



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**AFTERNOON SESSION: 4.04 p.m. – 8.29 p.m.**

**Gibraltar, Tuesday, 5th July 2022**

## **Contents**

<b>Order of the Day .....</b>	<b>3</b>
Appropriation Bill 2022 – Consideration of clauses concluded – Clauses approved.....	3
Legal Services (Amendment) Bill – Clauses considered and approved .....	39
Traffic (Amendment) Bill 2022 – Clauses considered and approved with amendment.....	40
Appropriation Bill 2022 – Third Reading approved: Bill passed .....	40
<i>The House recessed at 7.26 p.m. and resumed at 7.40 p.m.</i> .....	41
Traffic (Amendment) Bill 2022 – Legal Services (Amendment) Bill 2022 – Third Readings approved: Bills passed .....	41
<b>Questions for Oral Answer .....</b>	<b>41</b>
Transport .....	41
Q220/2020 Taxi fleet – Encouragement to go green .....	41
Q221/2020 Electric motorcycles and bicycles – Eligibility criteria for grants towards purchase .....	42
Q222/2020 Parking permit fees – Rationale for higher fees within same household .....	43
Q223-25/2020 Parking fees paid by residents of parking zones – Revenue re first, second and third vehicles.....	43
Business, Tourism and the Port.....	46
Q251/2020 Post Office private letter boxes – Number available to rent .....	46
Q252/2020 Minister’s visit to Bangladesh – Details.....	46
Q253/2020 FITUR fair – Government attendance.....	47
Q254/2020 Entry points to Gibraltar – Efforts to maintain and refurbish .....	48

Q255/2020 Airport departure lounge bar – Owner/operator .....	49
<b>Questions for Written Answer .....</b>	<b>50</b>
Private Member’s Bill.....	51
First and Second Reading.....	51
SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 – First Reading approved .....	51
SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 – Second Reading approved .....	51
SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 – Committee Stage and Third Reading to be taken at this sitting .....	53
Committee Stage and Third Reading .....	53
SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 – Clauses considered and approved with amendment.....	53
SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 – Third Reading approved: Bill passed .....	54
Adjournment .....	54
<i>The House adjourned at 8.29 p.m.</i> .....	54

# The Gibraltar Parliament

*The Parliament met at 4.04 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*]

## Order of the Day

### Appropriation Bill 2022 – Consideration of clauses concluded – Clauses approved

**Clerk:** We continue with the Committee Stage of the Appropriation Bill 2022.  
Head 21, Technical Services, subheads 1 to 3.

5 **Hon. E J Phillips:** Mr Chairman, just in relation to Other Charges, 2(6) Rent and Service Charges, at £81,000 it seems to have crept up reasonably significantly and I wonder whether the Minister might be able to explain.

10 **Minister for Transport (Hon. P J Balban):** Sorry, could you repeat the head? I did not catch it.

**Hon. E J Phillips:** Subhead 2(6) on page 79, Other Charges – Rent and Service Charges.

**Hon. P J Balban:** Mr Chairman, that is the rent for the offices I presently use at Europort.

15 **Hon. E J Phillips:** Thank you very much for the answer. Can the Minister explain why the increase? Is that in relation to those offices? I assume he has always been based at those particular offices, or are they new?

20 **Hon. P J Balban:** No, Mr Chairman, that used to be the office of the Minister for Transport when I was Minister prior to 2019. Then I moved, with Employment, down to New Harbours, and when I was appointed as Minister for Transport I came back to the old offices that were in Europort, so that is why it has been up and down.

25 **Hon. E J Phillips:** Apologies, I did not get the answer to the question in relation to why the increase in rent and service charges.

**Hon. P J Balban:** Because that office was not in use. I was not using those offices when I was Minister for Employment, I was using the offices down at New Harbours. When I moved out of Employment and their offices I went to Europort, which is where my offices are today.

30 **Hon. E J Phillips:** So, in essence, it is a new rental arrangement with the landlord?

**Hon. P J Balban:** Mr Chairman, the expenditure will be in a different head, as those offices were occupied by some other Minister previously.

35

**Mr Chairman:** Head 21, Technical Services, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 22, Social Security, subheads 1 to 3.

40

**Mr Chairman:** Head 22, Social Security, subheads 1 to 3 stand part of the Bill.

**Chief Minister (Hon. F R Picardo):** Mr Chairman, as you are going through the next few sections of that one can I just remind the House that unfortunately Sir Joe is not able to join us this afternoon for the Committee Stage. I know that he will be watching assiduously. These are the heads that are his ministerial responsibility, so we shall do our best to assist the House in his absence.

45

**Clerk:** Head 23, Statistics Office, subheads 1 to 3.

50

**Hon. R M Clinton:** Mr Chairman, in relation Payroll, Personal Emoluments, subhead 1(1), in relation to the actual salary grades, which are on page 268, I notice that, unlike last year, most of the grades for the Statistics Office are now described as 'personal to holder'. I was wondering why that would be.

55

**Hon. Chief Minister:** Because we have got rid of the ring-fencing, Mr Chairman.

**Hon. R M Clinton:** Mr Chairman, I am grateful to the Chief Minister for his answer. I am afraid I do not follow what he means by 'ring-fencing'.

60

**Hon. Chief Minister:** Well, Mr Chairman, when they were in government they entered into an arrangement – in fact, in some instances it may go back even further but they extended it to some other Departments – whereby individuals were given an amount in respect of an uplift, and I think it was 12%, but in exchange for that 12% they were not permitted to move to other Departments. We do not think it is in the interest of public servants that they should not be able, throughout their careers, to move to other Departments, so we no longer require them to stay in the Department and therefore we no longer pay new entrants a 12% uplift in respect of the penalty they are suffering in not being permitted to go to other Departments.

65

**Hon. K Azopardi:** Mr Chairman, can I ask on item (9), on the Census ...? The estimate was £176,000 last year, and the same this year. I guess COVID interrupted the work and this is now projected to happen – is that the case?

70

**Hon. Chief Minister:** Yes, Mr Chairman.

75

**Mr Chairman:** Head 23, Statistics Office, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 24, Economic Development, subheads 1 to 3.

**Mr Chairman:** Head 24, Economic Development, subheads 1 to 3 stand part of the Bill.

80

**Clerk:** Head 25, Procurement Office, subheads 1 to 3.

**Mr Chairman:** Head 25, Procurement Office, subheads 1 to 3 stand part of the Bill.

85 **Clerk:** Head 26, Justice, subheads 1 to 3.

**Hon. K Azopardi:** Can I just ask Government to clarify the increase in complement and what the thinking is behind that?

90 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Chairman, there is no increase in the complement. It will relate to people who will probably appear in other pages in the Book, but there are certainly not more people. This will be as a result of the reshuffle since the last Book.

95 **Hon. K Azopardi:** Is it that certain functions have been absorbed under the head of the Justice Ministry which were not previously there? Is that the reason for these people to appear here?

100 **Hon. Miss S J Sacramento:** They may well have appeared under the Equality head last year, because last year I think Justice and Equality appeared as one head and this year it is separate. There are certainly not more staff and there are not more people, Mr Chairman. It is a question of presentation; they would have been in other heads previously. When we look at head 30 on page 102, Equality, the hon. Member will see a decrease of four there, so it is an adjustment but it is most certainly neutral.

105 **Mr Chairman:** Head 26, Justice, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 27, Gibraltar Law Courts, subheads 1 to 3.

