleman's clarification. I was not challenging that it was a proper question. If I had felt it was not a proper question, I would have asked Mr Speaker to rule it out of order and I would not have provided the answer.

I was at pains to point out that what I am saying is that we are not acquiring ministerial responsibility for air traffic control by giving the answer with the information that we have provided, which was not an answer to a question that sought information, as the hon. Gentleman suggested in his intervention when I gave way, because the question actually asked us *why* Gibraltar was left without air traffic control support and why no contingencies were in place to respond. So the hon. Gentleman will forgive me for thinking that it was a question that appeared to seek to assign responsibility on the Government side for this, and for that reason I gave the

260 answer in the way that I have given it, but I think that there is broad agreement across the floor of the House given what the hon. Gentleman has said.

The other information that I have is that as a result of the events of the day in question, one aircraft was delayed by 37 minutes and a second aircraft was delayed by six minutes.

265 I understand that the issue arose as a result of illness and therefore ... In every organisation, however well prepared, this could happen, of course, at any time. The contingencies have been strengthened, so that even in genuine cases such as illness this should not happen again.

**Mr Speaker:** Next question.

**Q169/2022**

**Exhaust fumes at land border –  
Provision of masks for customs officers**

**Clerk:** Question 169/2022. The Hon. E J Phillips.

270

**Hon. E J Phillips:** Mr Speaker, can the Government state why customs officers at the land frontier with Spain are not provided with masks to mitigate the effects of inhalation of harmful exhaust fumes from vehicles?

275

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the use of face masks by HM Customs officers is not mandatory. However, their use is not discouraged and they can be worn at the officers' discretion.

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**Hon. E J Phillips:** Just one further question, Mr Speaker. Has the Government received representations from the customs officers or indeed their particular union in relation to face mask usage? My understanding is it is an issue with them, given the fact that they are obviously working with vehicles all day and it is quite clearly a health hazard for them. I just wanted to know whether they had received formal representations or informal representations about the provision of certain facemasks beyond that discretionary point that he made before in the terms of their use?

285

**Hon. Chief Minister:** Mr Speaker, I recall a discussion about this but I seem to recall it was here rather than anywhere else. It is not something that has ever been put to me in the many discussions I have had with customs officers in the time I have been in government, although it may be that before I was in government it was discussed with me.

290

Masks have changed in the perception of the public in the past 24 months, haven't they? My position has always been as set out, that we would have no difficulty with an officer wearing a mask if they wished to. Indeed, these days we have, in respect of masks, an excess of them, so that not just the appetite but also the smoke may sicken and so die, and so for anybody who wants masks for this purpose the Government would supply the usual masks and we would have no objection to them being provided.

295

I think we have been through this either in this House or elsewhere before. As it is, arrangements there, if we come back with a successful treaty, may change.

**Q170-71/2022**

**Confiscated tobacco –  
Value; whether subject to confiscation order**

300 **Clerk:** Question 170/2022. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government state the value of tobacco, to include cigarettes, that has been confiscated by the law enforcement authorities in the last three years?

305 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer with Question 171.

310 **Clerk:** Question 171/2022. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, can the Government state of that tobacco confiscated whether it has been subjected to a destruction-type order by the courts?

315 **Clerk:** Answer, the Hon. the Chief Minister.

**Hon. Chief Minister:** Mr Speaker, the value of confiscated tobacco, inclusive of cigarettes, in the last three years is £1,331,348 exactly.

All the confiscated tobacco has been destroyed. Destruction orders are used by the courts for confiscated tobacco.

320 **Mr Speaker:** Next question.

**Q172/2022**

**Eastside project –  
Impact on natural and marine environment**

**Clerk:** Question 172/2022. The Hon. E J Phillips.

325 **Hon. E J Phillips:** Mr Speaker, can the Government state how it intends to monitor the Eastside project and the impact the development will have on the natural and marine environment of the surrounding area, most notably Caleta?

**Clerk:** Answer, the Hon. the Chief Minister.

330 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the Environmental Impact Assessment for this project requires that the principal contractor, once appointed, produces a robust and comprehensive Construction Environment Management Plan (CEMP) ahead of works. The CEMP will need to be reviewed and approved by Her Majesty's Government of Gibraltar. The purpose of the CEMP is to provide a plan that outlines all required mitigation and control measures to  
335 ensure that the development has no adverse environmental impacts.

The following outlines some of the requirements that will be included as part of the CEMP: soil chemical analysis; chemical and microbiological analysis of the surrounding marine environment; control measures to ensure encapsulation of accidental spillages and reduction of turbidity in the surrounding marine environment; dust and air quality control, including dust suppression; noise  
340 and vibration control; control of light spillage; control of HGVs and traffic management; and

quality control of all plant and machinery. The intention of the CEMP is to provide a live document whereby control measures can be added or amended as required as works to the development progress.

345 In addition to the CEMP, both the Environmental Agency and Department of the Environment will frequently monitor works covering all potential environmental impacts and work closely with the developer and contactor to ensure not only that the environment is safeguarded but that there is an overall improvement in the area.

350 **Hon. E J Phillips:** Mr Speaker, just one further question. Does that also involve consultation with the residents' representative association in the area? There have been a number of representations made to me about the impact on Caleta particularly and I just wondered whether the stakeholders and residents of the area will be involved in that process.

355 **Hon. Chief Minister:** Mr Speaker, the short answer is yes, but there is another question on the Order Paper that deals exactly with that. I do not know whether hon. Members actually discuss amongst themselves what questions they are going to put, but there is an exact question on the Order Paper about that. But I will give him the short and straight answer, which is yes.

**Q173-74/2022**

**Victoria Keys –**

**Floating pollution in harbour; reclamation site rubble cleaning**

**Clerk:** Question 173/2022. The Hon. E J Phillips.

360 **Hon. E J Phillips:** Mr Speaker, can the Government state why there is a recognisable increase in floating pollution in the harbour near Victoria Keys?

**Clerk:** Answer, the Hon. the Chief Minister.

365 **Chief Minister (Hon. F R Picardo):** I will answer with Question 174, Mr Speaker.

**Clerk:** Question 173/2022. The Hon. E J Phillips.

370 **Hon. E J Phillips:** Mr Speaker, can the Government confirm how it monitors the cleaning of rubble at Victoria Keys reclamation site?

**Clerk:** Answer, the Hon. the Chief Minister.

375 **Hon. Chief Minister:** Mr Speaker, the Coaling Island reclamation is enclosed with silt curtains which contain sediment plumes and prevent the dispersal of any floating debris. Unfortunately, the major storm of 4th April 2022 caused severe damage to the silt curtain setup, particularly the seal between the silt curtain and the wharf wall. This has invariably led to the release of some floating debris.

380 The rubble that is being extracted from the Eastside site undergoes a number of processes before it is deposited at Coaling Island, including mechanical and manual cleaning at the Eastside to remove any unsuitable material such as wood, metals, plastics and so forth. Once the rubble is cleaned, it is mechanically processed to achieve the required geotechnical fill specification and then transported to Coaling Island, where it is subjected to further manual cleaning before being deposited in the water.

385

**Hon. E J Phillips:** Mr Speaker, in relation to Question 173, can the Chief Minister confirm that the silt curtain issues that have arisen as a result of the major storm have now been remedied?

390 **Hon. Chief Minister:** Mr Speaker, as I understand it, repairs are under way and, as a result, because of the very severe damage there can be still some escape, which is kept to a minimum.

**Q175/2022**

**Rooke site –**

**Progress re expressions of interest**

395 **Clerk:** Question 175/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise what progress has been made in respect of the expressions of interest for the Rooke site?

400 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** The Government continues in discussion with the same preferred bidder.

405 **Hon. R M Clinton:** Mr Speaker, if I may ask the Chief Minister: the same preferred bidder would, if my memory is correct, be this consortium that he made reference to last time?

410 **Hon. Chief Minister:** Well, given that I said last time that that was the preferred bidder and I have said the same bidder is the person that we are talking to, logically the answer to that question can only be yes.

415 **Hon. R M Clinton:** And is there any indication as to when there might be some form of agreement on the sites from the consortium that has expressed an interest? How long does he expect the process to go on? If I recall correctly, I think last time the original expression fell through and he had to put it out to tender again. Is he confident that this will result in an agreement?

420 **Hon. Chief Minister:** Mr Speaker, to set out any timetable is to stymie the Government's negotiating hand. To give any indication of optimism or pessimism would be to perhaps send a signal to the bidder which might be contrary to the Government's negotiating interests. And given that in respect of this site he gave me very clear advice some years ago not to make any announcement until the ink was dry on the paper, I am going to follow his advice and say nothing more until the ink is dry on the paper.

**Mr Speaker:** Next question.

**Q176/2022**

**Principal Auditor's Report for year ended 31st March 2016 –  
Whether acceptable that none tabled since**

425 **Clerk:** Question 176/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if it thinks it is acceptable that the last report of the Principal Auditor tabled in this House was for the year ended 31st March 2016?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, as the hon. Member is aware, Her Majesty's Government of Gibraltar is committed to presenting all parliamentary reports to this House in a timely manner. However, as he is also aware, we have all been engaged in a global pandemic which, as he knows, has had a huge effect on the community as a whole. Additionally, since 2016 we have been dealing with the United Kingdom's exit from the European Union. This has delayed the Supplementary Appropriation Bills for some years, and that consequently has delayed the Auditor's reports.

Given how assiduously the hon. Gentleman follows these reports and that he is keen to ensure he has these more timeously, I am sure we will be able to ensure that there are no further delays in the tabling of such reports. The Principal Auditor is finalising the audit of the 2016-17 and 2017-18 Public Accounts of Gibraltar and these will be tabled in Parliament as soon as possible after they are complete.

**Mr Speaker:** Next question.

**Q177/2022**  
**Small Boats Marina –**  
**Number of berths sold and amount raised**

**Clerk:** Question 177/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise how many berths have been sold at the Small Boats Marina up to 31st March 2022 and how much money has been raised?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, no berths have yet been sold in the Mid Harbours Small Boats Marina up to 31st March 2022 and no money has yet been raised.

**Hon. R M Clinton:** Mr Speaker, I thank the Chief Minister for that answer. Given that this was announced in his Budget address last year, is there anything the Government intends to do in respect of the situation? Are they going to withdraw the berths from sale, or are they going to take some other measures to make the purchase of these berths more attractive to people, or not, as the case may be?

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman does jump to conclusions. I have told him that we have made no sales and that we have had no income yet. I have not told him that we have had no interest. We have had considerable interest.

Because we are a small administration and we have been a little busy, what we are doing is trying to devise the right way to create the interest, not in land but in the berth, in a way that is the right way to convey that interest upon sale. That has not been something we have been able to resolve yet. We are taking advice from our property advisers and when we resolve that we will start the process of sale.

This is not a situation, as he has suggested in his supplementary question, of people not being interested in the purchase, which we would have to make more attractive in some way.

**Hon. K Azopardi:** Mr Speaker, can I ask how many people have indicated to the Government that they would like to prospectively – what is the word? – ‘purchase’ the berth, I suppose, subject to, obviously, the legalities of the water rates, presumably, and granting them suitable licences etc? How many are there, and how many people have expressed an interest in respect of how many births?

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman will know from his training that he has put his finger on it. He has talked about the rights on water and he has talked about licences when what we are trying to do is sell something more substantial than a licence. And this goes beyond a riparian right because of course we are not granting riparian rights, because we do not want anyone to be able to build on a berth or reclaim on a berth etc.

Mr Speaker, I cannot give him the answer because I have not got it here, because it does not arise from the question.

**Mr Speaker:** Next question.

**Q178/2022**  
**Haven building –**  
**Whether sold**

**Clerk:** Question 178/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if the Haven building has been sold by Gibtelecom; and, if so, for what amount and to whom?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, when Gibtelecom sells that building – and I understand it is presently negotiating – it will, no doubt, make an announcement.

**Clerk:** Question 179/2022 –

**Mr Speaker:** The Hon. Roy Clinton wants to ask a supplementary.

**Hon. R M Clinton:** Sorry, Mr Speaker. So, the Haven building is obviously being negotiated. The way the Chief Minister has expressed it – ‘negotiated’ – would I be correct in interpreting it as there is actually a sale process ongoing as we speak, or is it, as per the annual report, that it is held for sale and you are looking for prospective purchasers? Or are you in the middle of negotiations with a purchaser?

**Hon. Chief Minister:** Mr Speaker, the practice has been established under successive Governments of Gibraltar, in particular after the incorporation of Gibtelecom. They were the ones who had been in government the longest. That information is provided here and tabled here in respect of Gibtelecom, but the day-to-day management of Gibtelecom is not something on which the Chairman of Gibtelecom, who is inevitably a Minister, answers questions in this House.

I have tried to give the hon. Gentleman all the information he has sought in his supplementary in my first answer, because I have told him that the sale is presently being negotiated – in other words, the supplementary that he asked is already answered in my first answer – and I have also said that if the sale is agreed, Gibtelecom will no doubt make an announcement. Mr Speaker, I think everything he wants to know is in what I have already said.

**Mr Speaker:** Next question.

**Q179/2022**

**GJBS –**

**Report on financial affairs**

520 **Clerk:** Question 179/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if it has commissioned and received a report in respect of the financial affairs of Gibraltar Joinery and Building Services Ltd; and, if so, what were its conclusions?

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**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government has a number of companies under its ownership and control. As shareholder, the Government is keen to ensure that the interests of the taxpayer are protected by verifying that all these companies are operating in the manner that is the most efficient and resilient to insulate the taxpayer to the fullest extent possible. In light of this, all companies are subjected to regular assessments of their performance. These assessments can sometimes be carried out on a desktop basis. They sometimes involve meetings with those at the coalface, however. On other occasions they require us to delve a little deeper and make adjustments to how functions and operations are carried out. These ongoing assessments are carried out on a regular basis in respect of all companies. It is right that they should be carried out and GJBS is no different.

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A review was commissioned by Government through the Office of the Financial Secretary and its representative corporate director into the best way for GJBS to address and progress from the effect in the period of the pandemic and the exchange rate drop arising from Brexit. That report has been received. Indeed, the review into GJBS shows it is no different to most companies in the Gibraltar market and in the wider world. Over the last two years they have faced the COVID pandemic, with the impact this has had for construction. Additionally, the pandemic caught them at a time when they had suffered some losses arising from exchange rate fluctuations that surrounded the various Brexit cliff edges that we went through. In terms of construction cycle, GJBS now also finds itself at a time where there is limited construction work. In addition, it is facing issues of increasing costs and inflation. This situation will not persist indefinitely. It is therefore right, in this case, to delve further to review its activities very carefully to ensure that it is operating in a manner that is resilient and efficient going forward, such that it is fighting fit to meet the new challenges to come. Additionally, GJBS, like most entities, is facing the same challenges of Reset, Restart and Recover.

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The conclusions of the report are wide-ranging. They have led to a series of changes in the structure of the management and operation of GJBS. Some of these changes have been implemented and others are in the process of being implemented. GJBS is a business that has grown both organically and haphazardly. It has had to react out of necessity and step in where other contractors have failed, as was the case with the Bayview and Cumberland projects when OEM and Haymills collapsed.

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As part of this process we have embarked on a process of seeking a new managing director. I need to advise Parliament that Mr Michael Estella, who has been the company's managing director and under whose leadership many of Gibraltar's key projects have been delivered, has announced his retirement, which is effective from 30th June 2022. Michael has provided Gibraltar with 37 years of service in GJBS and he is widely recognised as having been the rock upon which the foundations of GJBS have been built. Mr Estella has served three administrations of the

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Government of Gibraltar without permitting his transparent party political allegiance to interfere with his duties to the company and professional loyalty to the Government as its shareholder. Michael Estella has been on every building site at all hours to ensure quality control and timely completion of projects. I extend to him the gratitude of the people of Gibraltar for the hugely important work he has undertaken for the Governments he has served, and I am sure that my two predecessors, Sir Peter and Sir Joe, would join me in the praise I have set out. Interviews for a new managing director of GJBS have already been held. I expect that an announcement on whose appointment has been recommended by the interview board will be made in coming weeks to ensure that there will be a seamless transition from the current managing director to the new managing director.

GJBS has an exemplary workforce who are incredibly hardworking and competent. The projects that they have successfully completed speak for themselves and are simply too many to mention. The Government is committed to drawing on its own commercial experience, in addition to the recommendations made in the review, to structure GJBS and secure its continued success into the future for the benefit of the people of Gibraltar with shareholders and its workforce. This new structure will also heed some of the recommendations that have been received directly by the Government from its consultation with GJBS staff.

**Hon. R M Clinton:** Mr Speaker, I thank the Chief Minister for his comprehensive report on GJBS. If I may ask, can he advise who undertook the report?

**Hon. Chief Minister:** Mr Speaker, it was not one person, so I cannot advise him of a name.

**Hon. R M Clinton:** Mr Speaker, it is quite a simple question. Was it an individual or was it a professional body or a committee? How was this report undertaken?

**Hon. Chief Minister:** It was undertaken by the Office of the Financial Secretary, Mr Speaker, so all of the people in the Office of the Financial Secretary who assist the Financial Secretary have been involved in assisting him in this respect. It was not undertaken by a particular entity charged with undertaking it, as I understand it.

**Hon. K Azopardi:** The Office of the Financial Secretary: presumably there are identifiable people. I am not sure if the hon. Member has that information with him. Perhaps he can find out and then let us know.

On the issue of the management structure, he mentions the retirement of the managing director. Are there going to be other management changes envisaged likely? In relation to his replacement, the Chief Minister indicated that interviews have been held. I have not seen any sort of advertisement, so I assume that is an internal processes. Is it likely that it is someone drawn from the company or from the wider public service? I am not sure if the Chief Minister knows who exactly has been interviewed, but perhaps he can share with us the kind of profile of the likely replacement managing director.

And then, in terms of going forward, other than managerial recommendations are there specific financial recommendations as to the operation of the company that he can share in a bit more detail with us?

**Hon. Chief Minister:** Mr Speaker, the names of the people in the Office of the Financial Secretary who did the work ... I do not think that is something that the Government would think is relevant in any way. If he wants me to find out and call him and I tell him it was Peter or Jane, or Richard or Judy ... I do not know whether he would have more confidence in Peter or Jane or Richard or Judy than in Albert or Fabian. I am happy to try to find out and tell him, but he knows that we do not like to share the names of civil servants across the floor of the House. We do not think that is fair.

If there is any other entity that I do not have in my mind that was involved I am quite happy to tell the Hon. Mr Clinton and him if I have not been able to provide the answer. People should know that despite the pugilistic style sometimes in Parliament, we do have a WhatsApp group where we share information once in a while and I am happy to put it there. I suppose the modern digital equivalent of 'behind the Speaker's Chair' is 'in the WhatsApp group'.

In terms of the advertisement of the vacancy, as I understand it, from memory, the vacancy was advertised. I believe it was advertised in the company because the profile of people being sought ... are the sort of people who have the skills that the management team in the company have, and so the answer to his questions is linked because if there is a recommendation that somebody who applied from within the company should be promoted, then there would have to be other changes throughout the chain of the structure of management at GJBS.

I think there have been three senior retirements at GJBS now with Michael's departure, which has seen the three most senior members retire through age-related reasons, nothing else. Lest anybody suggest that the review might have led to those retirements, they have not; they have been age-related retirements and therefore there may be a recommendation that comes that with the appointment of a new management director there should also be other changes, but to a very great extent that would be something that the Government would look to receive the advice of the new managing director on in the way that he or she would see the future of the entity.

I think, Mr Speaker, I have dealt with all of his questions. Other recommendations ... Of course, in everything that we look at, especially when the Financial Secretary's Office is the one leading any review, we are going to be looking at robust financial management, which, however good, can always be improved. We are going to be looking at having better structures for the management of payments. As the Government's own payment systems evolve and procurement systems evolve, we would like to see the company's procurement and payment systems evolve, so that we have a more current and better picture of liabilities and of debts due to the company as well, which is the important way of having a full picture of a company's fortunes.

We will want to see human resources evolving so that we make the best of the people we have in GJBS. I have said in my first answer we believe we have an excellent and very competent workforce there. I have only had one reflection in respect of the interviews, I have not had any advice yet, but I was told that one individual had made the suggestion that GJBS could do even more in terms of the provision of support for the University in respect of some areas of expertise that GJBS has in engineering etc. So there are many ideas there.

I think the next 30 years of GJBS will be even brighter and even stronger. No doubt under successive administrations as the political pendulum swings, they will have their fortunes bloom in favour under any complexion of future Governments of Gibraltar, and I am very excited both to bid a very fond and positive farewell to Michael for the work that he has done and to welcome whoever is recommended to be the new managing director and the workforce that will flourish under him or her.