**Mr Chairman:** Head 27, Gibraltar Law Courts, subheads 1 to 3 stand part of the Bill.

110

**Clerk:** Head 28, Policing, subheads 1 to 3.

**Mr Chairman:** Head 28, Policing, subheads 1 to 3 stand part of the Bill.

115 **Clerk:** Head 29, Prison, subheads 1 to 3.

120 **Hon. D A Feetham:** Mr Chairman, just one question that we are debating here. If one looks at the estimate for 2021-22, it is £180,000, as indeed the estimate for this year, but the forecast outturn was £215,000. Could the Minister perhaps provide us with a reason why the forecast outturn is higher than the estimate? And, therefore, is the estimate for this year, £180,000, realistic in the light of the forecast outturn? *(Interjection)* Payroll – I beg your pardon, it is Manning Level Maintenance.

125 **Hon. Miss S J Sacramento:** Mr Chairman, there were incidents last year which required deployment of prison officers outside of HM Prison and that contributed to the effect of the recurrent expenditure. For example, there was an inmate who was in hospital. If someone is taken out of the Prison and is out for a considerable period of time, it will have ... That was not forecast at the preparation of the Estimates and that had an impact on the recurrent expenditure in that regard.

130

**Hon. D A Feetham:** Is that overtime? In other words, if you have somebody in the Hospital, there has to be a 24-hour, round-the-clock guard there? I do not quite follow the point the Minister is making. *(Interjection)*

135 **Hon. Chief Minister:** Exactly. Mr Chairman, that is not the head that he is looking at. If you were looking at the individual having 24-hour security outside of the Prison, then that would not

140 be Manning Level Maintenance; you would be looking at overtime, which would be demand led and would be emergency overtime. What is happening is that in the period when some people have to be in the Hospital, you may be down on manning level in the Prison so you have to call people into the Prison. That is the head that he is looking at – Manning Level Maintenance.

145 **Hon. Miss S J Sacramento:** Mr Chairman, if I can add to that as well, in relation to retaining the manning level in prison, last year had the cost of COVID factored in, so if officers were away from work because they were either positive with COVID or in isolation for any other reason – for being in close contact – then somebody had to come in and cover in order to maintain the manning levels. That is why last year is additionally high, because it was not something that could be foreseen, nor could the manning level maintenance be avoided in any other way.

150 We also have to bear in mind that the Prison, as the hon. Gentleman will recall from my Budget speech, was exceptionally full last year as well, therefore it was even more important to ensure that the manning level was maintained.

**Hon. K Azopardi:** Can I ask, on item 2(11), the Multi-Agency Public Protection Arrangement – what is that?

155 **Hon. Miss S J Sacramento:** Mr Chairman, I explained this at length in my speech last week. The Multi-Agency Public Protection Arrangement is abbreviated to MAPPa and is the management of sex offenders, and that amount will be in relation to training.

160 Mr Chairman, the hon. Gentleman has referred to MAPPa in 2(11), but that is actually head 30 and I thought that we were –

**Mr Chairman:** We have jumped the gun here. (**Hon. K Azopardi:** Sorry.) Yes, we are still on head 29.

165 **Hon. K Azopardi:** I apologise.

**Hon. Miss S J Sacramento:** ... [*Inaudible*] MAPPa, being multi-agency, appears in various of the heads.

170 **Mr Chairman:** Head 29, Prison, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 30, Equality, subheads 1 to 3.

175 **Hon. K Azopardi:** The answer you gave me when you mentioned the management of sex offenders applies to this as well – is that right? Okay.

**Mr Chairman:** Head 30, Equality, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 31, Civil Contingency, subheads 1 to 3.

180 **Mr Chairman:** Head 31, Civil Contingency, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 32, Gibraltar Regulatory Authority, subheads 1 and 2.

185 **Mr Chairman:** Head 32, Gibraltar Regulatory Authority, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 33, Town Planning and Building Control, subheads 1 to 3.

190 **Hon. D J Bossino:** On subhead 2(60), Rent and Service Charges, can the Minister explain why the increase in 2021-22 and then the decrease, which seems to accord with the estimated figure for last year?

**Mr Chairman:** Who is dealing with Town Planning?

195 **Hon. Miss S J Sacramento:** Mr Chairman, I am advised that the rent was increased but then it was renegotiated and therefore decreased, which is why we see the reduction back to £205,000.

200 **Hon. D J Bossino:** I am sure for completely different reasons, but we see a similar increase and then a back-to-normal, it seems, decrease in the same subhead att (13), which is an employment matter, clearly, but it is 'Contribution to GDC' – if she can explain why that is the case?

205 **Hon. Chief Minister:** Mr Chairman, I believe that this is because, as a result of the lockdowns, we actually brought somebody in for a short period last year to assist, but did not add them to the complement, so they were just literally brought in from the GDC and they are no longer there. I am talking from memory, because as that person will have come in and out in the previous financial year, I do not have the details here for the spend for this financial year.

**Mr Chairman:** Head 33, Town Planning and Building Control, subheads 1 to 3 stand part of the Bill.

210 **Clerk:** Head 34, Office of Fair Trading, subheads 1 to 3.

**Mr Chairman:** Head 34, Office of Fair Trading, subheads 1 to 3 stand part of the Bill.

215 **Clerk:** Head 35, Fire and Rescue Service, subheads 1 to 3.

**Mr Chairman:** Head 35, Fire and Rescue Service, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 36, Airport Fire and Rescue Service, subheads 1 and 2.

220 **Hon. K Azopardi:** Mr Chairman, can we just ask about the increase from the outturn of about £350,000 to the Fire and Rescue Service and what that is for?

225 **Hon. Chief Minister:** Mr Chairman, this is a settlement of an outstanding part of the contract – or the arrangement; it is not a contract – entered into with the MoD, which, when it was resolved, left outstanding the issue of migration of some pensions. There was a migration, in effect, to people from the MoD pension scheme of those who were going to continue. There had to be an adjustment made and it has taken us some time to negotiate, but that is the effect of it going forward.

230 **Hon. K Azopardi:** Sorry – it is the effect of it going forward, so it is not a one-off, it is a going-forward cost?

**Hon. Chief Minister:** No, I do not ... it continues.

235 **Mr Chairman:** Head 36, Airport Fire and Rescue Service, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 37, Housing, subheads 1 to 3.

240 **Hon. D J Bossino:** This is a very important question and it may be challenging to answer, but there is an overall increase in the Salaries section, which is 1(1)(a) – although I see that the total payroll actually goes down, so I am not sure why there is an increase at the top of the tree there, from £574,000 to £610,000, and yet the overall summary complement in the Department goes down by £5,000, from £29,000 to £24,000.

245 **Hon. Chief Minister:** That is because we are filling the vacancies, Mr Chairman. What will happen is people will qualify for the higher salaries and therefore the cost of the full complement is the £610,000. Even though you might see a reduction, when you put people into those existing vacancies, which are, in effect, promotions, that is the full-year effect.

250 **Mr Chairman:** Head 37, Housing, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 38, Employment, subheads 1 to 3.

255 **Mr Chairman:** Head 38, Employment, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 39, Youth, subheads 1 to 3.

260 **Mr Chairman:** Head 39, Youth, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 40, Sport and Leisure, subheads 1 to 3.

**Mr Chairman:** Head 40, Sport and Leisure, subheads 1 to 3 stand part of the Bill.

265 **Clerk:** Head 41, Digital Services, subheads 1 to 3.

**Hon. K Azopardi:** Can I just ask, firstly on the salaries at Personal Emoluments, Payroll 1(1)(a) ... an explanation of that increase, given the overall establishment seems to be lower?

270 **Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Chairman, it is the same as the last answer: filling in vacancies that were not in last year.