**Hon. K Azopardi:** The Chief Minister in his original answer spoke about, I think, exchange rate issues that the company had had and so on, which had been part of the review. Did the review come to any conclusions as to any specific financial losses that the company suffered as a result of whatever the review was looking at it; and, if so, what were they and to what extent?

**Hon. Chief Minister:** Mr Speaker, I do not have any information about any such conclusions here with me today, but I do recall that we have had discussions about this in the past when we have discussed the fortunes of GJBS. There was a period, of course, through which GJBS was trading, and every other company in Gibraltar, where the euro to the pound rate went, as he knows, through the floor, and I think it caught every construction company out in that period, but I do not have the information.

**Hon. K Azopardi:** If I recall that discussion, if it is relevant to this, we were talking about sums in the millions, I think. I will not ... All right, yes. My hon. colleague has just passed me an extract from the *Hansard* of 2021 which talks about an advance of around £23 million. I am not sure if that helps the Chief Minister, if those are the exchange rate issues he is talking about which were also discussed as part of this review, or we are talking about something different. He may not have the full report with him, but does he recall from the full report whether it is that kind of sum or a different sum?

**Hon. Chief Minister:** No, Mr Speaker. Again, he must not jump to conclusions, as he did last time when we have asked this question – he then went on to say in his Budget speech a month later that we had bailed out GJBS in the sum of £23 million, which was not the case.

In the course of that discussion I told him that one of the things that has affected –

**Hon. K Azopardi:** I am sure I did not say that at all.

**Hon. Chief Minister:** Well, in fact, Mr Speaker, I will tell him that in his Budget speech – if he wants to look at *Hansard* for 21st July 2021 at page 12, line 480 – although he has said from a sedentary position, ‘I am sure I did not say that; I am sure I did not say GJBS had been bailed out,’ he said: ‘We have seen GJBS bailed out with £23 million.’

Well, Mr Speaker, we had not bailed GJBS out with £23 million. That was the issue that they had on their balance sheet and what I told him was that one of the elements that related to the issues that GJBS was having was the collapse of the pound sterling against the euro. He will find that at page 24, line 960 of the May 2021 *Hansard* that he is referring to. So it is not £23 million by any stretch of the imagination, it is an element of the issues that afflicted GJBS at that time in that period that the euro exchange rate was affecting them as it affected every other construction company in Gibraltar.

**Mr Speaker:** Next question.

#### Q180-81/2022

#### Government- and GDC-owned companies and subsidiaries – Overdue filing of accounts and audits

**Clerk:** Question 180/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government provide a list of all companies owned by it or the Gibraltar Development Corporation and associated subsidiaries for which the filing of accounts is overdue at Companies House as at 31st March 2022?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer with Question 181.

**Clerk:** Question 181/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government provide a list of all companies owned by it or the Gibraltar Development Corporation and associated subsidiaries which have not been audited since incorporation to the 31st March 2022?

**Clerk:** Answer, the Hon. the Chief Minister.

**Hon. Chief Minister:** Mr Speaker, I know they are chatting amongst themselves but they should listen – they are going to enjoy this.

The Government owns 59 companies directly or via the GDC. When we took over, all that were then incorporated were overdue their accounts. At the moment, 21 are already up to date, 26 are overdue and 12 have not had any audit since incorporation.

The information requested by the hon. Gentleman to Question 180 is provided in the schedule I now hand over to him.

#### **Answer to Question 180/2022**

Gibraltar Cleansing Services Ltd  
GCP Investments Ltd  
Gibraltar Properties Ltd  
GSTR Ltd  
Kings Bastion Leisure Centre Ltd  
Gibraltar Facilities Management Ltd  
Midtown Coach & Car Parks Ltd  
Gibraltar Joinery & Building Services Gibraltar Car Parks Ltd  
Gibraltar Strand Property Company Ltd  
Gibraltar Commercial Property Company Ltd  
Gibraltar Home Loans Company Ltd  
Gibraltar Strand Management Company Ltd  
Construction Training Company Ltd  
Economic Development & Employment Company Ltd  
Employment Training Company Ltd  
Gibraltar General Construction Company Ltd  
Graduate Research & Development Company Ltd  
Skills Enhancement Training Company Ltd  
Supported Employment Company Ltd  
Gibraltar Community Projects Ltd  
Gibraltar Defence Estates and General Services Ltd  
KIJY Parkings Ltd  
Gibraltar Investment (Holdings) Ltd  
Gibraltar Land (Holdings) Ltd  
Gibraltar Residential Properties Ltd

**Hon. Chief Minister:** Mr Speaker, in relation to Question 181, the companies which have not been audited since incorporation as at 31st March 2022 are in the second schedule I now pass to him.

#### **Answer to Question 181/2022**

Europa Incinerator Company Ltd  
GAR Ltd  
GEP Ltd  
GEWP Ltd  
Gibraltar Air Terminal Ltd  
Gibraltar Freeview Ltd  
Gibraltar Industrial Cleaners Ltd  
Gibraltar International Mint Ltd  
Gibraltar Mechanical & Electrical Services Ltd  
Gibraltar National Mint Ltd  
GSBA Ltd  
GSF Ltd

**Hon. Chief Minister:** Mr Speaker, that really concludes my answer to his question, I suppose, but additionally I now pass to him a third schedule of a type which could never have existed in

their time – namely, a list of companies which are already up to date with their filings at Companies House. I am sure the hon. Gentleman will be delighted.

**Answer to Question 181/2022 cont.**

The following are the companies which are up to date with filing at Companies House:

Brympton Co-Ownership Company Ltd	December 20
Credit Finance Company Ltd	December 20
ES Ltd	December 20
GBIC Ltd	December 20
GDC (Directors) Ltd	December 20
Gibraltar Bus Company Ltd	December 20
Gibraltar Co-Ownership Company Ltd	December 20
Gibraltar Estates Management & Administration Ltd	December 20
Gibraltar Estates Maintenance Services Ltd	December 20
Gibraltar General Support Services Ltd	December 20
Gibraltar Investment (Directors) Ltd	December 20
Gibraltar Manchester Property Company Ltd	December 20
Gibraltar National Exploration of Minerals, Gas & Oil Company Ltd	December 20
Gibraltar Residential Properties Aerial Farm Ltd	December 20
Gibraltar Residential Properties Bishop Fitzgerald Ltd	December 20
Gibraltar Residential Properties Coach Park Ltd	December 20
GOC (Secretaries) Ltd	December 20
GRP Management Company Ltd	December 20
RMB Investments Company Ltd	December 20
Westside Two Co-Ownership Company Ltd	December 20
Zero Carbon Footprint Company Ltd	December 20

730 **Hon. R M Clinton:** Mr Speaker, I thank the Chief Minister for the various schedules he has handed over and I would note – to give credit where credit is due – that compared to the position as at December 2019 when there were 31 companies which had filings overdue, we are now down to 26, which is obviously an improvement but not a complete solution, although perhaps a movement in the right direction.

735 In respect of the companies that have never been audited, can the Chief Minister comment as to why that would be the case? There are some entities here, for example – and I think I have had this discussion with the Father of the House before – Gibraltar National Mint and we even have Gibraltar Air Terminal Ltd. Should these not at least have an audit?

740 **Hon. Chief Minister:** Mr Speaker, I agree, they should have had an audit and what he will be very happy to hear is that one of the things that we did when we were first elected was to start the process of getting these companies' books into a fit state.

I do not want to be exceedingly partisan, but he does need to understand that there are certain dates which are relevant here. The Government companies, the GDC companies which existed as  
745 at May 1996, all had their corporate books in order as at May 1996. After May 1996 a legal requirement is transposed into law – coming back to yesterday's discussion about European conventions about transposition, implementation etc. The transposition into law of that arises

from a European directive. The European directive says every company must file its accounts. So, after 1996 the GSD Government, by bringing into effect a European directive, make it a legal requirement that companies should file their accounts and fine any company that fails to file its accounts. And yet they did not file the company accounts for the Government companies, and there were more Government companies after 1996. So, what we find when we are elected in 2011 is not that the companies have failed to file accounts and we simply file the accounts which are ready to be filed, it is that the companies have not had their accounts prepared in some instances from 1996-97, and so the exercise is an exercise of reconstruction.

There are some companies that I incorporated after 2011 which have not yet had that exercise completed but it is on the way to being done and being totally completed, and those entities which were incorporated before 2011 which have not had their accounts since incorporation or have not had their accounts since 1996 in some instances have already had them or in other instances are about to have them. This is not an easy process, as the hon. Gentleman knows, because to reconstruct the accounts of a company going back to 1998 is extraordinarily difficult and it is costing the Government a lot of money, but it must be done because it is a legal requirement. Even if it is going to take us a decade, as it is taking us, I am committed that we will have completed the exercise of ensuring that all of the Government's companies will have their accounts properly filed and they will have been properly filed and audited.

Because of the dates that I am referring to, there is a party political point – it is inevitable – but he and I agree that a company must comply with the law. It must have its accounts, it must have its audits, where appropriate, and it must have those audits and accounts filed. Although he gives me faint praise – it is only five that we have improved on, because he has asked for up to date – a lot of the others are now almost up to date and I do anticipate that that number, 26, will be reduced greatly very soon and that we will soon get what we both want, which is that the third schedule, which is the one that he did not ask me for, will be the schedule which will have all of the Government's companies on it. Then the discipline should continue under, again, successive administrations I have no doubt, but the political pendulum swings, and we should never once again fall into the trap where we fail to see a Government keep its company accounts in order, keep its company audits in order and file the accounts of the companies, as the Government requires every other entity to do that is a shareholder of a company in our jurisdiction.

**Hon. R M Clinton:** Mr Speaker, I think on that point we agree across the House – for once!

In terms of his characterisation of these companies going back to 1996, I have to point out to him that, as he has already recognised, there are some entities that were incorporated here after 2011. Is he still going to use the characterisation of having to reconstruct accounts for entities such as the National Mint, which was created under his Government? Surely not. What would he say is the reason for companies such as National Mint not being audited since incorporation? This is a company his Government created.

**Hon. Chief Minister:** Mr Speaker, sometimes companies are incorporated but they have no activity, in which case it is very easy to do an account etc., and in some instances they have a lot of activity and we have failed, like they failed, to have the accounts prepared timeously. That is why I am telling him that there is a commitment to ensure that those are put in place. It is not as if I have suggested that all of the companies that are not up to date and have not been audited are all the ones incorporated in their time; I have set out in my answer that there are some in our time also, but that we are very close to finalising that.

The thing is that it is remarkable to think about – how long have we been around, Mr Speaker? – but 25 years ago they went to an election, with the hon. Gentleman looking particularly young, saying that they were going to publish the company accounts. They were in government for a decade and a half and they did not publish the company accounts. Well, we have published a lot of the company accounts: we had 59, we have 26 that are not there yet. We are getting there and we are going to give effect to our commitment to ensure that the accounts

800 are filed and we are going to give effect to their commitment that the Government company accounts be filed, even though after a decade and a half in government they did not give effect to that commitment.

We should all, I think, on this one, seek to find the thread of agreement in what we are doing. On this, Mr Speaker, he rightly clock-watches the Government because this is an external legal requirement – it is a requirement of the law of Gibraltar – and we are putting it right, and I am very proud of the fact we are putting right. He must not underestimate how many hours are going into putting this right and the effort that is required to put it right, in particular when it relates to another administration, because obviously at least in the life of an administration decision makers are still around and you can still contact them etc. In the context of a company that was trading in 1997 and 1998, we will have to call up the hon. Gentleman who is now the Leader of the Opposition and ask him what his travel expenses were about if they were charged through a company, because we are literally having to reconstruct stuff.

But I think it is a good-news story for all of us that the Government of Gibraltar is putting its company house in order. We have been doing so for some time. I have given this information periodically when the hon. Gentleman has asked. The direction of travel, he would agree, is the right one. He will tell me it is not fast enough, and if he tells me it is not fast enough I will reply saying at least in 10 years we have got more or less there, in 15 years the party that you represent did not get there. I have no doubt, Mr Speaker, if the hon. Gentleman had been in government between 1996 and 2011 this would not have happened because this is an issue that with him sitting at the Cabinet table would not have happened. We have a lot of lawyers sitting round the Cabinet table. We talk a lot, we count a little less. This is being put right and I think that is the good-news story for all of us.

**Hon. K Azopardi:** On a point of order, Mr Speaker, some minutes ago the hon. Member accused me of having said that as part of my Budget speech I had said that GJBS had been bailed out by £23 million. I said from a sedentary position that I could not recall that I said that and he insisted that I did and directed me to an extract. Well, I have the extract on my phone, and if you scroll up the page you will see that it was another hon. Member who said it and not I. I want to give the Hon. Chief Minister an opportunity to correct the record. I have *Hansard* on my phone.

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman is referring me to a matter of public record, and so ... The thing that I have is this extract which has been provided to me, which is that page that I have told him about, which says 'Azopardi Budget 2021'. If he tells me that that is not 'Azopardi Budget 2021', I am happy to correct the record. Can he tell me who the speaker was, so I can check?

**Hon. K Azopardi:** Let's be clear: the page does not have 'Azopardi Budget 2021' on it, it has 'Gibraltar Parliament, Wednesday, 21st July 2021'. He has asserted in this House that it was me. I am telling him that, if you scroll up, it was not me and I am giving him the opportunity to correct the record. It was another Member on this side of the House, but he has assured the people of Gibraltar it was me. I am now telling him it is not true. He should check his facts and not be so enthusiastic about the stuff that he spins out for the people of Gibraltar that is plainly untrue.

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman seems not to have heard me in his enthusiasm to win a minor factual point. I have told him, as he can see, that I have been given the extract with the words 'Azopardi Budget 2021' written on it. He can see that because I am holding it up, and he can see that the words 'Azopardi Budget' are written in blue ink. That is to say they have been written in by somebody for me. What I said was – in case he did not hear me, in case his enthusiasm is so effervescent inside his brain that it did not allow him to hear the speaker – if he assures me that it was not him and he simply tells me who the other speaker was, I will check and confirm that he is right and I am wrong. That is all I am asking, Mr Speaker.

**Hon. K Azopardi:** Mr Speaker, it is quite basic, actually. Let the Chief Minister not point to civil servants who have scrawled my name at the top of a piece of paper. He is the one who is supposed to do his homework. He is the one who comes to this House. He is the one who assures the people of Gibraltar, because he thought it was a political point that he was making, that it was me, because he thought it was put-down. It was not, in fact, me and he should correct the record.

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman knows me well enough to know that of all the people he has come across in this House, the one least likely to try to deflect a bullet and try to make it hit an innocent civil servant is me. It was the former Chief Minister who used to blame those who would be preparing him for anything that might go wrong and take the credit for anything that might go right. He might recall that, because he used to sit next to the former Chief Minister before taking against him and leading another party. *(Interjections)*

So, Mr Speaker, it is very simple – *(Interjection by Hon. K Azopardi)* Because I was doing the thing he says I should do, which is be honest with him, which is what I always try to do. Why did I tell him that? Because I was given this page and it had his name on it, and I rely on the people who assist me. I do my homework, but I do it to the extent that time allows. In other words, coming here to answer his questions is not necessarily the thing that is going to take up most of my time.

I have now checked, Mr Speaker. The person who made the statement that I attributed to him is the man that he entrusts with the public finances of Gibraltar, the Shadow Member for Public Finances, Mr Clinton, not him. I am very happy to correct the record and say that it was the GSD, if not him, who had said that we had bailed out GJBS in the sum of £23 million, which was not correct.

Mr Speaker, can we now get on with it?

**Hon. K Azopardi:** What I was seeking was a point of order so that the hon. Member corrects the record. He has done it in a sour way. He has chosen to do it in a sour way instead of actually being man enough to say, 'I made a mistake, mistakes are human, and fair enough.'

**Hon. Chief Minister:** Mr Speaker, I thought I had done it in the most magnanimous way possible, which was to accept that I was wrong, to try and move on but to reflect who it was. It must have been obvious to you, as it was to me, Mr Speaker, that the hon. Gentleman did not want to tell me who had made the statement. *(Interjections)* He simply wanted to make the assertion that it was not him. *(Interjection by Hon. K Azopardi)* If the hon. Gentleman simply wants to be the Macavity of Gibraltar politics, showing that it is just not him and he is not there, that is fine. *(Interjection by Hon. K Azopardi)*

People in Gibraltar, I think, respect those who take responsibility. I take responsibility for the things that I say in this House and I take responsibility for the things that go wrong in Gibraltar. The things that go right are to the credit of those who have done them; the things that go wrong are my responsibility. The buck stops with me. He has heard me say it on television. He is not going to find me cowering out of anything – whether it is the debt or the deficit – like he is doing now, despite having agreed that we should do all the BEAT measures.

**Mr Speaker:** Next question.

**Q182/2022**  
**Eruca Investments Ltd –**  
**Subordinated liquidity facility**

**Clerk:** Question 182/2022. The Hon. R M Clinton.



**Hon. R M Clinton:** Mr Speaker, can the Government advise if Eruca Investments Ltd has drawn upon the subordinated liquidity facility made available to it; and, if so, when and in what amount?

900 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government is unable to answer the question as Eruca Investments Ltd is a privately owned company held by investors in Gibraltar. The House will nonetheless wish to note that the accounts for the year ending 31st March 2020 for that company are filed at Companies House.

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**Hon. R M Clinton:** Mr Speaker, yes, but the facility was, I think, between Gibraltar Properties Ltd, which is a Government-owned, directly or indirectly, company and Eruca Investments Ltd, so surely the Government would know if the facility had been drawn upon.

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**Hon. Chief Minister:** Mr Speaker, the question is specific: if Eruca Investments Ltd has drawn down upon that subordinated liquidity facility. He is asking the Government. The Government is not the proprietor of Eruca Investments Ltd.

915 **Hon. R M Clinton:** Yes, Mr Speaker, we know that, but the other side to the transaction is a Government-owned, directly or indirectly, company, so the Government would know, or should know, if a call has been made upon that facility.

**Hon. Chief Minister:** Mr Speaker, the Government is accountable in this House for the actions of the assets it controls, and we do not control Eruca Investments Ltd.

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**Hon. R M Clinton:** Mr Speaker, I think we all understand that. The question I am asking is the other party to the transaction ... There is a facility arrangement, a subordinated liquidity facility, which Eruca has the benefit of. The other side to that transaction is the Government-owned, directly or indirectly, entity. All I am asking in this question is has that facility being drawn upon. You must know, having the control of the other side to the transaction, whether that has happened or not. I am not asking about Eruca.

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**Hon. Chief Minister:** Well, Mr Speaker, the question is about Eruca.

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**Hon. R M Clinton:** Mr Speaker, there are two parties to this subordinated liquidity facility, one of which is Eruca and the other side is a Government entity, owned or controlled directly or indirectly. Is the Chief Minister telling us that he has no idea whether this facility has been drawn upon? It is as simple as that.

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**Hon. Chief Minister:** No, Mr Speaker, the Chief Minister is saying that the question as drafted we consider to be a question about an entity that we do not control, and therefore ... The Government cannot be drawn to answer questions about an entity that it does not control in this form, I am sorry to say. This is not for lack of transparency, this is not for lack of accountability, as they will pretend, it is just that they ask us about a company that we do not control and they ask us, in the context of that company, to make a statement. I have directed him to the fact that the accounts of that company have been filed because they have been provided to me. They are at Companies House, in case he has not seen that they are filed for the period which I have referred to the House, but I am advised that the Government cannot answer the question as drafted because we are not the controllers of that company.

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**Mr Speaker:** The Hon. Chief Minister has given an answer. It may not be the answer that perhaps the hon. Gentleman was expecting or hoping for, but I will allow the Leader of the Opposition one final question.

**Hon. K Azopardi:** Thank you, Mr Speaker.

The question as drafted says: 'Can the Government advise if Eruca Investments Ltd has drawn upon the subordinated liquidity facility ...?' The subordinated liquidity facility is made with a company controlled by the Government, so really what this is saying is can the Government confirm if the Government company has given Eruca the money? That is really what this is and everybody understands that, so can the Government say whether the Government company has given Eruca the money? Yes or no? The Chief Minister is refusing to say, or it has not happened?

**Hon. Chief Minister:** Mr Speaker, that is not the question that is on the Order Paper, and that is not the question that I have been asked to answer. I am very happy to answer the question if he puts it like that next time.

**Hon. K Azopardi:** He is playing on words. It is posed like that.

**Mr Speaker:** I think both Members may be playing with words. The Hon. Chief Minister has said that if you put a question at the next meeting of the House he will be able to answer the direct question with a direct answer.