**Hon. K Azopardi:** Does the Minister know how many vacancies have been filled for that difference?

275 **Hon. A J Isola:** No, Mr Chairman, I do not have that information with me.

**Hon. K Azopardi:** Can I, then, ask about item 2(7), Consultancy Services, and what is envisaged? What is the scope of that, for what purpose, and so on?

280 **Hon. A J Isola:** Mr Chairman, these are five individuals on consultancy agreements.

**Hon. K Azopardi:** So five separate consultancy agreements for individual names, not companies? Am I right to assume that these were all entered into during the course of the last year and therefore account for the increase in the forecast outturn? And also, £224,000 would be the full-year effect – is that right?

**Hon. A J Isola:** Yes, that is right.

290 **Hon. K Azopardi:** And what is the scope of the services these individuals are providing to the Ministry?



295 **Hon. A J Isola:** The scope is varied. Some of these individuals are working with contractors, whom we then reach agreement with to have consultancy arrangements directly, which is far cheaper. Hence the switchover from [inaudible] – some of them, not all of them – to directly consulting at a significantly reduced cost.

**Hon. K Azopardi:** Yes, but I am trying to understand what they are actually doing for the Ministry. What kind of services are they providing?

300 **Hon. A J Isola:** Mr Chairman, it varies across the scope of different services, from software developers to ...

305 **Hon. K Azopardi:** Can I just pull a thread so I understand it? Are these individuals providing services on a focused basis in respect of the proposed rollout, say, for example of e-government or digital services, or is it outward-facing services? Is it in relation to that – client-facing services? Or is it in relation to support for internal government administration?

310 **Hon. A J Isola:** No, Mr Chairman, it is not internal government administration; it is in respect of the design of the services, and as and when those services are completed the consultants' arrangements will then cease.

**Hon. R M Clinton:** Mr Chairman, just one additional on that point: these consultants, are they located in Gibraltar, or could they be elsewhere?

315 **Hon. A J Isola:** I think they are all located in Gibraltar. They could be elsewhere, but I do not think they are.

**Mr Chairman:** Head 41, Digital Services, subheads 1 to 3 stand part of the Bill.

320 **Clerk:** Head 42, Information Technology and Logistics Department, subheads 1 to 3.

**Mr Chairman:** Head 42, Information Technology and Logistics Department, subheads 1 –

325 **Hon. D A Feetham:** May I just ask one question?

**Mr Chairman:** Of course.

330 **Hon. D A Feetham:** What is the difference in consultancy services that appear under this head and the consultancy services that appeared in the head we were just discussing a few minutes ago?

**Hon. A J Isola:** Mr Chairman, they will be similar, providing software design and services to ITLD for specialists.

335 **Hon. D A Feetham:** Providing support, aren't they, to the local, Government-employed IT Department, if I can call it that, in Gibraltar? Some of them are providing support. I am asking the Minister because I am familiar with somebody who is a consultant and is employed under a consultancy agreement.

340 **Hon. A J Isola:** Mr Chairman, there is one individual in particular who is and has been working with us for a very long period of time and is critical to the work that we do, for example, for the Income Tax Office. He has been involved in most of the transition from what we have to where we want to go. Others are directly supporting ITLD in the development of software that they

345 require to provide for some of the services they are rolling out for Government. So it is varied, but obviously all within the Government network.

**Hon. D A Feetham:** But some of these contracts will be directly between the Government and the individual consultant, rather than between the Government and an organisation that then essentially employs these people? That is correct, is it? Or is it a mixture of both?

350 **Hon. A J Isola:** Mr Chairman, it is a mixture of both. The individual I mentioned who works with us on the Income Tax and a number of other critical data systems that we operate is an individual, but one of the other contractors ITLD works with is a company and we have had the same two individuals working with us for some time from that same company.

355 **Hon. K Azopardi:** Can I just ask on that point, is it the same individuals or some of the same individuals under this head as in the previous head, or are they different?

**Hon. A J Isola:** Mr Chairman, they are different.

360 **Hon. K Azopardi:** Can I just understand ...? In view of the answer he has given my hon. colleague it is slightly confusing. Who is spearheading the rollout of e-government services? Is it that both Digital Services and Information Technology and the Logistics Department are both doing that in different areas? Is that right?

365 **Hon. A J Isola:** Yes, Mr Chairman. One cannot work without the other. You have the back end and you have the front end, and the two different parts come together when the rollout happens.

**Hon. K Azopardi:** I understand that, but in terms of the overall rollout, does the Government not think it should perhaps be in some way merged in the planning and then rollout? Let me explain my question. I am just not understanding why there are two different Departments planning e-government, both of which also have consultants engaged to do that. Why isn't there one Department driving all this?

375 **Hon. A J Isola:** I think if I talk about the gentleman who is helping us with the Tax Office, who has been working with us for many years – long before the e-government project ever happened – within ITLD he is critical to the transition because he is an individual who knows how to write what requires to be written to create the API to link the two services together.

380 So there are two separate and distinct functions that each one of those two teams is dealing with. As you know, ITLD is responsible for the entire government network, for the network itself, its maintenance, for our entire email system. Without that backbone, or spine, whatever you put on the front cannot work. So they are very different but they are interconnected.

**Hon. K Azopardi:** To help me understand, ITLD is, as you say, running the backbone – if I can use that analogy – and making sure that the Government system works, so to that extent I can understand their involvement in the planning of e-government. Would it be right for me to think, then, Digital Services is the more client-facing, consumer-led role, and that is what they do, and it is the interface between those two Departments that then allows the rollout of e-government? Is that what the Minister is saying? If he is not saying that, I am not understanding why there need to be two Departments; I am just not understanding.

395 **Hon. A J Isola:** Mr Chairman, there is a design and build of e-services; that is what Digital Services does, the design and build of the e-services. You are working out what each Department requires. You have analysts going in to see what each Department requires and how that can best be delivered, then you design it, and then you build it with the relevant Department. Once you

get through that process, you then plug into the back end. There could already be databases that we have in other parts of Government which we want to link an API to, to link it up so that we link up the old and the new. You have to censor the data that you have, to make sure it is consistent, and then you put them together and they are rolled out. So both parts are critical to the development we are doing, but they are totally different to each other.

**Hon. D A Feetham:** Yes, I understand all that, but what I do not understand is if this particular company has a contract with the Government in order to undertake these services, why is the Government paying extra in order to employ extra consultants? I thought that these consultants might have been people the Government is employing in order to help them implement whatever strategy the company the hon. Gentleman has mentioned essentially provides for the Government. In other words, it is extra manpower but with a consultancy for the Government itself, rather than essentially people under the umbrella of a company, which it seems logical to me would have been included within the original contract they have with the Government.

**Hon. A J Isola:** Mr Chairman, in respect of the contract that the providers of servicing ITL deal with, that is a far shorter term and that is in the process of being terminated. The job is done and now they are being terminated. The other consultants, the individuals like the one who is helping us with the tax and the billing of the API will continue. So, some have a job to do and then they move on – that is the reason why they are in the way that they are.

**Hon. R M Clinton:** Mr Chairman, I am still trying to ... just developing the point my colleagues are discussing, ITLD seem to have in their establishment a large number of technical people, but if you look at the establishment for Digital Services you have a lot of administration officers. What kind of project development can these people do? What skills do they bring?

**Hon. A J Isola:** I have just referred to the business analysts who go into each of the Departments to understand exactly what each Department does, what their forms look like if what we are doing is transitioning from paper to digital. If you do not understand in some detail what that is and engage with the Departments to a huge degree, you cannot begin to build what they are going to need in a digital format for it to work, so the administrative officers are actually business analysts.

**Mr Chairman:** Head 42, Information Technology and Logistics Department, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 43, Broadcasting, subheads 1 and 2.

**Hon. K Azopardi:** Again, Mr Chairman, the increase in the contribution to GBC of £250,000 – what is the scope of that? What is the intention there?

**Hon. A J Isola:** Mr Chairman, the majority of that is rental of property, which is now being picked up by GBC – rental in respect of the new premises.

**Hon. K Azopardi:** Thank you for that. The majority of the increase is the rental – is that what he said? So what is the rental for the new premises?

**Hon. A J Isola:** Mr Speaker, the rent is £300,000 per annum, so it accounts for the increase and some has been cut off.

**Hon. K Azopardi:** And I assume the lease is in the name of GBC – is that right? And if so, what is the length of the lease?

450 **Hon. A J Isola:** Mr Chairman, the lease will be in the name of GBC. It has not yet been completed. Rent is being paid – we are in the process of finalising that. It is a long-term lease. I cannot remember exactly how long it is. There is an option to purchase from the developers at the end of a period of time, during which the rents paid to date will be set off against the price, so that could be looked at in the coming period.

455 **Hon. K Azopardi:** And the intended lease is with the developer – is that right? And the developer entity, do we know who that is?

460 **Hon. Chief Minister:** The developer entity is the entity to whom they gave the tender for the site, which was Sharrock Shand The lease is being negotiated for Sharrock Shand by Triay Stagnetto Neish.

**Mr Chairman:** Head 43, Broadcasting, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 44, Financial Services, subheads 1 to 3.

465 **Hon. R M Clinton:** Mr Chairman, on subhead 1(1)(f) there is reference to ‘Central Register’ and in the establishment numbers on page 132 there was one HEO there and there is obviously no real expense in the outturn. I was wondering what the ‘Central Register’ refers to and what is the alternative provision for it.

470 **Hon. A J Isola:** Mr Chairman, I believe – and I will be corrected shortly, if I am wrong – that we had a person specifically looking after that register last year, and this year it is somebody from within the Finance Centre office who covers that.

475 **Hon. R M Clinton:** Mr Chairman, just to be absolutely clear, the register we are talking about is the Register of Beneficial Owners?

**Hon. A J Isola:** Yes, Mr Chairman.

480 **Mr Chairman:** Head 44, Financial Services, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 45, Gambling Division, subheads 1 to 3.

**Mr Chairman:** Head 45, Gambling Division, subheads 1 to 3 stand part of the Bill.

485 **Clerk:** Head 46, Health and Social Care, subheads 1 to 3.

490 **Hon. E J Phillips:** Mr Chairman, in relation to Appendix F, on pages 224-25, just insofar as relief cover, whether the Minister could explain the estimate of £1 million? Clearly there is a huge difference between the actual [inaudible] 2019-21 and the forecast outturn for 2021-22 was £11.1 million. Can the Minister explain the £1 million provision at item (12) on page 225?

**Hon. A J Isola:** Mr Chairman, could I suggest we deal with that when we get to those pages?

495 **Hon. E J Phillips:** Yes, because I think that the hon. Member [inaudible]

**Mr Chairman:** Head 46, Health and Social Care, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 47, Gibraltar Health Authority Elderly Residential Services Section, subheads 1 and 2.

500 **Hon. K Azopardi:** The same point arises here, Mr Chairman, that we may have questions but they are on the green pages – so when we get there.

**Mr Chairman:** Head 47, Gibraltar Health Authority Elderly Residential Services Section, subheads 1 and 2 stand part of the Bill.

505

**Clerk:** Head 48, Care Agency, subheads 1 and 2.

**Mr Chairman:** Head 48, Care Agency, subheads 1 and 2 stand part of the Bill.

510

**Clerk:** Head 49, Drug and Alcohol Awareness and Rehabilitation Services, subheads 1 to 3.

**Hon. E J Reyes:** Mr Chairman, on subhead 2(18) there is £10,000 set aside under the heading 'Youth Service'. Can we have some clarification on what 'Youth Service' actually does?

515

**Hon. A J Isola:** Mr Chairman, it relates to programmes, drugs related, for under-17s, to create more awareness and support for young under-17-year-olds.

520

**Hon. E J Reyes:** And the section in subhead 2(20), Secondment, £242,000, is that in respect of salaries? It does not appear under Payroll, it just appears under Secondment – whether it is human resources or whatever it is.

**Hon. A J Isola:** Mr Chairman, this is a provision for seconded Care Agency personnel for the Rehabilitation Centre – Bruce's Farm.

525

**Mr Chairman:** Head 49, Drug and Alcohol Awareness Rehabilitation Services, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 50, Utilities, subheads 1 and 2.

530

**Hon. K Azopardi:** Can I just ask on item (6) Salt Water System – Contract – AquaGib Ltd, and on (5) ...? These are AquaGib contracts. In view of the proposed purchase of AquaGib, is that going to in some way impact on these arrangements?

**Hon. A J Isola:** Mr Chairman, no, that would continue.

535

**Mr Chairman:** Head 50, Utilities, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 51, Business, subheads 1 to 3.

540

**Mr Chairman:** Head 51, Business, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 52, Tourism, subheads 1 to 3.

545

**Hon. D J Bossino:** Mr Chairman, the overall staff complement has reduced by four. Can the Minister explain why that is the case and whether that is the intention going into the future? Is that the direction of travel?

550

**Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Chairman, this is part of the restructure that we are looking at, at the moment, within the Tourist Board. The decrease in complement ... There are some people who have retired and some who ... we took the decision that they were surplus to requirements within the Tourist Board and that they would be better

off in another Government Department. Insofar as the future is concerned, I hope to discuss the final part of the restructure with the new CEO of the Tourist Board when he starts on 1st September.

555

**Hon. D J Bossino:** In relation to that particular individual, is he within the 14 under the GTB staff? Is the CEO of the GTB one of the 14 in number which the Hon. Minister has envisaged will continue to be employed under (4) which is the GDC staff?

560

**Hon. V Daryanani:** Mr Chairman, he is not part of that complement, as the contract was done after the Book was published. (*Interjection*)

565

**Hon. R M Clinton:** Mr Chairman, I note, in terms of the estimate for next year, that in fact total tourism costs are expected to go up by £271,000. I was wondering if the Minister could indicate what particular values – I notice that most of it seems to be in marketing – he intends to extract from this additional expenditure, which is obviously not a reduction.

570

**Hon. V Daryanani:** Which additional expenditure is the hon. Member referring to, Mr Chairman?

**Hon. R M Clinton:** Sorry, Mr Chairman, yes, on subhead 2(13), Marketing, what is the intention there?

575

**Hon. V Daryanani:** Mr Chairman, the intention is to market. If he looks at the estimate of 2021-22, it was £850,000 and we have estimated it will go down to £700,000, so £150,000 less than it was the previous financial year.

**Mr Chairman:** Head 52, Tourism, subheads 1 to 3 stand part of the Bill.

580

**Clerk:** Head 53, Postal Services, subheads 1 to 3.

585

**Hon. R M Clinton:** Mr Chairman, in relation to subhead 1(1), Postal Emoluments, there is quite a large increase in salaries, and I do note on page 156, on the establishment side, it is going up from 58 to 79, of which I notice 22 seem to be in respect of messengers. I am just wondering why the Post Office now needs 22 messengers, and is the increase of salary entirely due to that?

590

**Hon. Chief Minister:** Mr Chairman, the hon. Gentleman, in his detailed analysis, will have noted that there are no messengers anywhere else in the Book and that, therefore, all the messengers are now coming under the head of Post. So there is not an increase in salary, there is just a centralisation of all the messengers in the Government in one place.