**Hon. K Azopardi:** Mr Speaker, we are happy on this side of the House to put a direct question as long as we then do not get an answer that it is within the six-month rule. He has invited the question –

**Hon. Chief Minister:** Will the hon. Gentleman give way? The Government would not raise an objection because it would be a different question. That is what the Government is saying. The Government is not playing on words, Mr Speaker. The Government is trying to play with a straight wicket to ensure that people have the information they should have in order to ensure that we follow parliamentary rules, which is also our obligation, and give the right information in the context of the right questions. If they make it difficult for us, we cannot give the information, but if the hon. Gentleman puts a question in the way that he has now proposed, we will be able to give the answer from the Government side, and we of course could not suggest that it is the same question within six months because it would be a completely different question, which would be capable of being answered.

**Hon. K Azopardi:** Mr Speaker, I had given way to the hon. Member. Can I just say that of course we will file a question? If he is not prepared to say now because he has put himself in a particular position and he now insists that it must be repeated, that is fine, but everybody who picks up this question would understand that we are asking can the Government advise if the Government-owned company has paid Eruca the money which it contracted to do.

We are not making it difficult for the hon. Member opposite. The hon. Member opposite went to Oxford. He is one of the most intelligent people I know. He understands what this question is about. He refuses to answer. It is a matter for him. We will ask him again in different language, that is all.

**Hon. Chief Minister:** Mr Speaker, that is the nicest thing the hon. Gentleman has ever said to me. *(Laughter)* He has added cream and chives to my sour: I now feel like a complete political Pringle, and tasty at that.

We are genuinely trying to achieve the aim for which we are here, which is to provide the information. I do not think there are many experts in subordinated liquidity facilities who will go around saying, 'Well, yes, absolutely right, I could have read it that way.' This is a complex area of law and the Government is trying to ensure it complies with its legal obligations to its contractual partners and answers questions that it has to answer and not questions that it could be suggested are not questions to the Government but questions to the Government's contractual partners as drafted.

**Mr Speaker:** Next question.

**Q183/2022**

**Finance Bill –**

**Whether to be brought to Parliament during Budget debate**

**Clerk:** Question 183/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if it intends to bring a Finance Bill to Parliament during the 2022 Budget debate?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the hon. Gentleman raises a question that was discussed at quite some length during the Appropriation Debate last year. We explained our position that we will keep to the Appropriation Bill that is passed in Parliament and seek, where possible, to pass contemporaneous legislation that addresses some of the issues that are raised as part of the Budget, thereby ending a Budget session week or 10 days with as much legislation in place as deals with all of the issues that are raised in the Budget process. This has not always been the case, as it is not always possible to put legislation in place ahead of the Budget session, but we will seek to do so wherever possible. This is somewhat different from having a Finance Bill.

**Hon. R M Clinton:** Mr Speaker, I am glad that the Chief Minister recognises that is different to a Finance Bill because there is provision within our Standing Orders specifically as to how a Finance Bill should be debated in this House and in terms of the timeframes for presenting it. In fact, there is no need for notice but there is a process by which the contents of the Finance Bill are digested and then debated.

I would only ask the Chief Minister to at least consider, for the sake of expediency, putting all these measures into a Finance Bill. It does no harm, and in fact it may be more efficient to do it in that way – and he may even be pleasantly surprised, as he was on the last occasion when we actually found agreement on elements of measures that would be in the Finance Bill. I would just ask the Chief Minister to consider that.

**Hon. Chief Minister:** Mr Speaker, I am very grateful to the hon. Gentleman. He knows that we have slightly different interpretations in this respect.

**Mr Speaker:** Next question.

**Q184/2022**

**Review of senior public sector salaries and relativities –  
Completion and publication**

**Clerk:** Question 184/2022. The Hon. R M Clinton.

1040 **Hon. R M Clinton:** Mr Speaker, can the Government advise if it has completed its review of senior public sector salaries and relativities, as announced by the Chief Minister in his 2018 Budget address; and, if so, will the Government publish the report?

**Clerk:** Answer, the Hon. the Chief Minister.

1045 **Chief Minister (Hon. F R Picardo):** Mr Speaker, this has indeed commenced, although, given the circumstances of the last two years, it has not yet been finalised.

**Hon. R M Clinton:** Mr Speaker, can the Chief Minister advise whether this review is being conducted internally, or has somebody externally been contracted to undertake it?

1050 **Hon. Chief Minister:** It has been externally undertaken, Mr Speaker.

**Hon. R M Clinton:** Would the Chief Minister be able to identify the external party undertaking the review?

1055 **Hon. Chief Minister:** Yes, Mr Speaker, Ernst and Young as it used to be known, although it is just known as EY now.

1060 **Hon. R M Clinton:** One last supplementary from me, Mr Speaker: when did they commence their review?

1065 **Hon. Chief Minister:** Mr Speaker, I do not know, but I know that the work goes back to April 2021. I cannot tell him the commencement date but the work that I had seen was work that was done in April 2021 and there has been some more work since then as well, so considerably before April 2021.

**Q185/2022**

**Campion Park –  
Payment from Trusted Novus Bank**

**Clerk:** Question 185/2022. The Hon. R M Clinton.

1070 **Hon. R M Clinton:** Mr Speaker, can the Government advise if it has received payment from Trusted Novus Bank in respect of the cost of the Midtown (Campion) park; and, if so, how much and on what date?

**Clerk:** Answer, the Hon. the Chief Minister.

1075 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the total development cost for Campion Park was £3,917,879. HM Government of Gibraltar received £3,874,595 on 8th December 2021 from Trusted Novus Bank as a donation towards the costs incurred by Government in connection with the development of Campion Park. The balance between the donation received and the total

development cost is £43,283.64. This balance has now been settled by Trusted Novus Bank with the funds being received this month.

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**Mr Speaker:** Next question.

**Q186-87/2022**

**Borrowings from GIB and RBSI/NatWest –  
Security provided to GIB; extension of time sought from RBSI/NatWest**

1085 **Clerk:** Question 186/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if it has provided the Gibraltar International Bank with any security in respect of the £150 million borrowed from it?

1090 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer with Question 187.

**Clerk:** Question 187/2022. The Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government advise if it has sought an extension of time for the £500 million revolving borrowing facility with RBSI/NatWest secured by a UK guarantee that falls due on 3rd December 2023?

1100 **Clerk:** Answer, the Hon. the Chief Minister.

**Hon. Chief Minister:** Mr Speaker, the Government did not provide any security in respect of the £150 million borrowed from Gibraltar International Bank. The facility was repaid in full on 7th April 2022 by drawing down the full £150 million from the £500 million RBS facility. This was always the intention from the outset.

1105 Repaying the £150 million temporary GIB facility and transferring all the outstanding liabilities to the RBS facility has consolidated all of the COVID-19 pandemic-related expenditure in one facility. As a result, when full Government revenue is restored and the need to borrow subsides we will be able to crystallise this amount into a new single facility and provide for a sensible and affordable longer-term repayment plan.

**Hon. R M Clinton:** Mr Speaker, I am grateful for the information the Chief Minister has provided, especially in respect of the repayment of the £150 million.

1115 I just have two supplementaries. The first one is in respect of Gibraltar International Bank. In their accounts for 31st December 2020, in 'Related party transactions' on page 44, 'Advances of interest receivable', which will include the ultimate controlling party, being the Government, it says: 'Outstanding balances at the year-end are secured.' Would it be, in his view, that the statement perhaps needs clarification, or is there some other form of security that the bank may have that perhaps is not in the facility letter, by way of some other side letter?

1120 Secondly, Mr Speaker, as the Chief Minister is aware, the facility with RBS/NatWest, which is guaranteed by the UK government, falls due on 3rd December 2023. I appreciate what he has said about consolidating everything in one place, but is he suggesting that he would seek to somehow obtain a loan from another party on perhaps a longer-dated basis; and, if so, have those sorts of negotiations already started and in fact he has not requested an extension of the UK guarantee?

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**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman at the end, seeking to deal with the second point first, makes assumptions which are not correct and which I will not address during the course of this Question Time because I think they are issues better addressed during the course of the Appropriation debate when dealing with the debt. He is now talking about the current financial year and the next financial year, so I am going to deal with issues relating to that during the course of the Budget debate.

In the context of the note to the accounts of GIB, I would need to take advice on whether that is correct, despite what I have said, or would need to be corrected. The definition of security in those accounts may or may not include a loan to a shareholder, which may or may not fall within a different definition, and so I do not want to venture into having a discussion without appropriate advice.

**Mr Speaker:** Next question.

**Q188/2022**

**Migrants entering Gibraltar without valid documents –  
Number not yet repatriated**

**Clerk:** Question 188/2022. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please look at the answers to Written Questions W17 to W21/2021 and state, by reference to the nationalities listed in answer to Questions W18 and W21, which of those nationals have still not been repatriated?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, there is currently only one individual, of Moroccan nationality, who remains to be repatriated from policing year 2021-22.

**Q189/2022**

**Widows and Orphans Pension Scheme –  
Update re Government promise**

**Clerk:** Question 189/2022. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, when is the Government going to keep its promises to people in relation to WOPS?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government fulfilled its promise to people in relation to WOPS. In fact, the answer to this question has not changed since my answer to Question 79/2021.

**Hon. D A Feetham:** Mr Speaker, that cannot possibly be right because there is a Bill on the Order Paper which was published in 2020 that the Government still needs to take, and people are not being paid out, presumably until that Bill actually becomes law. Is that the case? I will be corrected if I am wrong.

1165 **Hon. Chief Minister:** Mr Speaker, the hon. Gentleman asks a question about promises made to people. The promise was honoured when the Government opened the window, as we had said that we would, for people to register. We then published a Bill. We have not yet been able to pass the Bill, but we have already done the exercise that we needed to do. All we need to do now is finish the Bill becoming an Act and then the whole process will be complete, so I do not understand why the hon. Gentleman thinks that we have failed to keep our promise in relation to WOPS.

1170 **Hon. D A Feetham:** Well, Mr Speaker, it is simple: there are a number of people who have approached me on a number of occasions asking me to ask the question – I did so last year and I have repeated it this year – because they have been told that until this Bill is actually made law they will not be paid what they are owed in relation to WOPS. That is the information that I am receiving and that is the reason why I am asking the question.

**Hon. Chief Minister:** Mr Speaker, I think he has got it behind over breast, so to speak. It is not that they will be paid when we pass the Bill into an Act, it is that they will pay the Government.

1180 **Hon. D A Feetham:** No, they will be not entitled.

**Hon. Chief Minister:** Yes, but we have already told all those who have registered ‘Don’t worry, if the Bill does not become an Act we are going to give effect ... you are going to have the benefit of it.’ So we have fulfilled our promise. We are just in the process of putting in place the formalities, which we have not been able to do but we are in the process of doing.

1190 **Hon. D A Feetham:** Yes, but there are people who are going to the Treasury Department actually prepared to pay, because then they qualify for WOPS later on, and are being told, ‘No, you cannot pay because the Government has to pass this particular law.’ That is what people are telling me. That is the reason why I am asking the question. Surely the promises to people cannot have been completed until the Government has done everything possible to allow these people to qualify – that is go to Treasury, make the payments and then they qualify.

1195 **Hon. Chief Minister:** So, already, Mr Speaker, he has changed from saying that we are not making the payments to saying that we are not able to receive the payments.

I have already told him that nobody is going to suffer because we have told them that as long as they are registered, and if something were to happen, they make the payment even after the inevitable event, which deals with the vesting for WOPS. People will have that honoured, even if we have not been able to put in place the legislation. So, as far as the client is concerned – the constituent in this case – they are covered. We just need to ensure that we make provision for this in the law, which we are in the process of doing – we have already published a Bill.

1205 **Hon. D A Feetham:** May I therefore ask my last question? When does the Government intend to take this particular Bill, which was published in 2020? Is it going to take it this session; and, if it is, when is the Government going to commence the Act when it becomes an Act?

**Hon. Chief Minister:** In the lifetime of this Parliament, Mr Speaker.

**Mr Speaker:** Next question.

**Q190/2022**

**Fortress House –**

**Whether purchased by Government and cost**

1210 **Clerk:** Question 190/2022. The Hon. D J Bossino.

**Hon. D J Bossino:** Has the Government purchased Fortress House; and, if so, for how much?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, no; neither have we expressed an interest in doing so. We already indicated that we were not interested in this asset for the taxpayer, in answer to Question 404/2020.

1220 **Mr Speaker:** Next question.

**Q191/2022**

**Eastside project –**

**Density and urban impact**

**Clerk:** Question 191/2022. The Hon. D J Bossino.

**Hon. D J Bossino:** Does the Government have any intention of addressing the concerns as to the density and urban impact of the development raised by representatives of Catalan Bay Village in connection with the Eastside project; and, if so, how?

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**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the representations made by members of the public on any planning application are taken into consideration by the Development and Planning Commission when making its decisions. This applies to the representations made by Catalan Bay Village in respect to the outline planning application submitted for the Eastside development. It is not for the Government to intervene in the DPC's processes when considering planning matters. No doubt, if we did, we would be accused of interfering with the DPC's processes.

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The Government notes the concerns that we have seen on social media in relation to the Catalan Bay Village on this item. Many of the images which have been provided by some on social media appear, to us, to be inaccurate. Nonetheless, the Government believes that the Eastside project is a very positive project, not just for Catalan Bay but the whole area, which will be renovated and much improved. Each part of it will require full planning permission from the DPC.

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At present, there exists a derelict piece of land that has been accumulating waste over the last 30 years, and this development is on a scale that we have not seen before and in a way that will beautify and improve the area very significantly. Nonetheless, the Government defers to the DPC to ensure that the project is done in a way that meets environmental impact assessments and is done in a sensitive manner. The developer and any objections will be heard at the full planning application on all subjects.

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Thanks to our policy of openness, transparency and accountability at the DPC, all interested members of the public will be able to object, be heard, and the community as a whole will be able to follow every aspect of the discussion and debate at the DPC. The days of the closed and secret DPC that the GSD asked us to keep secret and closed when we passed the amendment to the Act



1250 are gone. The Government has clearly entered into arrangements with a developer for this project to go ahead because we believe it is a positive project for Gibraltar.

1255 It is important to note that the marina in question, which many have promulgated images of that we do not think are accurate images, effectively provides a breakwater for Hassan Centenary Terraces and the rest of the Eastside development. We think images of it on social media, as I said before and I reiterate, are inaccurate. Without protecting the land of what is now the reclamation, it is not possible to build or insure a building for habitation. The cost of this breakwater is subsidised by the economics of the revenue-generating marina. The reduction or removal of the marina may impact the financial viability of the Eastside project which the Government is contracting for. As a result, delays in protecting the land will also impact the completion of Hassan Centenary Terraces. The marina arm in any event, I should inform the House, will be accessible to the general public and will provide a promenade that can be used by pedestrians, joggers, cyclists and those seeking to fish throughout the whole year.

1265 **Hon. D J Bossino:** I thank the hon. Member for that very full reply. The question really is whether anything at all can be done in relation to the size of the marina. He has made reference that that could have an impact – I think he even said a reduction could have an impact, in terms of the size and the massification – in terms of the finances. That seems to be the focus of the complaints of the Catalan Bay residents.

1270 I saw part of the DPC hearing, where I was able to listen to and watch, through the website, Mr Riddell's contribution in that regard. I must say that when I initially read some of their complaints I thought it was far-fetched. I think it was suggested that it would block the views all the way through to the Caleta Hotel, but I have been shown plans, and from what I can see, it seems that that accusation – that observation; should I put it in more neutral terms? – may actually be more accurate than I originally thought. I thought it was literally just a line going out and it would impact on the northern side rather than on the southern side, but if I can visualise it, it just basically does that and it does align with the Caleta Hotel. But the hon. Member says that the images which have been shown on social media are inaccurate. The Government will have a view. From what I was able to hear in the initial stages of the DPC process, both the Hon. Prof. Cortes and the Hon. Deputy Chief Minister were really supportive ... and dismissive of Mr Riddell's contribution, but the Government can have a view and I would ask the Chief Minister to consider perhaps more carefully the representations being made by the Catalan Bay residents.

1285 The Government has form in relation to this. It took a very bold and firm view, for example – I think it was just before the elections in 2019 – in relation to Queensway Quay Marina, where an application was filed. Admittedly, the Government members in the DBC also had expressed their objections in that process, but then the Government said that if re-elected ... I think he personalised it to himself. The Chief Minister said that if he was returned to office as Chief Minister he would not allow that particular project to go through.

1290 Simply to make this point, if I can assist: it is true that the development plan of 2009 – I think I got the date right on this occasion – does allow for a marina in the area. However, I will just make these two observations. First, the hatched area which is visualised in one of the plans of that development plan is much smaller than the current project, and although the plan says that it should allow for a marina, it is actually a much more reduced area and I am sure that that would be something which the Catalan Bay residents and many people who visit that area, who use that beach, would welcome. Secondly, the expressions of interest image – which I have only just seen because my learned friend has it here – accords with what the Development Plan 2009 envisages, so basically what I am saying is that this project is a lot bigger than was originally envisaged in the development plan. Simply to make this final point if I may, Mr Speaker: the Queensway Quay project was in some part stopped because it was envisaged that a new development plan would be produced, and I think tenders at that stage had gone out.

1300 I just make those points and I would ask the Chief Minister to consider them in the reply. I will welcome his views.

**Hon. Chief Minister:** Well, Mr Speaker, the only question is that the hon. Gentleman will welcome my views, so I guess I have as much leeway as he had.

1305 I am delighted that he started by telling us that he was able to follow the DPC online. I assume that he therefore regrets that he voted against our move to make the DPC open. In the time that they were in government, the DPC was not open and even the minutes of the DPC were kept secret.

1310 I am very proud that this Government subjects every project, and now even every Government project, to a full and transparent process where the whole community can take part, people at their desks can see what is happening and everybody can turn up and give their point of view. As a result, it will be possible for people to see that the density of this project is much lower than the project that they approved. The Sovereign Bay project, which was being done at the time by Multiplex and the Reuben brothers, had a much higher density, a much greater density than the density of this project. This is a low-rise project, in the main. There was provision for one tower. I think the DPC knocked that tower back, or the area of it. There is a provision in this project for a botanical garden to be included as part of the project, and so the hon. Member talks about the hatched area in one plan, but of course although the hatched area may now be different to what is being proposed to the DPC, on the other side there is a whole area of nature reserve and botanical garden that has been added to the plot.

1320 The hon. Gentleman speaks about Christopher Riddell and the representations that he made. I have to disclose an interest. Christopher Riddell is a friend and I consider him a close friend. I think it is also proper, and I think it was done in the DPC, to indicate – there is another question on the Order Paper about bidders in respect of the Eastside – Mr Riddell was himself also a competitive bidder in respect of plots on the Eastside in respect of this expressions of interest. I am sure the hon. Gentleman knows, because it was said in the meeting of the DPC that he says he followed. We have to put everything in its context. Because he is a friend of mine, I have the greatest respect and affection for Christopher Riddell and I think that he was an exemplary servant of the Government when he worked for the Government. Previously, he was also a colleague of mine at Hassan's and I thought he was an exemplary member of our firm as a lawyer. Before that, he was an engineer and a teacher. I am sure, though I did not know him then, he will have been just as good an engineer and a teacher as he was a lawyer and public servant. In this instance, the advice that the Government has is that the concerns that Mr Riddell has about the marina arm are not accurate. I think Prof. Cortes at the open meeting of the DPC indicated that he thought the environmental issues that were raised by Mr Riddell were misconceived. I also have the highest regard, of course, for Prof. Cortes. I take legal and engineering advice from Chris Riddell and I take environmental advice from John Cortes.

1340 We genuinely believe that some of the issues that seem to concern people at Catalan Bay are not concerns which are scientifically well grounded, and that indeed the area it is proposed the marina should take in the visual representations that have been produced are incorrect and that they will not, for one moment, get anywhere near the line of the Caleta Hotel. Indeed, if you were sitting in the centre of Catalan Bay, the line of the marina will not impede the view of open water from Catalan Bay at all. That is the advice that the Government has, and that, in fact, is what the Government believes it is contracted for and will contract for. There is another question on the Order Paper as to where we are in terms of the contract in respect of the Eastside.