595

**Hon. R M Clinton:** Mr Chairman, I am grateful to the Chief Minister for his answer. Is there any particular logic in that? Is there some efficiency gain anticipated to have them under the Ministry of Postal Services?

600

**Hon. Chief Minister:** Yes, Mr Chairman, because messengers in the Government deliver letters and that is what a postal service is, the delivery of letters. And so if it was felt that it was a better and more efficient way to record the service that is being provided, even if it is being provided in Departments, under the head of Postal Services, which is what our messengers do. Although they will continue to be deployed in the Departments and they will continue to do the excellent work they do, the way we account for them will be through here.

**Mr Chairman:** Head 53, Postal Services, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 54, Port, subheads 1 and 2.

605

**Mr Chairman:** Head 54, Port, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 55, Maritime Services, subheads 1 to 3.

610

**Hon. E J Phillips:** Mr Chairman, just in relation to the establishment on page 161, it appears that the assumption remains the same whilst salaries appear to be lower at £687,000, even with the forecast outturn 2021-22 at £800,000, which seems to be consistent with the two years 2019-21. If the Government could explain how they intend to make those savings there?

615

**Hon. V Daryanani:** Mr Chairman, I have not heard the hon. Member's question. Speak louder, please.

620

**Hon. E J Phillips:** Sorry, I just thought everyone was fed up of my loud voice over this long period of time, but I will repeat the question. The establishment appears to remain the same, whilst the forecast outturn for 2021-22 was at £800,000, which is pretty consistent with the actual previous two years. I am just wondering how the Government intends to achieve those savings on the £687,000 at Salaries in head 55, Payroll, page 162.

625

**Hon. V Daryanani:** Mr Chairman, we had one vacancy last year and we have four vacancies this year. That is why the cost in general will be lower.

630

**Hon. D A Feetham:** Mr Chairman, may I invite the Minister to look at 2(14) in the first instance? The Minister will see the estimate for 2021-22 is £114,000, the outturn was £116,000, and now the estimate is dropping down to £80,000. I just wonder how that saving is expected to be achieved.

May I also invite him to look at Investigations at (12) –

**Hon. Chief Minister:** One at a time.

635

**Hon. D A Feetham:** I have no problem with that.

**Hon. V Daryanani:** The reduction, Mr Chairman, is due to the negotiation with the MCA.

640

**Hon. D A Feetham:** Can you just explain that a little bit, so that perhaps Members can understand it?

**Hon. V Daryanani:** We persuaded them to reduce the cost.

645

**Hon. D A Feetham:** So this has been, in the past, a fixed cost or a percentage cost? How did the Government persuade them to reduce the cost?

**Hon. V Daryanani:** It was a fixed cost, Mr Chairman.

650

**Hon. D A Feetham:** Can the Minister also look at item (12)? He will see the forecast outturn at £45,000 in terms of Investigation Expenses. Then, if he looks at Maritime Accident Investigation Expenses, he will see that the estimate was £150,000 for the year ending 2022. The forecast outturn was £27,000, so it came in significantly lower, and now it is going up to £90,000. Is that essentially an ongoing explanation for that? Is there an ongoing investigation that straddles two financial years, so you have to take the £27,000 together with the £90,000? Is there any

655 connection at all between that and Investigation Expenses at (12); and, if not, what is that forecast  
outturn of £45,000 when an estimate of £1,000 was placed in the Estimate Book last year?

**Hon. V Daryanani:** Mr Chairman, in the questions that the hon. Member asks reference (12)  
and (16), both are demand led and that is why they vary so much.

660

**Hon. D A Feetham:** Do they relate to just one case, or do they relate to more than one case?

**Hon. V Daryanani:** Various cases, Mr Chairman.

665 **Hon. Chief Minister:** Mr Chairman, the hon. Gentleman should be interested to know that  
these are the costs associated with those investigations and the Maritime Accident Investigation  
Expenses. There is a receipt by the Government of those costs and additional amounts in the blue  
pages of revenue.

670 **Mr Chairman:** Head 55, Maritime Services, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 56, Gibraltar Audit Office, subheads 1 to 3.

675 **Hon. R M Clinton:** Mr Chairman, with reference to subhead 1(1), Personal Emoluments, it is, I  
guess, possibly the same point as I raised on the Statistics Office. If we go to page 260, where we  
have the Government's salaries, it would appear that most of the auditors are now also personal  
to holder. Is that the same reason as we heard earlier in respect of the Statistics Office?

680 **Hon. Chief Minister:** It is the same answer as I gave earlier in respect of the Statistics Office,  
Mr Chairman.

**Mr Chairman:** Head 56, Gibraltar Audit Office, subheads 1 to 3 stand part of the Bill.

**Clerk:** That concludes clause 2 of the Appropriation Bill.

685

**Mr Chairman:** Clause 2 stands part of the Bill.

**Clerk:** Clause 3, head 58, Contribution to Government-owned Companies.

690 **Mr Chairman:** Page 167.

**Hon. D A Feetham:** Mr Chairman, can the Government confirm that £30 million, as per practice  
in the past, goes into Gibraltar Investment Holdings Ltd, the company at the top of the pyramid of  
all Government-owned companies?

695

**Hon. Chief Minister:** No, Mr Chairman, it does not go into Gibraltar Investment Holdings, it  
goes into different companies which in the judgement of the Government require the direct  
injection of capital. As the hon. Gentleman knows, this is a practice that we introduced when we  
were elected because the companies were not getting sufficient injections of capital and therefore  
700 we were seeing companies with very large amounts of losses that were not being made good and  
were simply being written off, in particular the trading companies. GIH is not a trading company  
but you have other companies which are trading and which have losses because they do not  
receive income, and this is sometimes put directly into those companies to ensure that the loss is  
redressed. This is the 10th year that we do this, I think, so now we have contributed £300 million  
705 to the companies structure in this way.



710 **Hon. R M Clinton:** Mr Chairman, would the Government be able to provide a breakdown as to which companies are likely to be beneficiaries of this £30 million? Certainly I recollect having asked this question in the past and being told that it all went to Gibraltar Investment Holdings. Obviously what we are hearing today is it does not go directly, necessarily, to that – at least not this year. Could he give us an indication of amounts going to which companies?

715 **Hon. Chief Minister:** Mr Chairman, let me correct what I have said. The injection into the company structures may go through Gibraltar Investment Holdings. The spreading of the £30 million goes into different companies. It does not stay in Gibraltar Investment Holdings.

720 **Hon. K Azopardi:** As I understand his answer, entry point Investment Holdings and then to different companies, so each year will be different, the onward transmission of funds will be different each year – is that right? Do they have a projection of where the money is going this year?

725 **Hon. Chief Minister:** Mr Chairman, yes, the injection is into Gibraltar Investment Holdings and then it is distributed in keeping with the views of the directors of Gibraltar Investment Holdings etc. The Government commitment is to provide £30 million a year to the Government companies structure because it was not being provided before, and therefore the companies structure was being left with losses.

730 **Hon. K Azopardi:** I understand that answer but it is not really what I asked. What I asked specifically was do they have a projection of where the money is going to go this year, or is this a notional provision and they will then, as the year goes on, make a dynamic assessment of where the money is going? Is that the answer to that particular question?

735 **Hon. Chief Minister:** Yes, Mr Chairman, that is the answer to that particular question, based on the trading needs of the companies – in other words, the companies that are trading and their income is not sufficient to cover their expenses, but they have employees etc.

**Hon. K Azopardi:** And so, as it is dynamic, I guess they cannot tell how they are going to use the money this year – but how did they use the £30 million last year?

740 **Hon. Chief Minister:** Mr Chairman, that, I think, is information which relates to the companies structure, not to the Government accounts.

745 **Hon. K Azopardi:** I am just asking if ... The Government has indicated it receives ... It sends an injection to Investment Holdings and then spreads it, depending on which company needs the money. I am just asking the direct question: in the year that has just gone, how has the £30 million been used beyond Investment Holdings?

750 **Hon. Chief Minister:** Mr Chairman, I am giving him a direct answer and I will give it again: to pay the losses of the trading companies.

**Hon. K Azopardi:** I just wanted to know which companies received what moneys.

755 **Hon. Chief Minister:** The trading companies, Mr Chairman – the Bus Company, for example, is a trading company – the companies that are incurring liabilities because they are paying wages, because they have employees, and they are not getting income. The Bus Company receives very little income from the public because it is free – some people pay but not a lot of people pay – and so, in order to make good those losses, where previously there were just losses under the

former administration, we now provide this amount to ensure that the trading companies have their losses provided for.

760

**Hon. K Azopardi:** I am asking specifically, because I understand there are a number of trading companies, which of the trading companies received what money from the £30 million.

**Hon. Chief Minister:** Allocations are not yet finalised for last year, but it would include Gibraltar Air Terminal, Gibraltar Car Parks, Gibraltar Bus Company and Kings Bastion Leisure Centre.

765

**Hon. K Azopardi:** Would it also include Gibraltar Joinery and Building Services?

**Hon. Chief Minister:** No.

770

**Mr Chairman:** Head 58, Contribution to Government-owned Companies, subhead 1 stands part of the Bill.

**Clerk:** Head 59, Transfer from Government Surplus, subhead 1.

775

**Mr Chairman:** Head 59, Transfer from Government Surplus, subhead 1 stands part of the Bill.

**Clerk:** Head 60, Contribution to the Improvement and Development Fund, subhead 1.

**Hon. D A Feetham:** Mr Chairman, if one looks at the contribution to the Improvement and Development Fund, we see the estimate in the year ending 2022 at £16.5 million and we see the forecast outturn at £19.5 million. We now have an estimate for the coming year of £1,000. That is a notional figure, I understand, but does the Government have an idea of essentially how much realistically is going to be needed as contributions into the Improvement and Development Fund from projects that the Government may have in mind for the next financial year? Of course, £1,000 is unrealistic.

785

**Hon. Chief Minister:** I refer the hon. Gentleman to the reply I gave yesterday to hon. Members, in particular to Mr Clinton, where I explained in detail why we had put in £1,000 and where we expected the revenue to come from. I am surprised he does not remember. Perhaps some of what was said yesterday has affected his ability or his desire to remember what I said.

790

**Mr Chairman:** Head 60, Contribution to the Improvement and Development Fund, subhead 1 stands part of the Bill.

795

**Clerk:** Head 61, Contribution to the COVID-19 Response Fund, subhead 1.

**Hon. R M Clinton:** Mr Chairman, just a general question: would the Government envisage closing the COVID Response Fund at the end of the financial year 31st March 2023?

800

**Hon. Chief Minister:** We would very much wish to, Mr Chairman, but I think we will be having to continue to consider where we are on COVID. Only this morning I have been reading the frankly terrible news that once again there are considerable issues – once again in the United Kingdom mandatory facemasks on the wards to fight against COVID in the NHS – and the unfortunate news of a press release that the Government will soon issue of another COVID death today in Gibraltar. I think we would all want to share the hope that this financial year we will be able to close the COVID Fund, and that those who pray should pray that we can, and those who hope should hope hard.

805

810 **Mr Chairman:** Head 61, Contribution to the COVID-19 Response Fund, subhead 1 stands part of the Bill.

**Clerk:** That concludes clause 3 of the Appropriation Bill 2022.

815 **Mr Chairman:** Clause 3 stands part of the Bill.

**Clerk:** Clause 4, head 62, Exceptional Expenditure, subhead 1.

820 **Mr Chairman:** Head 62, Exceptional Expenditure, subhead 1 stands part of the Bill. Clause 4 stands part of the Bill.

**Clerk:** Clause 5, head 57, Supplementary Provision, subhead 1.

825 **Mr Chairman:** It is page 166. It has always been the case that we go back. *(Interjection)* Yes. So it is on page 166. We are still on clause 5, Supplementary Provision, head 57. Head 57, Supplementary Provision, subhead 1 stands part of the Bill. Clause 5 stands part of the Bill.

**Clerk:** Improvement and Development Fund, head 101, Works and Equipment, subhead 1.

830 **Mr Chairman:** This is clause 6. We are a page 174.

**Hon. K Azopardi:** Mr Chairman, can I ask on 'Contribution to Housing Works Agency', which is (g) – *(Interjection by Hon. D J Bossino)* Sorry, did you want to pick that up?

835 **Hon. D J Bossino:** No, I was going to ask Edwin. He raised it in his speech.

**Hon. K Azopardi:** Can we have an explanation of how they intend to use that money?

840 **Hon. D J Bossino:** And why the reduction?

**Hon. K Azopardi:** And the reason for the reduction compared to last year.

845 **Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares):** Mr Chairman, it is a question of trying to cut down on waste, as in turnover of houses. We are also offering more people, so that they can get the houses earlier ... that they do their own self-repair. So there are a couple of schemes that we are doing, and we think that we can get to that amount this year.

850 **Hon. D J Bossino:** Is that a complete explanation, Mr Chairman? It seems like a significant reduction from £4.6 million to about £2.7 million, when, as I understand it, all that has been done is encouraging people to do their own self-repair. The quid pro quo that the individual gets the tenancy earlier is what I understand the Minister to have said, but is that the totality of the explanation as to the intended reduction of waste, as he put it?

855 **Hon. Chief Minister:** Mr Chairman, there are also fewer houses to repair. They will have seen from the answers we give them that we have been making sure that we get as many houses out the door as possible, so the number of houses that are awaiting repair before handover are lower. So you have got the work that the Housing Works Agency does in repairs of areas etc., but in the whole refurbishment of homes that are pending refurbishment to be handed over to new tenants  
860 you have got the new system that the hon. Member is talking about and you have actually got a

lot fewer houses that are waiting to be handed over. At some stage that has got to happen. As you become as efficient as we have in making sure that we get houses in and get them out the door, so to speak, to the tenants, you have fewer and fewer of them available. We probably expect to see that next year there will be more money spent here for the simple reason that, as Hassan Centenary Terraces phase 1 is handed over and more people who are in government housing will leave homes and move into the new homes at Hassan Centenary Terraces, more homes will be available to repair or refurbish and hand over to new tenants. But at the moment, the exercise is coming to ... not an end, because there are always people who pass away or move to the elderly housing and we have homes to repair, but at the moment the numbers of houses ... If he traces it through the questions that they asked, the number of houses available has become a smaller number because you have had all the handovers of affordable estates etc., and as you move towards the next handover of estate, which is the big thing that makes homes available, you will see that number rise, but that will be after the next financial year, not in this one.

**Hon. D A Feetham:** But, Mr Chairman, isn't part of the explanation that during 2019-21, because we are dealing with lockdown years, there are essentially no works being undertaken during those years? So, essentially what you see in the year ending 2022 is a catch-up with what has not been done during the two previous years because of the lockdown. Now that we are reaching normality, what you see is a downturn from the £4.6 million to the £2.7 million. Essentially, what you are moving to is a more normal situation (**A Member:** Hear, hear.) because last year was an abnormal situation.