1345 Mr Speaker, few Gibraltarians can pretend to love Catalan Bay more than other Gibraltarians. I think all Gibraltarians love Catalan Bay and want to protect Catalan Bay. Of course, people who live in Catalan Bay are entitled to say that they have that additional interest and demonstration of their love and affection for Catalan Bay, but as the hon. Gentleman knows, I am often to be found there in the better weather, and sometimes in the not so good weather, because I have close personal friends there. I have seen him there when the Deputy Chief Minister and I have been hard at work campaigning and he has been sunning himself on the beach, as the result of the election has subsequently shown!

There should be no suggestion that there is any division between the Government and the people of Catalan Bay in respect of the protection of Catalan Bay and the enhancement of Catalan Bay. Indeed, for 30 years we have all failed Catalan Bay because we have all promised the people of Catalan Bay that we are going to get rid of the reclamation and the mountain etc. This, we believe, is finally a situation in which we will be able to get rid of that unsightly dust-producing mountain on Catalan Bay in a way that does not produce any prejudice for Catalan Bay. But in the process of finalising contracts in respect of the Eastside the Government will ensure – we will bend over backwards to ensure – that none of what we do creates any adverse consequences for Catalan Bay. Quite the opposite, we want Catalan Bay to be enhanced by this project and our discussions with the TNG Foundation, the party we are working with in respect of Catalan Bay and the Eastside, suggest that there is genuine good faith on the part of the developer in wanting to ensure that what they do there enhances Gibraltar, enhances the Eastside and enhances, in particular, Catalan Bay, which becomes a central and most attractive area of that development, with the Caleta, such as it may be after it goes to DPC, also forming a final part of that. The GSLP once again fulfilling the GSD's political commitments of 1986 where they promised to beautify the east coast for the benefit of residents and tourists and did nothing other than enhance the rubble mountain.

Mr Speaker, I would sit down there, but I just note that it is Ernest Britto who is on this we send him all the best.

**Mr Speaker:** Next question.

#### Q192/2022

#### Eastside reclamation – Discussions with Spain re reported complaint

**Clerk:** Question 192/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, has the Government been in discussions with the UK or Spain in respect of the reported complaint by Spain in respect of the Eastside reclamation?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government has not engaged in any discussion or negotiation with Spain in respect of their *note verbale* in respect of this matter.

**Hon. K Azopardi:** Mr Speaker, Spain has, from time to time, said things about the Eastside. This is not new. During the hon. Member's tenure I think probably his first contact on this issue was, I think I found in my research, some complaint by Spain in 2012, so this is long running and it is not about this particular administration because of course it goes back a long time. But I ask this question in particular because there was a suggestion when Spain made clear again its complaint about this, that they were calling on the UK to discuss it within the context of the MoU on the environment, so I was wondering whether, in the subsequent period, it had been formally tabled in the discussions. That is really all I was asking.

**Hon. Chief Minister:** Mr Speaker, the hon. Gentleman's question asked about the reported complaint by Spain. The reports that I saw related to a *note verbale* filed by Spain in respect of the announcement by the Government of the heads of terms with the TNG Foundation. Spain's *notes verbales* in respect of the Eastside in this matter and in respect of all the administrations that have dealt with it relate to that area of water on which the reclamation is to be found being Spanish

water which we have no right to encroach upon. And so the Government's position is very simple and I am sure would be the same if it were him: we are not going to engage in a discussion, let alone a negotiation, about that water because it is ours.

In the period of our membership of the European Union we have always adhered to the principle that our neighbour has not adhered to, that if a reclamation has transboundary effect we give notice to the other side – and we have only one other side here, Spain – and we act in keeping with the European Directive on Transboundary Effect. The EIA tells us that this reclamation, and indeed the EIA which was put before the DPC for the proposed marina arm etc., concludes – and this is not the Government's conclusion, this is external experts' conclusion – that there is no transboundary effect and therefore the engagement which would be required in keeping with European law would not become engaged.

Indeed, Mr Speaker, one of the things that I have found out during the course of the negotiations etc. is that the European directive is derived from an international convention called the ESPOO Convention, and the ESPOO Convention means that even states outside the European Union who are parties to the ESPOO Convention give notification of transboundary effect to each other and there is a criteria engaged for transboundary effect, and Gibraltar is actually a party to the ESPOO Convention through the United Kingdom. So, even outside our membership of the European Union, Gibraltar remains committed to doing things properly, and if a reformation in British Gibraltar Territorial Waters, as undoubtedly the waters for three miles to the east side of Gibraltar are, were to have transboundary effect, we would engage with the neighbouring states which it would have transboundary effect on – aka we only have one, Spain – and we would comply with the provisions of the ESPOO Convention to consult, because that is what the law requires and we comply with our international legal obligations.

I would also say, as I have said previously in this House, that unfortunately, when we were members of the European Union and both the convention and the directive applied, Spain did not do the same thing in relation to reclamations it created in the Bay of Gibraltar which have had a seriously adverse effect on Gibraltar and, indeed, on the neighbouring municipality of La Línea de la Concepción, where we have recently seen its mayor complain that actions have been taken by the Municipality of Algeciras controlling the port without regard to the damage that would be done to parts of the seafront in La Linea, and indeed, in the last storm, which was the storm we were debating in the context of the works being done at Coaling Island, we saw considerable damage to La Linea which the Mayor of La Linea, in public, attributed to the reclamation works of a place called Isla Verde – Green Island – just off Algeciras.

Mr Speaker, I hope that is a helpful statement of the position of the Government of Gibraltar, which will always comply with its international and, whilst in the European Union, European obligations in respect of transboundary effect.

**Mr Speaker:** Next question.

**Q193/2022**  
**Eastside project –**  
**Expressions of interest**

**Clerk:** Question 193/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, how many expressions of interest were received in the Eastside expressions of interest process, and can the Government list the interested parties by name of entity submitting an expression of interest and in respect of which plot?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, 19 expressions of interest were received in answer to the Government's advert for expressions of interest for plots on the Eastside reclamation. I cannot give him the names, but I will give him the following information, which I hope will satisfy him.

Applicant 1 applied for plots 5, 11, 12 and 13. Applicant 2 applied for plots 1, 2, 3, 4, 6 and 10. Applicant 3 applied for plots 1 to 13 – that is to say the whole of the plot. Applicant 4 applied for plot 6. Applicant 5 listed one proposal for plots 1 to 13 and a second proposal for plots 4, 5, 10, 11, 12 and 13. Applicant 6 submitted a proposal for plots 1 to 13. Applicant 7 submitted a proposal for plots 12 and 13. Applicant 8 submitted a proposal for plots 5, 12 and 13. Applicant 9 submitted a proposal for plots 1 to 13. Applicant 10 submitted a proposal for plots 6, 7 and 9. Applicant 11 submitted a proposal for plots 1 to 13. Applicant 12 submitted a proposal for plot 6. Applicant 13 submitted a proposal for plot 7. Applicant 14 submitted a proposal for plot 2. Applicant 15 submitted a proposal for plots 1 to 13. Applicant 16 submitted a proposal for plots 12 and 13. Applicant 17 submitted a proposal for plots 5, 12 and 13. Applicant 18 submitted a proposal for plot 4. Applicant 19 submitted a proposal for plots 1 to 5, 6, 7, 8, 9, 11, 12 and 13 – that is to say all plots except plot 6 and plot 10.

**Hon. K Azopardi:** Mr Speaker, I asked can the Government list the interested parties. The Hon. Member has not. Is there a reason for that? Is it because he does not want to – as a matter of policy they just do not want to share that information?

**Hon. Chief Minister:** Mr Speaker, the position that has been taken in this House – which I am quite happy to discuss with the hon. Gentleman – by successive administrations is that we do not disclose the names of parties that are not successful. Very often we are asked by parties not to disclose the nature of their applications unless they are successful. For example, a party may have many irons in the fire for finance and this may be one of them, and they will only progress it in the event that they succeed with a tender process and they do not want other potential lenders to know that they are doing this if they are not going to be successful, because they might be seen to be overextending themselves.

I have no difficulty with giving the hon. Gentleman these names on the basis that it is confidential, but we are not spreading it across the floor of the House. He has another question on the Order Paper in a moment about whether a particular party was one of these bidders, and I will answer that question directly. But I am advised that, like civil servants, the practice has been that we do not give the names across the floor of the House unless it is the successful bidder, and we are advised that we would have to change our tender process to set out that we would be sharing the names of those that bid in order, as data controllers, to be able to share that information publicly.

I have no inconvenience in giving the hon. Gentleman the names. I have got them here in some form, but I would write to him and give him the names and relate them to the applicant number that I have given across the floor of the House, if he is interested.

**Mr Speaker:** Next question.

**Q194/2022**  
**TNG Global Foundation –**  
**Expression of interest re Eastside development**

**Clerk:** Question 194/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, did TNG Global Foundation submit a bid for the Eastside development expressions of interest process before the closing date?

1490 **Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the last expression of interest into the Eastside project closed on Friday, 4th September 2020.

1495 The Government carried out an exercise to determine the highest bidder for each plot and the highest bidder for the entire site. It was found that the latter formula achieved a higher premium for the taxpayer. On that basis, the Government opened negotiations with the highest bidder for the entire site. The Government, as part of its due diligence, sought to establish from this bidder its capacity to pay the premium and capability to carry out the project. After a series of delays and requests for extension before placing £10 million of the total premium in escrow, which the  
1500 preferred bidder never did, the Government terminated the negotiations and the expressions of interest in July 2021.

The Government was approached by TNG Global with a considerably higher premium offer in the first week of June 2021 and negotiations concluded with the public announcement made on 18th October 2021. We commenced discussions with TNG only after the preferred bidder failed  
1505 to provide the deposit required.

**Hon. K Azopardi:** Given I do not have the advantage of the list, do I take it that TNG Global did not submit a bid, so it is not one of the 19, one of the 19 became the preferred bidder, there were negotiations, those negotiations fell through and at that stage TNG Global emerged? But it was  
1510 not one of the 19 – is that right?

**Hon. Chief Minister:** TNG Global was not one of the 19. The preferred bidder was the highest bidder. We were negotiating with the highest bidder, and before the negotiations with the highest bidder fell apart, which was at the end of July, in early June TNG expressed to us directly an interest  
1515 with a much higher bid than any of the other bids that had been received, and indeed the bid that we were negotiating.

I do not know whether, in fact, already at that stage the preferred bidder had been asked to put down a deposit of £10 million to demonstrate its ability to pay the premium and also to demonstrate its capability of carrying out the project, because we were talking about a project  
1520 that is going to involve hundreds of millions of pounds over a period of 10 years. And so I want to be specific. Before TNG had approached us we had already asked the preferred bidder to do that. TNG approached us whilst we were waiting for the preferred bidder to do that and came with a bid that was higher than anything we had seen in the 19, and for that reason we started the negotiations with TNG.

1525 **Hon. K Azopardi:** I understand, but given that there were 18 other parties, did the Government engage with the other 18 parties to see whether, once the highest bidder falls through ...? The highest formal bidder has gone through the process, the negotiations do not work, there are 18 other people on the list. Some of them are for single plots. It may be that the Government had by  
1530 then formed the view that it wanted to take a holistic view instead of a parcelled view. I do not know if that was part of the thinking, but even if it was part of the thinking, some of the ones on the list of 19 that he has rattled off are bids for all plots, so why not go back to those parties that had formally gone through the expressions of interest process within time and then get them to either put in a second bid or compete with TNG Global? Why wasn't that done on a second-round basis?  
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**Hon. Chief Minister:** Mr Speaker, let me just deal with the first point that the hon. Gentleman raises, which is whether to do individual plots or the whole thing. I said in the course of my first

answer that the Government carried out an exercise to determine the highest bidder for each plot and whether the highest bidder for each plot and the highest bidder for the entire site gave us the best for the taxpayer. It was found in the exercise done by LPS that the latter formula, that is to say the whole plot, achieved a better price for the taxpayer. That was something we wanted to test. That is why he will see the expressions of interest that we put out actually parcelled the area into plots, because we thought, 'Look, this has not been able to take off in 30 years as a whole plot – shall we try to see whether you can get entities interested in single plots? We might be able to get more in total for the Eastside by parcelling it up into plots.' In fact, once we had received the information from the bidders, there was no way you got anywhere near the premiums that you were being offered for the whole plot when you looked at the individual plots.

The exercise of choosing a preferred bidder involved going from 19 to six. So, of the 19, six were assessed to be serious and in the interests of the taxpayer. Those six were interviewed at length. They made presentations to the Financial Secretary, to the Deputy Chief Minister and, I think, to the Minister for Economic Development as well, and we went through the six proposals. So we had a lot of information about the six most lucrative proposals for the Government, and the others, it is fair to say, in the Government's view were not mature proposals.

The six proposals that were put produced considerably less for the taxpayer than the TNG proposal. Even the preferred bidder, which was the highest of the six, produced considerably less for the taxpayer than the TNG proposal. So, in the context of the TNG proposal, the reason the Government decided to proceed with it was that it was considerably higher than the 19, considerably higher than the six, and of course serious and self-financing. With the TNG Foundation what you have is an entity that is the same entity that controls a Gibraltar retail bank and is approved for that purpose by the Gibraltar Financial Services Commission and wider international interests of substance, of which the Government has serious and real cognisance, so that we have no doubts over the ability of this party to carry out the works which are required for the full Eastside development as proposed to the Development and Planning Commission.

In the context of the six that we were dealing with, a number were for single plots and a number were for the full plot, but all of them would have had to prove to the Government – other than one that was seeking a single plot and is well known to the Government and is well known to have the substance to do that single plot, which was a very low premium for one single plot – their ability to pay the premium, which was lower than the premium being offered by TNG, and to have the ability to finance the works, whilst TNG offered a higher premium, the ability to pay the premium is well known and the ability to carry out the whole of the works is well known. For that reason, in this instance the Government, having tested the water of what the market believed the plot was worth months before and being in the process of doing so, decided that it was in the interests of the taxpayer to continue with TNG because they paid considerably more than any of the other bidders that had submitted any proposals whilst the expressions of interest period was initially open.

**Mr Speaker:** Next question.

**Q195/2022**  
**TNG Global Foundation –**  
**Beneficiaries**

**Clerk:** Question 195/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, can Government confirm who the beneficiaries of the TNG Global Foundation are?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government is unable to confirm the exact beneficiaries of the TNG Global Foundation. The publicly available information in respect of foundations is generally limited to the identity of its counsellors. This information can be readily obtained from Companies House by requesting a foundation profile. We can confirm, however, that they are the entity approved by the Gibraltar Financial Services Commission to own Trusted Novus Bank.

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**Hon. K Azopardi:** Mr Speaker, we have a profile of TNG Global and, as the hon. Member knows, the profile shows who the counsellors are – and the Act says that the beneficiaries are whoever is in the constitutional documents, which obviously we do not have.

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The reason for the question is because obviously the Government has undertaken this process ... It is explained now in some detail as to what happened in the expressions of interest process, of which TNG were not originally part but it was finally adjudicated the plots. I would assume that in that context the Government would have done due diligence and discovered who the beneficiaries were said to be by TNG Global Foundation, and really what we are asking is who those people are. Will the Government say?

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**Hon. Chief Minister:** Mr Speaker, a foundation is a little like a trust. I think, for the purposes of this basic debate, we can establish that a foundation is like a trust. The Government knows who it is dealing with. The Government has done its research and its due diligence, and so has the GFSC, and so have other entities that have licensed this entity to own financial services companies in the European Union and outside the European Union. And so there is not anything to be concerned about here because you have this entity also doing regulated business and being approved to do regulated business.

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The problem with giving an answer to the hon. Gentleman ... If he looks at my first Answer, I have said we cannot confirm what the exact beneficiaries of the TNG Global Foundation are, and that is because in a trust beneficiaries can change at any time. Beneficiaries can change by somebody telling somebody – the founder telling his appropriate counsellors – that he wishes to change who the beneficiaries are, or sending a note of change of his wishes or changing the schedule, and because these things are private the Government might be giving information which is not strictly accurate. Unless I have the founder standing next to me, confirming that now the beneficiaries are X, Y and Z, I could be giving information which has become incorrect. We have had this debate before about trusts; that is the issue.

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In the context of the Government knowing who it is dealing with, I have said before in this House I think it is incumbent on a government to always know who it is dealing with, unless it is dealing with a public company the shareholding of which is in the market. The Government knows who it is dealing with, the GFSC knows who it is dealing with, the Swiss financial regulator knows who it is dealing with, the Portuguese financial regulator knows who it is dealing with. It is a regulated entity and therefore I do not think there are concerns about identity here, but I do have concerns about giving information that I cannot nail to the mast as correct the moment that I give it. The founder of the Foundation, as we said in the Government press release and as was said in the press release in relation to Jyske Bank, which became Trusted Novus Bank, is Mr Tuan Tran.

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**Hon. K Azopardi:** I appreciate that explanation that he has given, but the Government issued a press release on 18th October 2021 which said lots of things, but one of things it said is 'The TNG Global Foundation is the highest of all the proposals put to the Government', adjudicating the project to TNG Global at that moment, so what I am really asking ... We are now in May, but I will ask a more precise question, if I may. On 18th October, when they issued this press release, they presumably would have known at that point who the beneficiaries of TNG Global are. Can he say that he did? If so, who were they? The situation may have changed, but that may invoke all sorts

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of other issues under the agreement in terms of change of control. I am not asking about that. What I am asking about is a point in time: at the time that they issued the press release, did he know who the beneficiaries were, and who were they?

1640 **Hon. Chief Minister:** Mr Speaker, beneficiaries do not control trusts or foundations; counsellors control trusts or foundations. It is a basic [inaudible] point, Mr Speaker. Let's not get too technical about it. I do not think we have to have an argument about that. I know that he wants us to know who we are dealing with in the context of who the beneficiaries of the foundation are. The Government knew that the beneficiaries of the foundation were the same  
1645 beneficiaries that had been approved as beneficiaries at the time the entity was approved to own a regulated financial services business in Gibraltar, and therefore we had no concerns about that. We have had no notification that that has changed and the Government, in its guise as wider Government, has not been notified under relevant banking statutes by the Financial Services Commission that it has been notified of a change of beneficiaries of the ultimate beneficial owner  
1650 of structures that involve the ownership of a regulated entity in Gibraltar.

**Hon. K Azopardi:** So, just to be clear on the answer I am getting, at the point in time when they issued the press release they believed that the beneficiaries of TNG Global Foundation were the same beneficiaries that had been approved to own the bank – that is what we are talking about –  
1655 through a different entity, because I presume that it is a different entity that owns and controls the bank. As I understood it, they assist the entities with sharing common beneficiaries. That is what he is saying? It is the entity that we are talking about, which is common. The regulated entity is the bank – is that right? It is the same beneficiaries?

1660 **Hon. Chief Minister:** Those were the assurances that we were given, Mr Speaker, and the contracts that are being negotiated require us to be told if there are any changes to that.

**Mr Speaker:** Next question.

**Q196/2022**  
**Eastside tender –**  
**Payment of premium**

**Clerk:** Question 196/2022. The Hon. the Leader of the Opposition.

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**Hon. K Azopardi:** Mr Speaker, has the premium for the Eastside tender/development been paid in whole or in part; and, if so, when and in what amount and by whom?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the beneficiaries of the TNG Global Foundation have not yet paid the premium to the Government and no cash has yet been received by the Government for the Eastside project as at 11th May 2022. The Government is in negotiations with TNG to move from heads of terms to a finalised detailed agreement that will result in the premium  
1675 of £90 million in cash being paid to the Government.

TNG has already spent a considerable amount of time in carrying out its planning, surveys and environmental work leading up to the application for outline planning submitted to the DPC and the grant of it by the DPC. Hon. Members will appreciate that paying the premium ahead of having the clarity that the DPC would grant them approval was not possible, and indeed that is what we  
1680 said would happen, that they would make the payment only after they had received outline

planning, and that is what we are now negotiating to do, to receive that payment once we have the actual contract provided for.

1685 **Hon. K Azopardi:** So that we understand, as part of the arrangements there was no escrow or deposit payment by TNG at all – is that right?

1690 **Hon. Chief Minister:** No, Mr Speaker, not in this instance, because we did not believe and do not believe that it is necessary to seek an escrow payment from this entity. We are very close to finalising the agreement that will see not in escrow but the full payment of the £90 million to the Government.

1695 **Hon. K Azopardi:** Mr Speaker, I understood from the earlier answer that one of the reasons that the negotiations with the top bid of the 19 fell through was because they did not stump up a £10 million deposit, so why not ask for a deposit from TNG?