**Hon. D J Bossino:** Trying to catch up.

**Hon. D A Feetham:** Yes, exactly.

**Hon. Chief Minister:** No, Mr Chairman. Attractive though it might be to simply say yes in order to move on, that is not the case because the amount of work that could be done in the year after lockdown year would have been the same anyway – we could not have done double the work. And in any event, the reason it is zero in the earlier year is not the lockdown – the lockdown does not take you to zero, because you are not locked down for the whole year – it is because it was booked somewhere else and not there. This is a new subject. I can hardly see what I am being shown these days, but it is page 175 in the disappearing subhead which is at the bottom of the page, 'Housing: Works and Repairs'. So, even when it comes to conjecture that might have been helpful to the Government, I cannot agree with the hon. Gentleman.

The breakdown includes starting some external refurbishment works in a number of estates, which is also covered through here. It is not just the individual houses, it is also the external refurbishment works for some of the estates. (*Interjection*) That is right, yes.

**Hon. E J Phillips:** Mr Chairman, just in relation to (1)(n)(iii) and (iv), Environment and Roads, I know that the Minister for Transport gave the explanation for the increase in relation to sewers and drains, but insofar as road maintenance and resurfacing I noted quite a significant increase. Can the Minister give a bit more of an explanation in relation to that?

**Hon. Chief Minister:** Mr Chairman, there are a number of explanations. The Hon. Minister I am sure will be able to say more, but in respect of what has come to me, for example, we are expecting to open the tunnel approach road, which will mean that all of that work on resurfacing etc. will have to be done in this financial year, which is quite a considerable project. It is the opening of the largest section of road that Gibraltar has opened probably in a number of generations, and that will have to be dealt with this financial year in addition to the annual provision that is made for continual resurfacing.

915 **Hon. E J Phillips:** I just asked that question because I thought that that was already being provided for under another head, the runway tunnel. These are the approach roads that I think the Chief Minister is referring to.

920 **Hon. Chief Minister:** 'Tunnel' is the tunnel and the project for the tunnel ends at a particular point. Beyond that, you are dealing with the approach roads, which are not part of the government tunnel project.

**Hon. K Azopardi:** Mr Chairman, just moving on slightly to ... Are we still on head 101? Okay, well, then, I will ask my questions ... [*Inaudible*]

925 **Mr Chairman:** Head 101, Works and Equipment, subhead 1 stands part of the Bill.

**Clerk:** Head 102, Projects, subheads 1 to 7.

930 **Hon. K Azopardi:** On that, can I ask: on the MoD Lands, specifically on MoD Project Euston, so that particular sum there in relation to (a) the £305,000 on MoD Lands ... Let me just ask that first. What are those relocation costs for?

935 **Hon. Chief Minister:** The short answer to that, Mr Chairman, is the contract that *they* signed with the MoD for the relocation of property. The exact spend I will find in a moment.

**Hon. K Azopardi:** In relation to (2)(b), which is the Project Euston – Requested Works, can the Government perhaps explain the scope of those works?

940 **Hon. Chief Minister:** Mr Chairman, I can confirm that this is the amount that the taxpayer is still having to pay in respect of Lands Agreements 2004 and 2007 and Lands Agreement 2011 – that is to say the Lands Agreement that they entered into. I am trying to get the detail of the works that are still being done.

945 On £305,000, as part of the Land Transfer Agreement for the Lathbury Barracks parade ground, which I think is Agreement 2007, there is a need to demolish the old band block building and construct a new car park for 60 parking spaces. Half of this will be provided at the Lathbury car park, which will make it cheaper, and the other half of the band block site – the GSD agreement 2004-07.

950 Both the other amounts are infrastructure works which are being carried out in respect of the Four Corners estate. They are being carried out at the request of the MoD in one instance and otherwise as part of the agreement, but both are funded by the MoD. In other words, this is the cost but there is a compensatory payment by the MoD because it was not something that was covered that we were required to do – but we are doing and we are being refunded by the MoD so that they only have one contractor on site.

955 **Hon. K Azopardi:** Can I ask on item (3), Reclamation Projects, what reclamations would that be in respect of?

960 **Hon. Chief Minister:** Mr Chairman, this is the cost of moving that part of the rubble which is in the Eastside reclamation and which is going to Victoria Keys and to Coaling Island.

**Hon. K Azopardi:** Is the entire £5 million for that purpose, or is it part of that £5 million?

965 **Hon. Chief Minister:** There are a couple of other tokens in there. The vast majority, about £4 million, is that processing, and some other works at the Coaling Island reclamation – caissons etc. – is the other £1 million. The rest is just a token for some investigatory works elsewhere.

**Hon. E J Phillips:** Mr Chairman, just in relation to head 102, subhead 1, Roads and Parking Projects, I do not want to labour the point, but if you look at (a)(i) and (ii), Tunnels and Roads to North Front and Highways Resurfacing Programme, in relation to the answer the Chief Minister gave me in respect of the general head under 101(iv)(n), Road Maintenance and Resurfacing, the answer was that the increased cost there was in relation to roads that led to the tunnel and he explained the segment of the tunnel that was under the particular cost ... I am not casting aspersions, but it does seem slightly duplicitous in terms of the language of the subhead that we are looking at, insofar as roads to North Front and tunnels and highway resurfacing programme, when it would appear to have been provided in the answer that the Chief Minister gave. I just wonder whether he might be able to provide further information as to that, or the breakdown.

**Hon. P J Balban:** Mr Chairman, traditionally there have always been two sections within the I&DF regarding road resurfacing and repair. One of them is the highways maintenance programme, which is something that happens every single year, and that is the resurfacing of vast stretches of road. We have seen that on Queensway and we have seen it along Rosia Road. We still have not decided and finalised what areas we are going to be doing in this year's major resurfacing works. That accounts for one of those subsections and the other one includes the stretches of road, once the tunnel is finished, around the new roundabout at Devil's Tower, at Eastern Beach exit and also what today is the entrance into Gibraltar, which will also be cut off because of the runway. It also includes pothole repair when it rains and we have smaller areas which need to be fixed; and also, when a smaller section road of road is in need of repair because it has been repaired multiple times, we may choose to do a bigger patch repair, but it is not in the highways resurfacing programme, it is not a programme resurfacing a whole road, it is a small section of a road because it has got into a bad state of repair because of lorries or whatever. So traditionally there have always been those sections, one the resurfacing campaign, and two the general maintenance of the roads.

**Hon. E J Reyes:** Mr Chairman, on subhead 4, Other Projects, there is a point where there is not a subhead to the subhead. I am looking at page 180. One of the items close to halfway down the page refers to Boat Moorings, for which there was, last year, an estimate of £1,000 but there was no forecast outturn and no further provision made. Can we have some clarification on what boat moorings that subhead was referring to?

**Hon. Chief Minister:** Mr Chairman, on page 180, which is the italicised bit, those are all the disappearing subheads. That is why they are zero this year.

**Hon. E J Reyes:** But what I am asking for, Mr Chairman, is ... In the previous year, we had an estimate of £1,000, of which no expenditure was incurred, and my question is what boat moorings was that heading referring to. There is the Small Boats Marina and there are other places with boats, and I am seeking clarification in respect of which boats this heading would have referred to.

**Hon. Chief Minister:** None, Mr Chairman, because none were done.

**Hon. E J Reyes:** Mr Chairman, I cannot find it here but is there a provision under any of these projects for the commitment that apparently Government has given to those individuals who moor their boats at what is commonly known as the old Sheppard's Marina? Is any provision made for the expenditure in respect of that project?