1700 **Hon. Chief Minister:** For a very simple reason, Mr Speaker: the preferred bidder of the 19 whom we were negotiating with had been involved in the negotiations for the Eastside project that fell through – that was Blue Water – and they had not been able to come up with the money there, and so we said, ‘Well, fair enough, this looks okay, but you have to demonstrate that you have the money now.’ Here, in the context of the TNG Foundation, you are talking to the guy who owns Jyske Bank and other banks. He has the ability to pay the £90 million and that is the assessment that the Government has made. If he does not pay the £90 million, it will be not because he has not got the money, it will be because we cannot come to terms – but we are now very close to coming to terms, the outline planning is in place and the £90 million, we believe, will be paid and it is just a question of finalising the agreement.

1705 Successive Governments of Gibraltar have been here before and we have not been able to make the Eastside stick. I trust that they wish upon us success in this respect, not just so that we complete their manifesto commitment of 1996 but so that we can all have the benefit of £90 million for our public coffers.

1710 **Hon. K Azopardi:** Mr Speaker, he may not believe it, but I actually wish him success in everything that he does. I may criticise him when he gets it wrong, but at the end of the day I live here, my daughters live here, they have to find jobs and I want him to be successful as much as he can because (*Interjection*) it will make Gibraltar economically and politically sustainable for many decades to come. We may still want to win the next election, but I am sure if he is on this side he will do the same with me.

1715 **Hon. K Azopardi:** Mr Speaker, there is a heads of agreement they are trying to move to final agreement. Can I ask him: at that time, when they negotiated the heads of agreement, were there any time clauses in the heads of agreement? He has explained about the outline: the payment of a premium is conditional on the obtaining of the outline. Were the negotiations up to the final agreement also time limited? Were there any time clauses there? If not, can he give us any kind of idea of timescale? Given that the press release was issued in October and there was quite a lot of detail in the public domain put therein, it has been a few months now already, so how close are they to final agreement?

1725 **Hon. Chief Minister:** Mr Speaker, there were some timelines which did not relate to payment. There were timelines which related to works that need to be done to protect the plot in order to be able to complete the Hassan Centenary Terraces site. As I indicated to him, that protection is required in order to be able to finish those works, insure those homes and sell those homes.

1730 The reason we have not yet completed heads of terms, or rather the agreement, is because now the outline planning has been granted we are very advanced in finalising the full agreement, and it is in everybody’s interests, not least to ensure that costs are kept to a minimum, that we

just go straight to the final agreement and finalise the whole agreement and see the payment of the £90 million now with the outline planning permission already in place.

1735 Mr Speaker, I am grateful for his words about wishing us success on this. I know that it is in the interests of all of us economically, not just in the context of the public finances but also in the context of the economic development of Gibraltar, the socio-economic development of Gibraltar and the GDP of Gibraltar, that we see this project actually finally take off.

1740 I, also, wish him great professional success, as he knows, and I do hope that he has many decades from now still there, still wishing us success, although many decades from now, I have to confess – there is only one Joe Bossano – I will be neither here nor there.

**Mr Speaker:** Next question.

**Q197-98/2022**

**Eastside site –**

**Removal of rubble; signing of agreements re financing/development**

**Clerk:** Question 197/2022. The Hon. the Leader of the Opposition.

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**Hon. K Azopardi:** Mr Speaker, by 1st May 2022 how much rubble had been moved from the Eastside site to the proposed Victoria Keys site, at what cost and paid by whom?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer with Question 198.

**Clerk:** Question 198/2022. The Hon. the Leader of the Opposition.

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**Hon. K Azopardi:** Mr Speaker, has Government now signed the agreements with the Victoria Keys developers in respect of the financing and/or the development of the site?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Hon. Chief Minister:** Mr Speaker, to date the Government has not been able to finalise the agreement with the proposed consortium of Victoria Keys developers.

Up to 1st May 2022, approximately 121,000 tonnes of material has been moved from the Eastside reclamation to the Victoria Keys site. The cost up to this date for the testing, extraction, processing, transportation and placing of material at Coaling Island is £1,697,438.57, paid for by an advance from HM Government of Gibraltar from the Improvement and Development Fund.

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**Hon. K Azopardi:** Mr Speaker, in the context of the Eastside development, is the Government expecting to recover that money? I think there was some discussion – I believe it was the Father of the House, where he gave an interview, I think, talking about the rubble costs. I am not sure if that is going to be recovered, this part – or is it future rubble transportation?

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On the second question, on the agreement on Victoria Keys, the press release that announced the Victoria Keys development was, I think, released well before the 2019 election, so the negotiations have now been ongoing for some time. We ask for updates from time to time. What is it that is holding up the process, given the length of time? Obviously, the reclamation is going on – it is quite active now; at least there is dumping of rubble into the sea, so it appears that there is a partial reclamation going on – so can he update us on the process on the agreements?

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**Hon. Chief Minister:** Mr Speaker, I think the information that he is relying on is a little dated.

1780 The recovery of the cost for the movement of the rubble will form part of the arrangement with the Victoria Keys consortium, but the original discussion with the Victoria Keys consortium and the original proposal which was being discussed with them was for the movement of all of the rubble at the Eastside. When the TNG proposal comes on to the scene, it changes the canvas in the sense that TNG want to keep the rubble because they have a use for it. In their proposal, they use it to fill caissons which produce the marina. Of course, that is environmentally the best use of that rubble because, first of all, it is encased, and second, it does not have to be moved from the Eastside to the western side of Gibraltar.

1785 So the new agreement is that the rubble that is moved is only the rubble that is needed to be moved for the purposes of the second phase of Hassan Centenary Terraces to be erected as quickly as possible. You would wait an extra six months or a year if you were just moving that part of the rubble for the marina arm for the TNG foundation, so instead of now going forward to move all of that spoil to the western side of Gibraltar to create Victoria Keys ... For hon. Gentlemen just to understand this, as I tried to understand it when it was technically explained to me, if you look at the rubble mountain on the Eastside as we know it, and you turn that upside down and put it in the Bay of Gibraltar, that is Victoria Keys. That is where it was going and it would become 1795 Victoria Keys. Now the majority of that mountain is going to be encased in the caissons and involved in the flattening of the plot that will become the Eastside. So what we are moving and have now almost entirely moved is what you need to move in order to be able to build Hassan Centenary Terraces, which means that the transaction with the Victoria Keys entity is a different transaction, because we are now talking about using different rubble to create Victoria Keys.

1800 So – I do not mind sharing this information with the hon. Gentleman – one of the things that we are looking at is using the Victoria Keys site as it develops in order to be able to process new rubble and use new rubble for reclamation in that area, or another reclamation which may provide for that. As the hon. Gentleman knows, the disposal of rubble in Gibraltar can add considerable cost to any development, because if you have not got a site in Gibraltar it has to go across the border and be processed, not just as it needs to be processed here, but it has to be processed in order to be able to cross a frontier, which is already much more problematic.

1805 In that context, the proposition in respect of Victoria Keys is now a slightly different proposition and requires a different negotiation, and it has just been impossible, in the context of the work that we have had to do in the past two years, to have a discussion with the consortium that will be doing Victoria Keys with us – if we are able to reach terms with them, which we sincerely believe that we will – on the new proposal for Victoria Keys. There have been a lot of discussions with them, they are aware of a lot of this, but we have not been able to agree final terms.

1810 We want to agree, obviously, the best terms for the taxpayer. The terms that we had on the table we thought were extraordinarily good terms for taxpayer, probably one of the best deals the taxpayer had ever done in respect of property in Gibraltar. The taxpayer was going to see huge returns and benefit and the problem of the rubble mountain also dealt with by the creation of a new asset.

1815 So it is a slightly different position and therefore the negotiation is not yet on foot as it needs to be, but I hope it will be on foot soon. We are, at the top, a very small team doing as much as we can as quickly as we can, and it is just not possible to finalise and do more at this stage.

**Hon. K Azopardi:** Mr Speaker, just a final question, if I may? As I understand his explanation now, with more updated information, it is not about the transportation of the rubble but rather partial transportation; the rest of it is being flattened – if I can put it in a very simplistic way – to use as part of the Eastside development, and there is a renegotiation going because that has impacted on the original scope, the original idea, or at least one of the elements that was in the Victoria Keys project. Am I right in thinking, though, that the drawings that were published in 2019 ... the end product has not changed; what might have changed is the mechanics of doing it in terms of the logistics of the rubble that was going to be used? Is the financing also perhaps a

1830 different discussion that needs to be had in terms of the carve-up of the plots, the contribution that Government was going to make? Is that also part of what is holding up the discussion?

**Hon. Chief Minister:** Mr Speaker, I think the artist still has the same impression because what was published was an artist's impression. I do not know whether the shape of the reclamation would be the same. We have had a lot of discussions internally and externally with our Victoria Keys partners, as they will be, about what the shape of the reclamation should be and where it should be wider, where more value can be added etc. The finances will depend on the structure of the final deal, but we continue to seek the best deal for the taxpayer, and although I have read some unmerited criticism of the proposal, anybody who understands subordinated liquidated  
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1840 finances and all of that sort of thing, in their heart of hearts when they do an analysis will say, 'Shucks, that is an excellent deal for the taxpayer, undoubtedly the best deal the taxpayer has ever done.'

**Hon. R M Clinton:** Mr Speaker, just one question. Given the explanation the Chief Minister has given about the rubble mound and who is getting which bit and the inverted [inaudible] land, is it that effectively what he is saying is the Victoria Keys site is going to continue – to use his words – as a rock store until something is decided with the area? But in terms of the actual surface area of the reclamation, is it still envisaged to be the same number of square metres, or is it to be a more modest proposal?  
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1850 **Hon. Chief Minister:** Is he talking about Victoria Keys or the Eastside, Mr Speaker?

**Hon. R M Clinton:** Victoria Keys.

1855 **Hon. Chief Minister:** The same number of square metres, if not more.

**Mr Speaker:** Next question.

**Q199/2022**  
**Hassan Centenary Terraces –**  
**Updated cost**

**Clerk:** Question 199/2022. The Hon. the Leader of the Opposition.

1860 **Hon. K Azopardi:** Mr Speaker, will the Government provide an updated cost of the Hassan Centenary development?

**Clerk:** Answer, the Hon. the Chief Minister.

1865 **Chief Minister (Hon. F R Picardo):** Mr Speaker, the updated cost of the Hassan Centenary Terraces housing project up to the end of April 2022 is £63.35 million.

**Hon. K Azopardi:** Mr Speaker, in terms of the projection of the final cost of the development, has that changed also? Has that been impacted by the current spend? What is the trend for that?  
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**Hon. Chief Minister:** Mr Speaker, the anticipated contracts done for the whole project, the whole of the six blocks, is in the region of £168.5 million. Of course, this will reflect the fact that there has been considerable inflation in respect of the cost of the second phase.

1875 **Mr Speaker:** Next question.

**Q200/2022**  
**Airport tunnel –**  
**State of works and opening date**

**Clerk:** Question 200/2022. The Hon. the Leader of the Opposition.

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**Hon. K Azopardi:** Mr Speaker, what is the state of the works on the Airport tunnel, and when will it open?

**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, the Government is represented by the hon. Member's firm in these matters. I say that for the purposes of the record.

The civil engineering and structural engineering works on the tunnel are almost complete, with final snagging and defects correction taking place at the moment. The mechanical and electrical equipment is mostly installed, although not fully completed. This is also undergoing testing and commissioning, and once all is successfully completed the contractor should be in a position to hand the tunnel over. It is not possible to provide a definitive date of when the latter will take place – 'Don't we know it,' he said as an aside (*Interjection*) – but, the anticipated date given by the contractor *at the moment* is 16th August 2022.

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Once the tunnel is handed over and before it can be opened to traffic, there will be a need to carry out a number of works which are outside the scope of the tunnel contract. These are primarily in the area of Devil's Tower Road, Eastern Beach Road and the southern tunnel approaches, and are programmed to take 12 weeks.

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**Hon. K Azopardi:** Of course I am not going to hold him to it, but in terms of from handover to when it might actually be in use, is there some kind of projection of how long that would be?

**Hon. Chief Minister:** Mr Speaker, I have told him that the works that are required are around 12 weeks. He might have asked me, 'Well, why don't you start doing those works now?' As he knows, we have had a very fractious relationship with the contractor. The fraction happened in their time and continued in our time. A lot of these approach works involve areas which connect to areas that are still controlled by the contractor for the tunnel. Some of the work that we have to do is in the tunnel site, and we would have to have a good relationship with the contractor in order to be able to start our works in a way that would be completed satisfactorily with the best interests of the taxpayer in mind in order to be able to say let's press the button and do those works now. We do not have that relationship with the contractor. We therefore do not want to start works that will potentially go on for longer and cost the taxpayer more because of the nature of the relationship with the contractor, and so we will not be prepared to start spending money on the approach works until we actually have the tunnel site in our own control.

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We also do not want to put a date out there for the simple reason that if we put a date out there that people are going to hold the Government to, the Government will be embarrassed if it does not meet that date. Then the contractor, with whom we have a very fractious relationship, will say, 'Now I have one over the Government, because if they do not complete by 16th August 2022, the Opposition and the public will be saying, "Ha, ha, you see: you have failed the deadline."'

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We are not prepared to stick our colours to the mast on any date that we are given by this contractor. We have seen the most disgraceful Spanish practices in the context of the relationship

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that we have had with this contractor and we look forward to no longer having them on site in Gibraltar.

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**Q201/2022**

**British residents of Gibraltar not holding red ID cards –  
Frontier mobility**

**Clerk:** Question 201/2022. The Hon. the Leader of the Opposition.

1930 **Hon. K Azopardi:** Mr Speaker, how has the Government taken up with Spain and/or the UK and/or the EU the current problems of mobility across the border faced by British residents who do not hold red ID cards, and what indications of resolution have there been?

**Clerk:** Answer, the Hon. the Chief Minister.

1935 **Chief Minister (Hon. F R Picardo):** Mr Speaker, as the hon. Member opposite is aware, and as I have said publicly on a number of occasions, the United Kingdom, Spain and Gibraltar have been in continued contact on this issue. However, this must sadly be seen against the legal reality that exists for British citizens as a result of the United Kingdom's departure from the European Union.

1940 The fluid movement of persons across the border between Gibraltar and Spain remains a key part of the envisaged agreement for the future relationship of Gibraltar with the European Union. Until that agreement is concluded, however, Spain is bound to apply the EU Schengen Border Code. This provides for a greater intensity of controls at the border with what the European Union terms 'third country nationals'. The code obliges border guards to check and stamp passports and also to question border crossers on matters like the purpose of their visit into the Schengen area and to request proof of their means of subsistence.

1945 Gibraltar residents of Gibraltar who hold red ID cards have been temporarily exempted by Spain from this requirement pending the negotiation of a new treaty. In the event of no negotiated outcome, the full application of the EU Schengen Border Code would be the default position for all third country nationals entering the Schengen area and this would include Gibraltar red ID card holders.

1950 **Hon. K Azopardi:** Mr Speaker, clearly we hope that there will be a successful, safe and beneficial agreement negotiated, but in terms of this specific aspect can I just ask this. As the Chief Minister knows, the situation has changed twice. Originally there were assurances given – public assurances – that there was going to be status quo at the border, and in fact, if I can loosely call them blue ID card holders, blue civil registration card holders were going across the border in the same way as they were before. Then it changed at some point. Several months ago it changed to the point where they were still able to do so, but on the basis that their passports would be stamped on the way in and on the way out. It has changed again recently, as he knows, so that they are now requiring documentation to justify where the person is going and that sort of thing.

1960 I understand the answer that he has given, but of course assurances had originally been given during the course of the initial throes of the discussions or negotiations. Is it the case, therefore, that we now need to await the negotiations, and is it the case that it is not possible to obtain interim assurances of original status quo for those holders of non-red ID cards?

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**Hon. Chief Minister:** Mr Speaker, the Government of Gibraltar has vociferously sought that blue ID card holders have the benefits that they had, which are the same benefits that red ID card holders currently continue to enjoy, until we have a negotiated outcome in the discussions between the European Union and the United Kingdom which involve Gibraltar and Spain. We have

1970 been unable to secure that. We are seeking a concession in that respect. It is not impossible that  
by seeking that concession too aggressively we may simply lose the concession that we presently  
enjoy. I do not want to say too much about this because I do not want to put at risk the concession  
that we presently enjoy, but I would say that it is legally wrong and politically unhelpful, or rather  
... let me rephrase that. It is legally wrong and diplomatically unhelpful for people to allege that  
1975 they are being discriminated against because one class of ID card holder in Gibraltar is being given  
a more favourable treatment, because those who are not being given favourable treatment are  
being given the treatment that European law requires.

The hon. Gentleman should take it from me and every blue ID card holder should take it from  
me that the Deputy Chief Minister, the Attorney General and I, and indeed the United Kingdom  
1980 authorities, have made vociferous representations seeking to have blue ID card holders continue  
to have the concession that they had until recently. We have not been able to achieve that. We  
will continue to try to seek that. We will continue to be vociferous behind closed doors in seeking  
that concession and seeking that goodwill, but we have to understand the parameters in which  
we are operating.

1985 In order to try to represent this in some way that is less, perhaps, controversial, if you were  
entering a state that deals with everyone in the same way and that state were to decide that it  
wants to deal with one particular group in a particularly positive way, and that group is discernible  
in some objective way, then by everybody else alleging discrimination all that is likely to happen  
is that the party that is giving the concession is going to say, 'Bugger it, I don't want to be called a  
1990 discriminator, I'll treat everyone the same way.' So we have to be very careful. That is not to fail  
to understand the plight that some of those who are blue ID card holders are in. That is why the  
Deputy Chief Minister, the Attorney General and I have invested so much time in making the  
argument in their favour in these negotiations, but the reality is that we either favourably finish  
these negotiations or we will all always get the same treatment that blue ID card holders are  
1995 getting at the moment. Indeed, let us not be discriminatory ourselves: that is the treatment that  
is given to all other category of ID card holders who are not also EU nationals, because we have  
other third country nationals in Gibraltar, who are not British citizens, who are also going to be  
subject to that treatment. We have green ID card holders, for example, who are non-EEA nationals  
who are resident in Gibraltar – they are having the same treatment as well, and we must not  
2000 forget them either.

So this is a vexed issue. I can see that there is an opportunity to try to make oneself the  
champion of this class of person. I have received an extraordinary number of communications  
from people in this situation. I have tried and I think I have replied to all of them. If I have not, I  
encourage those who have got in touch with me to get in touch with me again. The former  
2005 Minister for Europe, Wendy Morton, was in touch with a large number also. We have a  
communication that we agreed with the former Minister for Europe we would send which sets  
out some hints and tips as to how to deal with this issue in a way that is, we think, helpful.

Mr Speaker, all I can say is that we need to ensure that we do not cause all ourselves a problem  
by failing to understand the legal nature of what is happening at the crossing point between  
2010 Gibraltar and the European Union at La Linea at the moment. That frontier is, at the moment,  
already an external frontier of the Schengen space subject to the Schengen Border Code. We must  
not pretend it is not.

**Mr Speaker:** Next question.

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**Q202/2022**

**Non-red civilian registration card applications –  
Total and numbers granted, refused and pending**

**Clerk:** Question 202/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, how many applications for non-red civilian registration cards have there been since 1st January 2021; and, of those, how many have been granted or refused and how many were pending at 9th May 2022?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will now hand over a schedule with the information the hon. Gentleman has sought.

**Answer to Question 202/2022**

Breakdown of applications received by category, since 1st January 2021:

Category	Granted	Pending	Refused
<b>Non-EU Nationals</b> (Green Cards)	1,984	149	1
<b>EU Nationals</b> (Blue Cards)	3,701	306	2
<b>British Nationals</b> (Magenta Cards)	822	94	2

**Hon. K Azopardi:** Mr Speaker, may I just ask the hon. Member ...? Some months ago I asked him about a policy issue that was holding up the so-called self-sufficient applications. Has that been resolved, or is that still pending the discussions?

**Hon. Chief Minister:** Mr Speaker, the outcome of that discussion will depend very much on the outcome of the treaty negotiations.

**Q203-04/2022**

**Government public counters –  
List including opening hours and plans to increase**

**Clerk:** Question 203/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, can the Government provide a list of the Departments and public authorities and agencies that currently operate public counters for interaction with members of the public and the opening hours of each such counter?

**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I will answer this question with Question 204.

**Clerk:** Question 204/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, will the Government be increasing the opening hours of public counters operated by Government Departments or public authorities, or opening counters at departments that do not currently operate open public counters?

**Clerk:** Answer, the Hon. the Chief Minister.

**Hon. Chief Minister:** Mr Speaker, I now hand over a schedule with the information requested. All other Departments that do not operate public counters or have not returned to their pre-COVID-19 counter services interact with members of the public via e-Government services, email, telephone or by pre-booked appointment.

In relation to Question 204, there are currently no plans to open public counters longer, or indeed open new ones. HM Government of Gibraltar is, however, planning to develop a one-stop hub to afford help and support to those persons who require assistance with online systems.

### Answer to Question 204/2022

#### CSRO

Immigration & Visa "Drop Box"	Mon - Fri 08:30 - 15:00
Birth, Death & Marriage Appointments	Mon-Fri 08:30 - 10:30

#### HM Customs

Custom House	Mon-Thurs 08:30 - 15:00 Fri 08:30 - 14:45
Entry Processing Unit	
General Post	

#### Treasury

Gibraltar Savings Bank	Mon-Thurs 08:30 - 15:00 Fri 08:30 - 14:30
Payroll	Mon - Fri 08:30 - 15:00

#### Transport

Gibraltar Parking Management Services	Mon-Thurs 08:30 - 15:00 Fri 08:30 - 14:30
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#### DVLD

Motor Vehicle Test Centre	Mon-Fri 08:30 - 12:30
Gibraltar Bus Company Ltd	Mon-Fri 08:30 - 15:00

#### Post Office

Main Street counters	Mon - Thurs 09:00 - 16:15 Fri 09:00 to 16:00 Sat 10:00 to 13:00
Mail Centre - Admiral Rooke	Mon - Thurs 08:30 to 15:15 Fri 08:30 to 15:00
Irish Town - x1 counter	Mon - Fri 09:00 to 15:00

#### Gibraltar Port Authority

North Mole Harbour office	Mon - Fri 10:00 to 12:00 and 14:30 to 15:30 Summer hours 09:30 to 12:00
Wind Mill office	Mon - Thurs 08:30 to 15:00 Fri 08:30 to 14:30

#### Gibraltar Tourist Board

Heritage office	Mon - Fri 09:00 - 16:30 Sat 10:00 to 14:30
Frontier office	Mon - Fri 09:00 - 16:30
Coach Park	Mon - Sat 09:00 - 16:30

HM Prison	Mon, Wed, Thurs and Fri 09:00 to 16:30 Tues 09:00 - 16:30 & 17:30 - 19:00
Gibraltar Regulatory Authority	Mon - Fri 09:00 - 17:00
Royal Gibraltar Police	24 hours / 7 days a week
Office of Fair Trading	Mon to Fri 08:30 to 15:00
Upper Rock and Beaches counter and the Fishing Permits Counter	Mon - Thurs 08:30 to 15:00 Fri 08:30 to 14:30
Housing Department	Tues & Thurs 09:00 to 14:00

**Gibraltar Sports and Leisure Authority**

First Floor Counter	Mon to Fri 09:30 to 15:00
Main Reception	open 7 days a week 07:30 to 11:00

**Hon. K Azopardi:** Mr Speaker, I do not know if the Chief Minister is aware but this is one of the more municipal issues that constantly gets the attention of people and gets raised with Members on this side of the House.

2060 There is significant public disquiet about public counters. He has handed me a schedule and I will look at it and review it, but there would be significant public disquiet to hear him say that there are no plans to open for longer hours or new ones. People's engagement with e-Government is not a smooth or seamless process. It sometimes does not work in the way that people would like it to work, so in terms of finding alternatives people still think that there should be public counters open across the board in terms of all public services, so that they can engage with real people to solve the problems that they have on the ground.

2065 Can I ask him to reflect on the second aspect of his answer? While of course it is right that they should look for alternatives, like bolstering the process of e-Government and making sure it is more efficient and so on ... I know that they have invested money in e-Government and it is a different debate to see whether there is value for money on that investment, because many millions have been spent on it and it does not appear to trickle down to people in a fast and efficient way.

2070 That is a different debate for another day, but in terms of this issue, giving alternatives to people so that they can engage with public servants, can I ask him to reflect on the second aspect of the answer, because people will be saying, as they do to Members on this side, that they want counters open across the board and for longer?

2080 **Hon. Chief Minister:** Mr Speaker, it will be no surprise to him that, although I have no time to follow him on social media, people have nothing better to do than send me what he says on social media, so I end up having to see it, as it floods my WhatsApp feed when I have better things to do – like, for example, communicate with him on some matter or other. I found it particularly entertaining that he made a headline of the issue of opening public counters on one of his social media feeds, with big blue letters.

2085 He is right, these are the things that matter to people. I can break my neck negotiating 24 hours a day, bring back the best deal in the world, just like Churchill won the war, and get kicked out because a counter is not open or somebody on a counter is not polite, and the hon. Gentleman, like a politician, will make hay of that, as he has. So be it. That, I guess, is municipal politics at its best.

2090 We have said we are opening a general counter, and that general counter, the hon. Gentleman reminds me, as I thought, will deal not just with digital issues: it will be a general counter where you can do all of your counter stuff with the Government. So there will be a counter, you can do all your counter stuff with the Government at that counter, and therefore honour should be satisfied and counters should be provided for all the Government stuff.

2095 But I just want to ... because I have tried to understand the point ... This point was raised in the Cabinet long before it was raised in his social media feed and we have been wrestling with this since the first lockdown and the aftermath of the first lockdown. I have given him some answers

and the only counters that are not open at the moment are six, so the Government has 10 Departments with counters that are open and six have not reopened, so of all of the counters that we had before we have less than a third that have not reopened.

2100 One that has not reopened is the Human Resources department. That is really an internal issue, because there is not much interaction with the general public in Human Resources. The other one is Maritime. Maritime is principally an area of international business that we do online. I have had no complaints about either the Human Resources department counter being closed or the Maritime department counter being closed.

2105 The other one is Town Planning and Building Control. I have had absolutely no complaints whatsoever about that counter being closed, because most people were urging us to be able to do those things more efficiently online.

The Government Law Officers and the Office of Criminal Prosecutions and Litigation had a counter, and that has not reopened. Apparently, it was a historic counter. I do not know whether 2110 it was in a historic building or ... historically we had had a counter, I am told, which was for Gazette matters. Again, nobody has complained about that because most of the people who were involved in putting adverts in the Gazette were gagging for us to be able to offer them the opportunity to do it online and send us the money online and send us the advert as a PDF. So nobody has complained about that.

2115 There are two other counters. I have now dealt with four. There are 10 that are open, these are the other four and nobody has complained about these four. The other two we have are the Civil Status and Registration Office and the Housing Works Agency. The Housing Works Agency has traditionally always taken its complaints by phone. Some people wanted to turn up to make their complaints in person, but the phone seems to be the most efficient way of doing it. I have 2120 not had any complaints myself about the Housing Works Agency counters being closed.

The only other counter that remains closed is the Civil Status and Registration Office, but of course the Civil Status and Registration Office, which deals at its counters with passport and nationality matters, immigration and visa matters, births, deaths and marriages, has not failed to deal with every birth, every death and every marriage in Gibraltar. The applications for 2125 immigration and visa that we have had, most of those were always dealt with remotely because it was people applying for visas to Gibraltar, so they made the application remotely. And passports and nationality – well, I can tell the hon. Gentleman from the volume of applications for exemptions in respect of nationality and passports I have dealt with I cannot imagine that we would have had more applications if the counter was open, and I personally have had no 2130 complaints about people saying, ‘I cannot go to the counter at the CSRO.’

So I am left with the concern that people are expressing, for some reason, a concern about Government counters, which I do not think is related to the fact that these six have not reopened in the way that they were open before.

A lot has been done online. The process of going online is painful because you have to register. 2135 The system is imperfect, but we are getting there. I have had my own issues with going online and registering, and I do not mind saying so – the Hon. Minister for Digital Services had to hold my hand through the process of registration etc., but once you get there, that is it, you are registered. If you are of an age, you do not want to do that, you might not understand it. There are very few people now of an age who do not want to do that – because remember that 20 years ago, when 2140 somebody who was 60 retired they were probably already using email; that person is 80 now – but we have a place where they can be guided through these issues, and we will continue to support paper because, as the Hon. Minister has said, we are going to have a general counter not just for digital services but also for all paper services. So now there will be a counter that would deal with all matters that the Government deals with.

2145 And so, Mr Speaker, I think that this is the direction in which we have to continue. If the hon. Gentleman receives a complaint about a particular counter, please, he should get in touch with me because I am trying to understand where it is that the failing to the public is, so that we can put it right if it will not be put right by the general counter that we will open, which we think is the

right way to resolve this problem. But he should note that we have a lot of counters in operation and some of them are open extended hours already, until five o'clock. That is why we are not thinking of extending to later. Some of them are on extended hours until seven o'clock at night, and obviously the RGP counter is open 24 hours a day.

So it is difficult to see where the problem actually lies, but we are listening and we want to resolve the problem, if we can, in a way that makes sense as we go digital and make the investment into digital and see that bear some fruit.

**Hon. K Azopardi:** Mr Speaker, obviously I will look through the schedule, but it did strike me ... Just looking very quickly through the schedule, there are areas of public service engagement where it is not mentioned. Things like DLSS, for example: traditionally, you have been able to, I think, engage with DLSS. The Health Service is not there. I can see it on the list. I may have missed it, but I do not see the Health Authority there. I do not see the Tax Office. It may be that there needs to be a wider trawl of services, because clearly people engage with different aspects of the public service, not just the ones on that list, and it may be that the list that has been provided to the Members opposite does not actually cater for everything in all aspects – so worth looking at in perhaps a bit more detail.

Secondly, can I just ask, in terms of his answer that there will be a general counter that helps you across the board on all services, he gave a long answer at the beginning, so he may have said it, but where would that be and when will it open?

**Hon. Chief Minister:** Mr Speaker, let me just take the last question first: on 15th June, in the building which is opposite Mackintosh Hall – which used to be Lloyds Bank, as people know it – which is presently being used to help people through the digital process. There are some building works to finalise, but we understand that that is on time and we will be able to provide that service from then, or thenabouts.

I do not think that the Health or DLSS counters came into scope, in the sense that they were never closed, as I understand it; there was always different provision made. All that has happened there – in DLSS, for example – is that a counter became an appointment service and people are seen, but they are just not seen at the counter anymore, which in any event we were always told did not provide the privacy required when people arrived at the counter. DLSS payments continue to be made on a counter basis and we were only shut down for a very short time there, when we did the direct payments, as I understand it.

I do not know whether the Tax is something that shut down and did not reopen, and I think we have approached this on the basis of things that shut down and did not reopen. I think that the relationship now with Tax is done in a different way; it is just not done on the basis of making people queue up. I think people are given an opportunity to register online etc.

I am keen to see where it is that the hon. Gentleman thinks the problems are, so that we understand it as well, in case there is any lacuna after what we have said and the opening of the new facility and the online facility. But I would urge people to give the online facility a chance, even though the registration process is initially a difficult one. I found it extraordinarily difficult to register for online banking. It took me ages to do, and it was always an imperfect process for me. I left it two or three times halfway through because I could not find the sort code and I could not find the account number etc. When I finally did it, a whole new world appeared to open up for me in which now, with my phone and my thumb, I am able to buy the occasional chocolate bar – if I am allowed it by my dietician etc. I think that when you go through that process it works and it works well, and it makes everything easier going forward.

Many years ago, I stopped using cheques to pay for stuff and I went on to direct debit – this was in the days before digital and all the rest of it. I have never missed a bill since, because I went on to direct debit, and that is what we are encouraging people to do. It has an extraordinarily positive effect also on debt to Government. When the hon. Lady was at Housing, for example, she managed that process for new tenants, so that new tenants went on to direct debits and elderly

tenants were also assisted so that they went on to direct debits. Although I know that lots of people like to go out to the counter and all the rest of it, on rainy weeks having to go out to the counter was not exactly a pleasure and a lot of people welcomed the fact that they could go on to direct debit.

2205 So there are different ways of engaging with the Government, more modern ways of engaging with the Government. It is never going to be seamless, but we try our best to make it as seamless as possible and I would be very interested to hear and to co-operate with the hon. Gentleman if he identifies areas, as I said, of lacunae, gaps, between the service that we will provide from 15th June, the service we are starting to provide electronically and the service we continue to provide at counters.

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2215 **Hon. K Azopardi:** I detected from his answer that perhaps the answer provided to me has been drafted on the basis that I was asking about which Department had closed its counters. That is not what I asked, Mr Speaker. What, in fact, I asked was for the Government to provide a list of the Departments and public authorities that currently operate public counters for interaction with members of the public. If the Health Authority had not closed its counters but had continued to operate them, they should be on this list; so if, for whatever reason, the list has been prepared wrongly, on a different basis, then can I ask if perhaps he could ask whoever has prepared this list to do a wider trawl across Departments, and if that is the case then an updated schedule could perhaps be sent to me once it is ready?

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2225 **Hon. Chief Minister:** Mr Speaker, I am happy to look at that. I think that 'not currently operate public counters' has been read, as previously did and no longer do. I do not know whether that is a helpful indication –

2230 **Hon. K Azopardi:** If the hon. Member gives way ... That is the second question. The first question says 'Can the Government provide a list of the Departments and public authorities and agencies that currently operate public counters ...?' The first question is 'give me the list of everybody who is operating a public counter'. That is clear. It does not ask whether it has been closed and has reopened. I can see the point that he is about to make on Question 204, but not on Question 203, I would say.

2235 **Hon. Chief Minister:** Yes, Mr Speaker, I appreciate his point and I can see why on Question 204 the interpretation would have been correct, and why on Question 203 it is a request for a general trawl. The hon. Gentleman has said 'Departments and public authorities', and I do not know whether it has been interpreted as Departments, and public authorities has not been deemed to include the GHA – he will note I did not challenge that part of his first statement; *(Interjection by Hon. K Azopardi)* yes, indeed – or whether somebody has decided that a counter is not what we operate at the GHA because we do public interaction in the GHA but we may not formally do it at something that is a counter.

2240 I am quite happy to ask that this be checked, to ensure that the trawl has been as wide as the hon. Gentleman wished us to trawl and we can have greater clarity going forward if, when he sees the new list that I will send him, he considers it necessary.

2245 **Mr Speaker:** The Hon. Roy Clinton.

2250 **Hon. R M Clinton:** Thank you, Mr Speaker, just one supplementary. Not too long ago, for the information of the Chief Minister, I was stopped down Main Street by a businessman who found it very frustrating that he could not get through to the Tax Office. He could not get a response by email, he could not get through on the telephone, he could not get any kind of interaction with them. Obviously that is not good for the Government because he may have to pay taxes or something else.

**Hon. Chief Minister:** [Inaudible] not take his call for everything?

2255 **Hon. R M Clinton:** Well, who knows? But of course the Government services are there to serve the public and there has to be an interaction.

I understand the desire to move towards e-Government, but in a specialist area such as tax, for example, I cannot quite see how a general counter would work. You would have to have it staffed by a Tax Office specialist who would have to have access to their records and everything else. That is purely an extension of the Tax Office. Why not just keep it at the Tax Office? Why spend the money to set up a branch of the Tax Office? Just send people to the Tax Office, which is where the information is.

2260 I think all I am trying to say is I would ask the Chief Minister to consider that when he is considering his wholesale reforms, at least phase them in and bear in mind that if you are going to withdraw one form of interaction you have to either allow time for it or make sure that if they are not going to be able to have face-to-face communication, the other lines of communication are retained open.

**Hon. Chief Minister:** Mr Speaker, I am grateful to the hon. Gentleman because that is exactly the indication I was asking that we should get, so that we can try to understand where these complaints are coming from.

I am surprised that the hon. Gentleman has referred us to the Tax Office, because I know the Tax Office does an excellent job of communicating with taxpayers. He just needs to look at the amounts that we have paid in rebates to see just how well we are communicating with taxpayers. Of course, if a taxpayer wants to get in touch with the Tax Office, it is for good reason and we are there to serve the public, not just in the Tax Office but in every Department, and we must be accessible to the public.

2275 Undoubtedly, everywhere around the world the COVID pandemic has made government more remote from the citizen, and as we go back we have to ensure that we go back to providing the service not just to the standard that we used to provide it to, but to a higher standard, which is what we think we can do with the introduction of electronic systems.

We do not agree with him that the central counter becomes an outpost of every Department. In fact, in many instances many people attend counters simply to collect or deposit forms and you have, in many Departments, people staffing counters for the purposes simply of waiting for somebody to come to deposit a form, or ask for a form, or make a payment. In some instances, people come to a counter to, in effect, make an appointment with somebody who is not the person behind the counter but is the specialist who will deal with them in the Tax Office. In many instances, you will turn up, you will speak to somebody who is at the counter and you will then go inside to speak to the person who is the specialist in the field that handles your particular tax affair, and so it will be possible to have that initial interaction in the central area and then make the appointment to go to the Tax Office on the day you are going to be seen by the specialist, for example.

2285 There is a lot more that can be done in a central Government counter which is more efficient and not less efficient. The way that the hon. Gentleman has presented it, it would be less efficient to create a colonial outpost of each Government Department in a central Government Department for Government Departments – so that would be a new Department, which would be a Department of Departments, to put it in *Yes Minister* speak. That is not what we are seeking to pursue, and I would not dare to suggest that sitting next to the Minister for Efficiency, Mr Speaker. It is quite the opposite and I hope that after we have opened the counter of counters, we will be able to see an appreciable increase in the efficiency of the service, the availability of the service and the ability of the citizen to interact with the public sector in a way that is favourable for those who do not want or are not able to do so electronically or through the existing counters.

2295 **Mr Speaker:** Next question.

**Q205/2022**  
**Child grooming case –**  
**Update re further investigation**

2305 **Clerk:** Question 205/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, what is the state of the further investigation being conducted into the child grooming case in respect of which a report was delivered to Government by Gillian Guzman QC; what issues are being considered and investigated, and by whom?

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**Clerk:** Answer, the Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, the investigation is led by the Office of the Chief Secretary. The investigation is considering, first of all, whether any changes should be carried out or conducted in respect of laws or practice in this subject-matter area as a result of the Guzman report and whether any Human Resources issues arise in respect thereof.

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**Hon. K Azopardi:** Mr Speaker, as I understand it, the report was delivered some time ago, so was the further investigation commissioned immediately thereafter or more recently? If so, irrespective of the timing of when it was commissioned, does he have a ...? I assume he commissioned it. I am assuming that, but he will clarify whether it was somebody else who commissioned it. Did whoever commissioned it give the Chief Secretary an indication of when they would like to receive the report of that body?

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**Hon. Chief Minister:** Mr Speaker, I did not commission the investigation. I referred the Guzman report to the Chief Secretary because of the concerns it raised with me. The Chief Secretary himself had received a copy of the Guzman report – he is a former Director of Education – and he himself considered that it was necessary, as a result of the report and the things that the report told us, to do some further work with the benefit of the report on the basis of reviewing whether anything should now change as a result of Ms Guzman’s recommendations and whether any Human Resources consequences should arise. That is, therefore, his investigation under his remit being run by his office.

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**Hon. K Azopardi:** Mr Speaker, has he decided that? Is he running the investigation or has he tasked other people to run with that investigation within his Department? Is it just people within his Department? Does it have external support of any type? Does he know who is doing it? I am not asking for names, but ...

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**Hon. Chief Minister:** Mr Speaker, as far as I am concerned, the Chief Secretary is running this, but I do not know whether the Chief Secretary is actually doing the running of this. This is his investigation or review, and he is the person who is deciding who should be doing any work that is required. I assume he will be doing some work with some of the hon. Lady’s Departments, some of Prof. Cortes’s Departments and with some of my Departments, in the sense that the Human Resources Department is also formerly my Department. But he is doing that, and it is being run entirely independently by him. His view and my view of the issues that the Guzman report raised were probably, in the same way as with him, exactly the same, and we both agreed that this needed to be now looked into in these respects because I think the Guzman report made clear what the next steps should be.

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**Q206/2022**

**PossAbilities –**

**Financial assistance from Government**

**Clerk:** Question 206/2022. The Hon. the Leader of the Opposition.

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**Hon. K Azopardi:** Mr Speaker, will the Government be financially assisting the charity PossAbilities in its project; and, if so, has it made an assessment of the likely financial or other assistance to this project?

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**Clerk:** Answer, the Hon. the Chief Minister.

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**Chief Minister (Hon. F R Picardo):** Mr Speaker, we are considering some financial assistance to PossAbilities to help them with refurbishing the old St Martin's School. This is a matter that we will touch upon as part of the Budget debate, given that all liabilities in respect of this will arise in this financial year.

**Hon. K Azopardi:** Is the Chief Minister willing to share the kind of projection, or is he saying read between the lines and wait for the Budget debate?

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**Hon. Chief Minister:** Read between the lines, Mr Speaker, and wait for the Budget debate. Because it is a liability arising in this financial year, it requires a debate, and formally I think the money cannot actually be deemed to be used for this purpose until the House has voted it, because it is money arising after 1st April.

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**Hon. K Azopardi:** Mr Speaker, is this going to be a one-off financial assistance in terms of the refurbishment of St Martin's, or is this going to be recurring assistance in terms of the management of the project and so on – or is that going to then depend on, in effect, private sector or charity funding?

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**Hon. Chief Minister:** It will be a combination of all those, Mr Speaker, in the sense that we anticipate assisting the fantastic people who have set up PossAbilities, who have brilliant ideas to extend what they used to do already as Little Smiles and to provide a magnificent service going forward, which the hon. Lady has looked at in great detail and Prof. Cortes has looked at in great detail.

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They are an absolutely impressive bunch of people. Ironically, they are an impressive bunch of ladies. I do not say that to be discriminatory, but only because all of the people who have come to see me about this on every occasion have been ladies and they are really committed. They are really working and have been working for many years to have the credibility to put to the Government that we should support them. They have been working for many years providing services to end users who have benefited from what they do, whose parents have entrusted the people behind PossAbilities with their children. And so, given that we have nothing more precious than our children, when we entrust them to someone, those persons have really demonstrated their bona fides and their ability and their commitment.

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I do not want to anticipate the debate on the Budget, but the model that we have in mind here is very much the model that has worked so well in the context of Clubhouse. The problem is I think Emily Olivero every time I think of Clubhouse and I forget the name of the organisation, and Emily has now retired.

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The incredible work that is done by some people in Gibraltar, which sometimes we do not speak about often enough ... When it comes to mental health issues, when it comes to issues of childcare, like Childline, when it comes to issues of mental health also like GibSams and when it comes to issues like PossAbilities and assisting people with disabilities, governments can do things

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but no government of any political hue or complexion can do things with a heart, because we end up doing things in a way that is institutional. It is impossible for us to do them in any other way, however much money we might throw at it, whatever disguise we may put upon it. But when you have people who are themselves touched by these issues, who are deeply personally committed to these issues and – and I emphasise this – have the track record of having delivered services to people who have entrusted them with their children and have demonstrated that they can discharge those functions for years, then the Government is able to say this is a worthy recipient of Government support, in combination with charitable moneys, in order to continue to provide that service in an enhanced way to the benefit of people in our community who require these services. Clubhouse is perhaps the most striking and successful example to date, alongside other examples such as Childline and GibSams, where the Government helps.

In the context of the Clubhouse proposal, hon. Members will know that Government seconded an individual who had an interest in this field, from a Government job to Clubhouse, and this is the same model that we are looking at here, seconding a Government individual – or an individual who is employed by the Government will now be involved in running that. Part of the Government's contribution is that person, because that person will no longer be discharging a function doing something else in Government, they will be doing that.

I have only praise for the way in which those who are behind PossAbilities have approached us, the way they have worked with us, the way they have answered lists of questions that are necessary to answer these days under MAPPA rules and the safeguarding rules, the establishment of the whole principle. These are not things that can be done on the basis that they might have been done before, where you thought something was a good idea and you would just run with it. You have to really go through vigorous processes, and we have. I very much look forward – if there is anything left to be said in the Budget debate – to saying so and seeking an appropriation from this House to support this magnificent group of people, which I hope people will all vote in favour of, because if they vote against it they will be voting against these magnificent people and the work that they do.

**Mr Speaker:** We have two sets of questions from two separate Ministers.

**Hon. Chief Minister:** Yes, Mr Speaker. If I may be of assistance, my throat is dry and you have been sitting there for three and a half hours hearing me a rabbit on. I wonder whether this might be a convenient moment for the House to at least take a 15-minute break and then return for other questions.

**Mr Speaker:** The House will recess for 15 minutes and return at 7.15.

*The House recessed at 7.02 p.m. and resumed at 7.19 p.m.*

## ENVIRONMENT, SUSTAINABILITY, CLIMATE CHANGE AND EDUCATION

**Q87/2022**

**St Mary's School –  
Agreement with developer**

**Clerk:** We will now resume with Question 87/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, has the Government signed the contract in respect of the future St Mary's School with the developers of that site; and, if so, what are the financial terms of the agreement and how long will the agreement run for?

**Clerk:** Answer, the Minister for the Environment and Education.

2440 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, the Government entered into an agreement for underlease with the developers of the new St Mary's Lower Primary School, namely Town Range Developments Ltd, on 30th September 2021.

2445 The term of the agreement for underlease is not specified, as it continues only until the underlease itself is signed, albeit there are terms that have a continuing effect and continue for as long as is necessary to give effect to the provisions of the agreement for underlease. The underlease itself, which will replace the agreement for underlease, would be signed only once the property is completed and ready for occupation and all areas properly measured.

2450 The financial terms of the agreement for underlease remain the same as those laid before Parliament in the December 2019 session by the Hon. Gilbert Licudi in answers to questions from the Hon. Roy Clinton and are therefore already public.

2455 **Hon. K Azopardi:** Mr Speaker, my recollection – hence the question – of that session in Parliament in December 2019 was that there was an aspect where the Minister of the time, the Hon. Mr Licudi ... I had an exchange with him where he indicated that there still had to be an agreement on the ... They had roughly agreed the price per square foot, but there had not been a final agreement of the financial terms. That is the reason for the question. There was an indication of possible terms but not final terms, and perhaps the hon. Member could update that.

2460 **Hon. Prof. J E Cortes:** Mr Speaker, I will refer the hon. Member to the answer to Question 245/2019, which actually does give a figure per square foot, and, unless it is a different question session, from my reading it now again, it does not refer to any uncertainty. So perhaps that was previous, but the answer to Question 245 seems, to me, to very clearly state how much it was.

2465 **Hon. K Azopardi:** I am trying to pull it up on my screen, but if the hon. Member has it in front of him, towards the end I think there was a discussion, an exchange with me, where the Minister at the time indicated that there were aspects that needed to be negotiated. If that is not the case in the current answer he has got in front of me, well then I will go back and reflect on the answer he has pointed me to, and if there are follow-up questions I will do it again at the next session.

2470 **Hon. Prof. J E Cortes:** Yes, Mr Speaker, I am happy to entertain any queries, whether at the next session or between.

#### **Q88/2022**

#### **Conversion of supply teachers to permanent posts – Cost effect re future pension entitlement**

2475 **Clerk:** Question 88/2022. The Hon. the Leader of the Opposition.

**Hon. K Azopardi:** Mr Speaker, can the Government confirm whether the recently announced decision to convert a number of supply teachers into permanent posts had any cost effect in terms of future pension entitlement?

2480 **Clerk:** Answer, the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, supply teachers engaged on fixed-term contracts are eligible to subscribe to the contributory pension scheme. The only increase projected, therefore, relates to progression on the salary scale, for which supply workers are not eligible.

**Hon. E J Reyes:** Mr Speaker, may I get a clarification? I was under the impression that a supply teacher with a fixed-term ... if they are lucky enough and later become substantive in that position, there is a time period when they may opt – for example, if they have worked as supply for one or two years before – to make payment of the contributions that would have been payable then for their part of the pension and therefore that would equate to ... the Government, as the employer would also have to pay a contribution. Is that interpretation correct?

**Hon. Prof. J E Cortes:** No, Mr Speaker, that is not what I have said. The fixed-term contract supply teachers are eligible to subscribe already, as a result of that fixed-term contract, to the pension scheme.

**Mr Speaker:** Next question.

**Q89 and Q154/2022**  
**Cycling infrastructure –**  
**Plans re new schools and Eastside project**

**Clerk:** Question 89/2022. The Hon. E J Phillips on behalf of the Hon. Ms M D Hassan Nahon.

**Hon. E J Phillips:** Mr Speaker, are there any plans for cycle lanes in the new schools?

**Clerk:** Answer, the Minister for the Environment and Education.

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Mr Speaker, I will answer this question together with Question 154.

**Clerk:** Question 154/2022. The Hon. E J Phillips on behalf of the Hon. Ms M D Hassan Nahon.

**Hon. E J Phillips:** Mr Speaker, what provisions will there be in the new Eastside project to incorporate cycling infrastructure?

**Clerk:** Answer, the Minister for the Environment and Education.

**Hon. Prof. J E Cortes:** Mr Speaker, the provision of cycle lanes in the area of the new schools being built on Europort Avenue and in the area of the Eastside project are being considered as part of the wider cycling infrastructure project for Gibraltar. Plans are being developed to provide these in these areas and others.

**Hon. E J Phillips:** Mr Speaker, just in relation to the schools, was there no consideration given to the potential for the use of cycle lanes during the period of time when the schools were envisaged? I would have thought that, given the commitment contained in manifestos by the Government, that might have been a bit more of a priority rather than looking at the scoping beyond that, as they seem to be doing now.

**Hon. Prof. J E Cortes:** Mr Speaker, as I have said, the school project team is discussing ... I did not say who it was discussing with, but it is discussing with the Traffic and Transport department the incorporation of cycle lanes around the schools.

2530 Clearly I mentioned the one in Europa Avenue because at the new secondary school at Town Range there is not the space, but in Europort the discussions are now around how we can align it in such a way considering the changes that are also going to happen in Europort Avenue. In fact, I had discussions only last week with the Hon. Paul Balban about the matter.

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**SOCIAL SECURITY, ECONOMIC DEVELOPMENT, ENTERPRISE,  
TELECOMMUNICATIONS AND THE GSB**

**Q155-61/2022**

**Jewish Home –**

**Privatisation;**

**Social Insurance study credits –**

**Policy re awarding;**

**Public finances and borrowings –**

**Updated figures;**

**Economic Development and Employment Company Ltd –**

**Subsidiaries and legal entities where shares held**

**Clerk:** Question 155/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise if the Jewish old people's home has been privatised; and, if so, to whom was the contract awarded and on what date?

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**Clerk:** Answer, the Minister for Social Security, Economic Development and Enterprise.

**Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** Mr Speaker, I will answer this question together with Questions 156 to 161.

**Clerk:** Question 156/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise what is its policy in respect of the claim and award of Social Insurance study credits?

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**Clerk:** Question 157/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government please provide the total gross debt, aggregate debt after application of the Sinking Fund to gross debt, cash reserves and net debt figures for public debt for the following dates: 1st September 2021, 1st October 2021, 1st November 2021, 1st December 2021, 1st January 2022, 1st February 2022, 1st March 2022 and 1st April 2022?

**Clerk:** Question 158/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise the balance on the General Sinking Fund on the following dates: 1st September 2021, 1st October 2021, 1st November 2021, 1st December 2021, 1st January 2022, 1st February 2022, 1st March 2022 and 1st April 2022?

**Clerk:** Question 159/2022. The Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government provide a list of subsidiaries and legal entities in which Economic Development and Employment Company Ltd owns shares?

**Clerk:** Question 160/2022. The Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government provide a breakdown of its gross direct borrowing as at 31st March 2022 listing all debentures issued and banks borrowed from?

**Clerk:** Question 161/2022. The Hon. R M Clinton.

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**Hon. R M Clinton:** Mr Speaker, can the Government advise the total and a detailed breakdown of external gross borrowing of all Government or Gibraltar Development Corporation owned companies, with the exception of the Gibraltar International Bank, as at 31st March 2022?

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**Clerk:** Answer, the Minister for Social Security, Economic Development and Enterprise.

**Hon. Sir J J Bossano:** Mr Speaker, the Jewish Home has not been privatised.

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The policy inherited from the previous administration is as follows. The Income Tax Office receives applications and awards study credits to students on the basis of documentary evidence being provided as to the period and place of study for which the credits are being sought. The underlying requirement for eligibility is that the applicant must be in insurable employment as defined in the Social Security (Employment Injuries Insurance) Act. The credits are applied for the weeks during the whole of the duration which the applicant is undergoing the study.

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The gross debt estimate for September 2021 to January 2022 was £747.7 million. For February and March 2022 it was £727.7 million.

The aggregate debt was: September 2021 to January 2022, £727.7 million, and February and Mar 2022, £752.7 million.

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The estimated cash reserves have been as follows: September 2021, £33 million; October 2021, £31.8 million; November 2021, £44.1 million; December 2021, £29.1 million; January 2022, £19.5 million; February 2022, £33.7 million; and March 2022, £32.7 million.

The net debt has been as follows: September 2021, £694.7 million; October 2021, £695.9 million; November 2021, £683.6 million; December 2021, £698.6 million; January 2022, £708.2 million; February 2022, £719 million; and March 2022, £720 million.

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The requested figures for April 2022 are in the draft Estimate Book, which the hon. Member already has.

The balance on the General Sinking Fund until March 2022 was the same as previously stated for April. With effect from 1st April 2022, the balance is £25.4 million.

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Economic Development and Employment Company owns shares in the following: Construction Training Company Ltd, Employment Training Company Ltd, Graduate Research and Development Company, Skills Enhancement Training Company Ltd, Supported Employment Company Ltd, Gibraltar General Construction Company Ltd, Gibraltar National Exploration Minerals, Gas and Oil Company, RMB Investments Company Ltd and Zero Carbon Footprint Company Ltd.

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The breakdown of gross direct borrowing as at 31st March 2022 was: debentures issued September 2014, £147.7 million; debentures issued October 2014, £100 million; debentures issued October 2019, £75 million; and debentures issued June 2020, £50 million.

The banks borrowing are Gibraltar International Bank, £150 million; and NatWest International, £275 million.

The borrowing of all the companies was £383.29 million, of which £300 million was by Gibraltar Capital Assets in respect of the housing estates, which the hon. Member already knows. The

2600 balance of the others was ES Ltd, £52.8 million; Gibraltar Bus Company Ltd, £53,000; GCP Investments Ltd, £9.32 million; and Gibraltar Car Parks Ltd, £21.44 million.

**Hon. R M Clinton:** Mr Speaker, I beg your indulgence as I go through.

2605 Just a very simple question. I think I may have misheard the Hon. Minister on the gross debt level at 1st February 2022. If he could just give me that number again, I would be grateful.

**Hon. Sir J J Bossano:** It was the same for February and March: £747.7 million.

2610 **Hon. R M Clinton:** If the Minister could check he gave me the aggregate debt, i.e. after Sinking Fund of £752.7 million? Does he recognise that number? And if the Sinking Fund was £20 million, would the gross debt be £772.7 million?

2615 **Hon. Sir J J Bossano:** A mathematical error. I would have to go back and check. I am giving him the numbers that have been provided to me by the Treasury.

**Hon. R M Clinton:** I am grateful to the Minister.

2620 Mr Speaker, I am not going to ask much in the way of supplementaries in terms of the answers he has given to me on the financial information – I will digest that later – but I would ask him about his answer to my Question 156 on the claim of Social Insurance study credit. As he knows, we have corresponded on one particular case, but the issue is this: according to the Social Insurance (Contributions) Regulations section 14B(1):

A student shall not be liable to pay contributions under the Act as an insured person in respect of any week in which he is a student including any periods of vacation.

There is a case that has come to my attention and I passed it along to Sir Joe, where one person was refused study credits. I will quote from the letter this person was sent. It says:

In order for these credits to be awarded, a person should have been registered for Social Insurance purposes before starting studies in the UK.

2625 This creates a perverse situation, where if you have a summer job at the age of 15 selling sweets and your colleague beside you does not, you can then claim study credits later, whereas if he has not had a summer job he cannot, if he has not registered for a job in Gibraltar. I am not sure that was the intention of the Act. I am just wondering whether the Minister has been able to come to a determination as to what is the application of the Act. Otherwise, the Government should be advising all students who go away to study to ensure that they are preregistered for employment. Otherwise, there will be this kind of – I do not want to use the word  
2630 ‘discrimination’ – unequal effect of the application of this provision in the Act, where you can have one individual who may have spent one hour selling sweets during the summer and will get four years’ worth of study credits, and his colleague who has not and gets nothing. I was wondering if the Minister had come to a determination on that.

2635

**Hon. Sir J J Bossano:** Mr Speaker, the question is what is our policy on this, and I have pointed out that we have not introduced any new policy, it has always been like that. It might even have been like that when I was in government in 1996 for all I know, so I am surprised that there should be a loophole of that magnitude and in the 50 years that I have been here nobody has raised it  
2640 until now.

All I can tell him is that I am providing the explanation that the Tax Office has provided me with, and it appears that it has always been the case that you cannot get credit if you are not in the insurance schemes before you ask for the credit. I can see that there is some logic in that. If you are not insured in Gibraltar under the Social Insurance Scheme, then you are not a member

2645 of the scheme. Presumably the reason why you have to have paid at least one contribution beforehand is to be in the scheme in order to be able to apply for the credit, because if you have never been in the scheme then there may not be a way of making the application, I imagine.

I think, as a result of this exchange, I will ask the Tax Office to take a look at this and see if there is a loophole where people are being unfairly left out of this opportunity, and look at the possibility of amending if it is possible. It may be that if we remove that criterion of being a member first, we will open it to many other categories of people than the one it is intended to help. I think we would need to have technical advice from the people in the Tax Office on that.

**Hon. R M Clinton:** I am grateful to the Minister and I do appreciate his assistance on this.

2655 Mr Speaker, just one other supplementary. In terms of the Jewish old people's home ... The reason I raise the question is because Unite, in a public statement, suggested that some form of privatisation had occurred at the Jewish old people's home. Is it perhaps not that the entire service has been privatised but perhaps elements of it? If the Minister would care to perhaps clarify.

2660 **Hon. Sir J J Bossano:** Mr Speaker, nothing is being privatised. The position is that there are currently eight senior citizens who are resident in the John Mackintosh Home who will be moving to the refurbished former Jewish Home, which was closed some eight years ago, but the eight beds left vacant will continue to be in the John Mackintosh Home in the public sector. This is not beds being taken from the public to the private; this is people moving from the public to the private and the beds in the public remaining at the same level. So it is not a conversion of existing facilities into the private, which privatization. This is creating a private facility which will have additional beds, and the beds that are being vacated will then be filled by people who are on the waiting list to enter into the Elderly Residential Service.

2670 **Hon. R M Clinton:** Mr Speaker, if I understand the Minister correctly, then effectively it is a return to the status quo in terms of what happened in the past, when the provision of services in the old people's Jewish Home was effectively private. That is effectively what he is telling us?

2675 **Hon. Sir J J Bossano:** The refurbished home that was closed eight years ago will hopefully be ready by the end of this month and then it will be taken over by the Jewish community and they will run it. The beds that are there are going to be lost, so the number of beds in the ERS will not diminish, but there will be vacant beds and eight people who are on the waiting list will be accommodated in what is vacated in the Mackintosh Home.

2680 **Hon. R M Clinton:** I am grateful to the Minister for that clarification. Just one final one on this. The facility has been refurbished. The cost of that was borne by whom?

2685 **Hon. Sir J J Bossano:** This is one of the projects that is included in the National Economic Plan and is being financed by private capital, by the same entities that are doing all the other works in the National Economic Plan. Eventually, of course, the Government will be paying for the people in the home, and that will provide a return for the person who has invested in the home.

2690 **Hon. R M Clinton:** Mr Speaker, the National Economic Plan ... Am I correct, because I did see signs up for GBIC on the building, that this is the entity that has effectively undertaken the investment? That is the joint venture entity, if I recall.

**Hon. Sir J J Bossano:** The joint venture is the contractor who has done the refurbishment.

2695 **Hon. R M Clinton:** So the investing entity is this Community Supplies and ...? I forget the last word.



**Hon. K Azopardi:** A very net question. The Minister gave a long list of entities that were owned by the Economic Development and Employment Company Ltd, one of which was ... I cannot remember exactly the name – Oil Exploration, or something like that. What does that company do?

**Hon. Sir J J Bossano:** Gibraltar Economic Development and Employment is responsible both for training people and for guiding economic development through ventures that are set up.

There are three companies here which are not trading and never started trading because proposals were put to us for doing things, for which we created a vehicle, but then the proposed project did not materialise. Therefore, the companies are still owned but have never actually started trading because the proposals that were put to us were never fulfilled.

Given that my job is to get economic development going with minimal delay, when somebody comes along and says they want to do something with the Government in a certain area, what I do is create the vehicle to do it with £1,000 nominal capital, and then if it happens, it happens, and if it does not happen, the company is still there but it has never actually been able to carry out the investment that was intended.

**Mr Speaker:** Next question.

#### **Q162-65/2022**

#### **Disability Benefit –**

#### **Applications and appeals against refusal and number not yet determined; reform of system**

**Clerk:** Question 162/2022. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please look at Questions 9 and 10/2021? How many applications for disability benefit and appeals against refusal have there been since 20th April for the former and 3rd March for the latter, setting out the date when each application or appeal was made, i.e. – just to make it clear – by the applicant/appellant?

**Clerk:** Answer, the Minister for Social Security, Economic Development and Enterprise.

**Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** I will answer this question with Questions 163 to 165, Mr Speaker.

**Clerk:** Question 163/2022. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, can the Government please look at Questions 9 and 10/2021? How many of the applications and appeals referred to in the answers to those questions remain to be determined?

**Clerk:** Question 164/2022. The Hon. D A Feetham.

**Hon. D A Feetham:** Mr Speaker, when is the Government going to reform the Disability Benefit system?

**Clerk:** Question 165/2022. The Hon. D A Feetham.

2740 **Hon. D A Feetham:** Of the applications for Disability Benefit and appeals against refusal made since 20th April 2021 for applications, and 3rd March 2021 for appeals, how many (a) remain to be determined and (b) have been determined?

**Clerk:** Answer, the Minister for Social Security, Economic Development and Enterprise.

2745 **Hon. Sir J J Bossano:** Mr Speaker, 97 applications have been received since 20th April 2021 as follows: 21/04/2021, 23/04/2021, 26/04/2021, 07/05/2021, 10/05/2021, 18/05/2021, 18/05/2021, 20/05/2021, 24/05/2021, 25/05/2021, 25/05/2021, 25/05/2021, 01/06/2021, 04/06/2021, 07/06/2021, 11/06/2021, 21/06/2021, 24/06/2021, 29/06/2021, 02/07/2021, 2750 05/07/2021, 13/07/2021, 30/07/2021, 21/07/2021, 03/08/2021, 03/08/2021, 09/08/2021, 13/08/2021, 13/08/2021, 13/08/2021, 23/08/2021, 26/08/2021, 23/08/2021, 02/09/2021, 03/09/2021, 06/09/2021, 15/09/2021, 21/09/2021, 09/09/2021, 13/09/2021, 24/09/2021, 30/09/2021, 29/09/2021, 08/12/2021, 11/10/2021, 13/10/2021, 13/10/2021, 21/10/2021, 27/10/2021, 27/10/2021, 01/11/2021, 04/11/2021, 10/11/2021, 12/11/2021, 10/11/2021, 2755 15/11/2021, 17/11/2021, 22/11/2021, 26/11/2021, 01/12/2021, 29/11/2021, 03/12/2021, 08/12/2021, 09/12/2021, 08/12/2021, 13/10/2021, 21/12/2021 – that is 67, so far, (*Interjection and laughter*) so you have 67 in 2021 (*Interjection*) – 06/01/2022, 07/01/2022, 11/01/2022, 07/02/2022, 02/02/2022, 15/02/2022, 18/02/2022, 01/03/2022, 01/03/2022, 08/03/2022, 07/03/2022, 07/03/2022, 24/01/2022, 15/03/2022, 23/03/2022, 23/03/2022, 21/03/2022, 2760 04/03/2022, 05/04/2022, 04/02/2022, 28/03/2022, 28/03/2022, 20/04/2022, 25/04/2022, 28/02/2022, 28/02/2022, 12/04/2022, 03/05/2022, 04/05/2022 and 06/05/2022. That is the 97.

Eight appeals against refusal have been received since 3rd March 2021, as follows: 15/06/2021, 01/09/2021, 14/10/2021, 24/11/2021, 09/12/2021, 09/12/2021, 12/12/2021 and 18/02/2022.

2765 Twenty-two applications remain to be determined. Six appeals of the eight remain to be determined.

Any reform of the Disability Benefit system will take place when it is ready to be implemented.

**Hon. D A Feetham:** Mr Speaker, has he answered Question 165? I do not think he has.

2770 **Hon. Sir J J Bossano:** Ninety-seven applications have been made since 20th April 2021, of which 16 have been determined and 82 remain to be determined. Eight appeals against refusal have been made since 3rd March 2021, of which all eight remain to be determined.

**Hon. D A Feetham:** Thank you very much, Mr Speaker.

2775 As the Minister for Efficiency, I do wish that he would introduce greater efficiency in the way that he answers the questions, perhaps providing us with a schedule rather than the way he has answered it, but of course that is a matter for the Minister.

I take it from the answer he has provided, which is essentially ‘we will make an announcement when we are ready’, that the Government is committed to reforming the Disability Benefit system.

2780 **Hon. Sir J J Bossano:** Mr Speaker, the Government is committed to considering a number of issues and then will decide whether the answer, having considered the issue, is in one direction or another.

2785 What is obvious from these numbers is that there has been a very substantial rate of growth in the number of people in Gibraltar who become disabled and require help because of their disabilities. It is an extraordinary rate of growth with the present system and I think one needs to look at what we have to do to help more those who need it and whether, in fact, the system is actually being successful in giving the money to those who need it and may be giving money to those who do not need it. Otherwise, something very serious is happening which we need to be 2790 conscious of and need to be active about if there is a ...

We are now talking about a hundred extra people claiming disability every year. That is a huge number compared to what it was. This has resulted in the cost, without any reforms, going up from £5 million to £20 million – 400%. By comparison, the Care Agency, which provides wider cover for people with disabilities on a bigger scale, has gone up by 128% as opposed to 400% in this area. This is certainly something that requires study in depth, in my view.

**Hon. D A Feetham:** So is he suggesting that the direction of travel in any intended reform is to narrow the availability of Disability Benefit rather than widening it or leaving it as it is?

**Hon. Sir J J Bossano:** I am not suggesting anything other than my concern that there should be a 400% increase – the biggest increase in the entire Estimates Book – on something that appears to still be failing.

If the argument is that we are not doing enough or helping enough and we have had a 400% increase since he was in government, it must have been disastrous then if this is really the situation.

I think there has to be a real study. We have had a situation in children with health and educational needs of a similar nature. The numbers there were in 2011 ... and the numbers now ... The difference is astronomical. It is not something that you can say is happening because of an increase in population. There is no visible explanation. If the figures are accurate in reflecting something that is happening, then it is something that is of great concern and we need to listen how it is happening and why it is happening. And if it is that we are measuring things in a way that is not realistic and the criteria are not in fact working as they should, then it is something that we need to discover.

But in my view, what this reflects, having also been involved during the Budget estimates in looking at the need we have for special needs assistants, for which the numbers are in the Book and Members can see the huge increase there has been in that area ... It is something that I think ... Whatever we thought was going to be done two years ago, I am looking at this perhaps from a different perspective of saying, 'Look, we cannot just say there are more people and we give money to more people and that is it.' Why are we experiencing this level of need now, which was not there 10 years ago?

**Hon. D A Feetham:** I can postulate a reason as to why there are more applicants and more successful applicants now than perhaps that were in the past, and that is because (**Hon. K Azopardi:** More cases.) Well, my learned friend to the right says more cases, but actually I think it is to do with the fact that there is a recognition in society today that you may be disabled in circumstances where perhaps 10, 15 or 20 years ago there was not that recognition. That is the reality. There is more awareness of disability today and what constitutes a disability today than there may have been in the past. That is the reason for this.

Does he not agree with me that the root of the problem ...? I have made this point in this House in debates and, I think, in exchanges across the floor of the House in the past. The root issue is actually getting to grips with the definition of disability for the purposes of this benefit, and there is great uncertainty ... Well, first of all, I would ask that question and perhaps I can ... Otherwise, it will become a little bit unwieldy.

**Hon. Sir J J Bossano:** The answer is that the system was changed a few years ago. Before, it was based on identifying medical conditions that were considered to be inevitably leading to people having a disability in leading a normal life because the medical condition created that situation. Therefore, if you had one of a list of medical conditions you were entitled, and if you did not have one you were not entitled. That was changed to a concept which is how you manage yourself, so it seems, from what I can see from having looked at it with fresh eyes, that you can have two people with the same condition, one of whom is better at coping with the condition and they do not get anything, and the other does not even try and he gets it.

I think that the way of assessing this may be part of the explanation for the otherwise quite worrying increase in numbers and cost, and therefore it may be that we need perhaps a better way of assessing it and then provide the money to those who really need it, whereas we may be giving money based on a criterion which has such a wide range that there are people who are in serious trouble and cannot cope and people who really do not need it and get it. It would not be unusual, because it happens in a lot of things that Government does. You try to draw a line and sometimes you find that you are not doing enough for the people who really need it and you are doing things for people who do not need it. There is more than one example of that.

I think that in looking at the criteria we need to see exactly what it is by looking at how it used to be before the change and how it is now, and maybe look at demographics. Are we talking about more young children coming along with problems – and then it is something we need to be concerned about – or are we talking about some things that people say ... You could argue that everybody who has a stroke, subsequent to the stroke is less capable of looking after themselves than they were before the stroke. That is obvious. So do we say everybody in Gibraltar who has a stroke will now have a disability and we will give them ...? If that is how it is happening, then that could explain how there is no criteria as to if somebody is totally incapacitated or somebody is not able to write with his left hand because his right hand is [inaudible] by the stroke. There are people who lead full and normal lives and it is the shift that has been the focus of the thing, where you know they have a medical condition but you look at how well the person is coping. It seems that the person who makes the effort and copes and cannot produce evidence that he cannot cope is put at a disadvantage from the way the description of the criteria is drafted.

I think since we are going to be continuing standing. There are a number of papers that have already been written and which I have gone through, but they do not point in one direction. They just say when it is this issue you can do this or you can do the other. So it seems to me that the way it has been approached is not sufficiently thorough and more needs to be done so that we can come up with something that we are comfortable is actually going to deal with the nature and the content of what is creating the need that is now not being addressed.

**Hon. D A Feetham:** The hon. Gentleman is ... Though I am concerned about his motivation, which is pretty transparent – he basically says we have to be very careful about this because it will become unaffordable – of course my concern is that what we do not do is cut down to the detriment of people who genuinely need Disability Benefit.

But the hon. Gentleman is right that it is a question of not only getting the definition of disability right, which is the question that I put to the hon. Gentleman, it is also about the impact of that disability on that person, and in fact that has been the criterion upon which these sorts of applications have been determined, because the test, according to correspondence that I have seen with the many people who come to me about this particular issue, is ‘does your disability affect you in your everyday life?’ – in other words, has a severe impact on your everyday life. That has really been the test, although I have to say that I have also seen some boards that have introduced things such as whether that person could work, and if the person could work the disability was being refused. For example, in England it does not really matter if you are a stockbroker – you may be rich, but you may qualify for Disability Benefit – it is about the condition and potentially the impact of that condition on your life, not on the means of the person.

Does he not agree that at the very least what needs to happen is that people should be left in no doubt at all what the criterion is? In other words, it should be transparent, it should be published, there should be guidelines so that people can look at those guidelines, can look at the test and can say, ‘I qualify’ or ‘I do not qualify’? At the moment let me tell you that that is part of the problem, because the concern of people is that they do not know on what basis perhaps somebody gets it but they do not get it, because they appear to have the same conditions as somebody else. Does he not agree that that must form part of the Government’s review in this area?

2895 **Hon. Sir J J Bossano:** We know what he is saying because he said it before and he also put before the stockbroker example. I certainly would not be in favour of giving it to stockbrokers – for the avoidance of doubt.

I am not willing to commit myself until I get to grips with this. I can tell him that I am not in favour of putting this on a statutory level – I will be clear about that – and I am willing to explain to him outside why not, and then maybe he will understand.

2900

**Hon. D A Feetham:** I am grateful for that offer and of course I will take the hon. Gentleman up on it. It does not need to be statutory, but at the very least there has to be publication of guidelines, very clear criteria so that people know whether they qualify or they do not qualify. Does he agree that at the very least that needs to happen?

2905

**Hon. Sir J J Bossano:** Mr Speaker, I am not going to commit to agreeing to anything until we have gone through the process. I will bear in mind the importance he attaches to this, but I am not going to say yes, we are going to do this, until we have done the work that I think needs to be done.

2910

**Mr Speaker:** Next question.

**Q166/2022**  
**DSS building at Governor's Parade –**  
**Intentions re future use and reason for recent closure**

**Clerk:** Question 166/2022. The Hon. D J Bossino.

2915 **Hon. D J Bossino:** Please state what the intentions are with regard to the Department of Social Security building at Governor's Parade?

**Clerk:** Answer, the Minister for Social Security, Economic Development and Enterprise.

2920 **Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano):** I will answer this question with Question 167.

**Clerk:** Question 167/2022. The Hon. D A Feetham on behalf of the Hon. Ms M D Hassan Nahon.

2925 **Hon. D A Feetham:** Far less glamorous, I have to say! Why has the DSS building –? (*Interjection by Hon. K Azopardi*) I am glad that you disagree! (*Laughter and interjection*)

Why has the DSS building been closed and staff relocated only in the last month, when the building has been known to be unsafe for the last three years?

2930 **Clerk:** Answer, the Minister for Social Security, Economic Development and Enterprise.

**Hon. Sir J J Bossano:** Mr Speaker, as regards the future use of the building, no decision has been taken. It is likely that an assessment will be made of how much it would cost to make repairs and improvements. Possibly an invitation for an expression of interest would be issued for its redevelopment, so as to make the decision as to which option produces better value for money.

2935

I am informed that the DSS building has not been unsafe for three years. The electrical infrastructure at the former DSS premises at Governor's Parade was advised as unsafe by the Gibraltar Electrical Authority in January 2022. The staff have been continuing to work from multiple locations since then, including the Royal Gibraltar Post Office and EDEC premises at New

2940 Harbours. Government has committed to the full relocation of the Department on 20th June 2022 – next month.

**Hon. D J Bossino:** Mr Speaker, as far as my question is concerned, I understand that, from what he is telling us, it is very much at the preliminary stage in terms of the decision-making process, but can he commit to just one aspect of the building, given its obvious intrinsic heritage value? I think it is actually quite a beautiful building from my point of view. Can he commit that that aspect will not be in any way impacted or affected, because I think – it depends what is built there – it would have an effect on the surrounding area as well. So could I have that commitment from him just in respect of the heritage aspect?

2950 **Hon. Sir J J Bossano:** I think those are issues that would arise if there was a proposal that the Government considered was worth supporting, and then it would have to go through the whole heritage and planning and everything else. In a building of this age and character, all those things would have to be taken into account anyway before anybody was given permission to do it.

2955 There has been interest from people before we were in a situation of having to take this decision, because of its central location, but now that we are in a position where we either have to spend money on it or see how much we can be [inaudible] that building because somebody wants to come in and use it, it is an opportunity to test the market and then we might decide that we do not want it used for anything else and then have to spend the money to make it fit for purpose.

2960 I think it is not something that is going to happen in the near future. There has to be a fairly long process before we get to that stage, and when that stage comes I have no doubt that the heritage and the architectural value of the thing will prevent anything being done. Nobody is going to come in and knock it down, as far as I can see. *(Interjection and laughter)*

2965 **Hon. D A Feetham:** Don't be sexist!

Mr Speaker, I am going to read to the hon. Gentleman passages of the GGCA press release in relation to this, and then I am going to ask a supplementary question.

The GGCA has said this, and I quote:

the building was severely deteriorated due to water penetration. This resulted in the collapse of the ceiling in the vault area in 2019, the floor of which has been supported by scaffolding since that date. Luckily, no one was in the vault room when the ceiling collapsed, so nobody was injured.

2970 They also say:

the staff would have to use their umbrellas when going to the bathroom ... fuses in the building would blow on a regular basis, resulting in light shortages and fear of electrical shortages and electrocution.

Does the Government feel a sense of shame that there have been civil servants working since 2019 in those conditions?

2975 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I was conducting the negotiations with the GGCA in respect to those matters, and the leadership of the GGCA – when they came and told us that, at the same time as they issued the statement – said, 'We cannot believe that the staff of this Department have not told us before that they were working in these conditions, otherwise we would have brought it to you earlier so that you could have acted earlier.'

2980 The staff of the GGCA at the DSS are, I can only say, a magnificent bunch of people because they have been jovial in dealing with the problems that they have had. They have not raised the alarm until the last minute with their union, so that the union raised it with us even later. Of course we knew that there was a need for a relocation. We had committed ourselves to a relocation, but

we did not appreciate that matters had got to that extent and neither had their own union when they brought it to us.

2985 I can only, once again, thank the members of staff of the DSS because they have been absolutely magnificent in the way that they have continued stoically to provide the service to the public. Recently, they were frustrated, as much as we were frustrated, by our inability to move them, finally, when we wanted to. We had a serious logistical issue –

2990 I know that they are laughing, Mr Speaker, because they laugh at everything. They do not really care about the staff of the DSS, and if only people could see their faces now when I am explaining these issues ...

3000 We continue to work with them, Mr Speaker. We were able to give them the satisfaction that there was a final date on which they would move. They really are the best of us, and I will not stand up and express anything other than huge pride in the public servants that Gibraltar has, in particular the public servants we have in the DSS. I was going to have a meeting with them. On a number of occasions I have had to cancel because of the treaty negotiations. I had a date in the diary when I was able to go, and then five of them caught COVID and it was advised that we should not all meet for that reason. But they really are the absolute best of us, and it ill behoves anyone to try to play politics with them, as the hon. Gentleman is.

**Hon. D A Feetham:** Perhaps he might wish – and I invite him – to apologise to the staff for having worked under these conditions for such a lengthy period of time.

3005 **Hon. Chief Minister:** Well, Mr Speaker, the thing that he does not know, in trying to dramatically get up to draw me to an apology and then be able – as he has already in relation to the WOPS issue – to post on Facebook about how high-handed the Government is in giving him an answer which sets out an explanation for the things he failed to understand and the questions that he asks ...

3010 I am not going to do anything that the hon. Gentleman invites me to do, because I know that every chalice he hands me is laced with hemlock. I am going to, instead, continue my direct communication with the excellent people, the men and women who work in the DSS Department. I look forward to being able to see them face to face when that part of their cohort have recovered from COVID.

3015 They were incredibly well led in the period of the pandemic by a senior executive officer who has demonstrated a maturity beyond his years and an ability to represent Gibraltar in the negotiations on matters related to the sensitive area of Social Security, which has won plaudits even from the Minister for Economic Development, who is ... Getting plaudits from the Minister for Economic Development is like getting blood out of a stone. I have never had one and I have won three elections! The SEO in question has done an incredible job because the Minister for Economic Development and the DSS has been fulsome in his praise, as has the Attorney General.

3020 Mr Speaker, this is a magnificent bunch of people. Let's leave them out of politics. It is not elegant for us to play games with people, as the hon. Gentleman is trying to do. (*Interjection*)

**Procedural –  
Questions for Minister Balban to be answered  
in writing or orally at the next session of the House**

**Mr Speaker:** With that, we end the question-and-answer session for the moment.  
The Hon. the Chief Minister.

3025 **Hon. Chief Minister:** Mr Speaker, I have the honour to table the answers to Written Questions –

**Mr Speaker:** May I interject here? What is happening to Minister Balban's ...?

3030 **Hon. Chief Minister:** Sorry, Mr Speaker, you are absolutely right. Minister Balban is not in  
Gibraltar because of a family emergency – I think hon. Members are aware – and therefore his  
questions can either be answered in writing, if they wish, or they can be set aside to be answered  
orally at the next session of the House, if they prefer. The last time we had this, I think the Rules  
said that they have five days – I think five days, it may be longer – to tell us whether they want  
3035 them in writing or orally.

**Hon. E J Phillips:** I am grateful. We will reflect on that suggestion and within the five days we  
will communicate that to the Speaker.

3040 **Hon. Chief Minister:** Thank you, Mr Speaker. I had completely forgotten that we had to put  
that option to hon. Members.

I should say that I am sure the whole House will join me in wishing all the best to the Balban  
family at this difficult time and wishing all of the members of the family a speedy return to  
Gibraltar with all of them healthy to be able to return to us.

3045 Thank you, Mr Speaker. *(Banging on desks)*

## Questions for Written Answer

**Hon. Chief Minister (Hon. F R Picardo):** Mr Speaker, it is now my honour to table the answers  
to Written Questions W1/2022 to W8/2022.

**Mr Speaker:** Ordered to lie.

3050

**Hon. Chief Minister:** Thank you.

Mr Speaker, I move that the House should now adjourn until next Tuesday, 24th May at three  
in the afternoon, when we will move on to other matters on the Order Paper.

3055 **Mr Speaker:** I now propose a question, which is that this House do now adjourn to Tuesday,  
24th May at 3 p.m.

I now put the question, which is that this House do now adjourn until Tuesday, 24th May at  
3 p.m. Those in favour? **(Members: Aye.)** Those against? Passed.

This House will now adjourn to Tuesday, 24th May at 3 p.m.

3060

*The House adjourned at 8.05 p.m.*