**Hon. Chief Minister:** Mr Chairman, the old Sheppard's Marina became Ocean Village. Is the hon. Gentleman referring to the Watergardens Marina, not the old Sheppard's Marina? In relation to the Watergardens Marina I understand that that cost is being undertaken by the Port Authority.

I do not think it is here, is it? It may be in the green pages, but I do not think it is here as a government capital project.

1020

**Hon. E J Reyes:** If I understood correctly, I think that the Minister is saying that that is a Port Authority project. Can I find anywhere in the Book what the estimate would be towards those works which I have seen in a written manner? The Minister has confirmed to those who moor their boats there that some works will be undertaken.

1025

**Hon. Chief Minister:** Yes, but not yet, Mr Chairman. He can see it when we get to the green pages under Port Authority.

**Hon. K Azopardi:** Sorry, can I just go further back, to page 177, and in particular subhead (4)(r) Infrastructure Provision for New Developments? That is in respect of what particular development? Are we talking about the ...? I imagine it is not the housing projects, because Housing Projects is at (o), so what developments is that in relation to?

1030

**Hon. Chief Minister:** Mr Chairman, this is the new pumping station that is going to be required on the Eastside, part of that cost; the Western Water Mains Relief Project, where the project will be completed with this year's provision; a new sewage pumping main from Eastside to Transport Road; South Jumpers intermediate sewage pumping station; a new sewage pumping main from the Dockyard Road to Transport Road; a service corridor from Ragged Staff to Harbour Views; Coaling Island development infrastructure; and the extension of the storm water culvert on the Eastside.

1035

1040

**Hon. K Azopardi:** And is any of that infrastructure provision for the Eastside recouped in any way through the agreement with the Eastside developers, or not?

1045

**Hon. Chief Minister:** Well, when they pay us £90 million, the £200,000 that it costs will have been recovered. The Government has always agreed to provide infrastructure to the edge of that plot, and this is the Government's obligation to take the infrastructure to the edge of the plot.

**Hon. K Azopardi:** So this is to the edge of the plot and then in the plot itself the developer will undertake the cost at their expense?

1050

**Hon. Chief Minister:** On the plot itself it is the obligation of the developer; to the edge of the plot and interconnection, therefore, on the edge of the plot is what the Government is responsible for. That is exactly the same position that we inherited from them in respect of the £28 million deal that they had done on the Eastside, which Mr Clinton thought we should not have undone, although we have done a £90-plus million deal on the Eastside.

1055

**Hon. K Azopardi:** Can I ask on (za), Works to Buena Vista Estate: the projection of £1.173 million, last year, £325,000 but the estimate was £1 million – can I assume that this is just cost that straddles both financial years? Is that right? And in respect of what, given that the total would be higher than last year's estimate?

1060

**Hon. Chief Minister:** Mr Chairman, this is works to the estate which the Government has agreed to do because of the state in which the properties were in when we took them over. We hope to be able to recover a lot of the cost that we are having to expend on these properties from the MoD and we will have to negotiate that with them, but the reason why last year we estimated spending a million and did not manage to spend it was twofold. First of all, the MoD did not move out from one of the blocks that they continued to occupy, which they were occupying in lieu of the old Britannia House on Queensway until later in the period than was anticipated, and

1065

1070 therefore the cost could not be expended. Therefore, part of the cost is now to refurbish that  
block before it is sold to the successful tenderers. That block is the block known as Phillimore and  
Prevost House. Then there is a cost to repair the footpaths and the road inside the estate, which  
are not private footpaths and not private roads, they are highway. And then some refurbishment  
works which are still due in respect of some other parts of the estate where there is a balance to  
1075 complete.

**Hon. K Azopardi:** And can I ask on (zb), Soft Loans and Repairs to Housing Estates, the reason  
why they envisage that degree of expenditure, £640,000, to housing estates? Do they have a  
particular project plan in mind, having discussed it with housing estates?

1080 **Hon. Chief Minister:** Yes, Mr Chairman, and he can see that we had anticipated spending more  
last year and we were not able to. This includes works in respect of Cumberland Terraces and  
Nelson's View, Calpe Quarters, Beach View Terraces, Bay View Terraces, Brympton Mount View,  
Brympton Bridges and Harbour Views.

1085 **Hon. K Azopardi:** And this is engagement, presumably, between the Government and the  
tenants' associations, the management companies of these estates, and agreements reached in  
respect of each? When it says 'soft loans', presumably there is some kind of financing put in place,  
which is then repaid out of service charges? How does it work?

1090 **Hon. Chief Minister:** Yes, Mr Chairman, it is exactly that. There are some works which are  
carried out by the Government and there are some works which, either because the tenants'  
associations and management companies want to carry them out and because they sometimes  
also want to carry them out at the same time as the Government is mobilising its own contractors  
1095 to carry out those works, we carry out together. But the management company may not have the  
ability to finance them at this time, which would just mean having to pay for mobilisation costs in  
the future. The Government therefore looks at what it considers as its obligations, usually as a  
developer in respect of these estates at the beginning of their lives when things might have gone  
wrong and need to be repaired as latent defects, and the things which are desirous to be done to  
1100 the estates which the management company simply want to do and which are not the obligation  
of the taxpayer. We reach an accommodation with those management companies on that which  
they wish to do but the Government has no obligation to do, or considers it has no obligation to  
do ... they do, and, where necessary, we provide them with loans that they then repay from the  
roll of service charges, which is the income of the management companies. We have been doing  
1105 that for some considerable time since we were elected, and indeed it is something that they were  
doing when we were elected also.

**Hon. K Azopardi:** Can I ask on (4)(a), is it too early to say the kind of projected costs that that  
joint facility would cost the UK-European treaty joint facility?

1110 **Hon. Chief Minister:** Yes, Mr Chairman, it is too soon. We do not know what it will cost, we do  
not know how we will spread the cost of that, but we believe it is possible that it is a cost that may  
have to be incurred in this financial year. That is why we have made a token. If we did know what  
it was going to cost, we would have put it in there.

1115 **Hon. K Azopardi:** And then, on the next line, which is (zj), Relocations Associated with  
Affordable Housing Projects, are these moneys in respect of the Bob Peliza/Chatham Views  
projects, or one of the projects, or other projects?

1120 **Hon. Chief Minister:** Mr Chairman, this is in relation to all of the projects, so Hassan Centenary  
Terraces, Bob Peliza Mews and Chatham Mews.



**Hon. K Azopardi:** In respect of Hassan Centenary, what kind of relocations are associated with that development?

1125 **Hon. Chief Minister:** There are a number of leaseholders on the site in respect of leases that ... In fact, the ones that need to be relocated I think are leases that they granted and they therefore need to be provided for elsewhere.

1130 **Hon. K Azopardi:** I am not sure I understand. I understand that there are commercial leases adjoining. Is that what he is talking about, that the property extends to ...? There needs to be a relocation of the commercial tenants on the adjoining plots – is that what he is saying?

**Hon. Chief Minister:** There needs to be a relocation of one construction tenant.

1135 **Hon. K Azopardi:** Is there a breakdown of how the £3½ million would be spent across the various ...? If you had to book them in accordance with the particular affordable housing projects, how would the £3½ million fall to be divided?

1140 **Hon. Chief Minister:** Mr Chairman, at the moment there is a token provision made in respect of one of them, so £1,000; there is a very specific provision made in respect of another, which affects only one relocation, and therefore I am loath to give the figure because we are negotiating and hoping to reduce it, and therefore, if I give him any other number it will be possible for the counterparty to the negotiation to know how much we have provided for, although we wish to negotiate further down from that number.

1145

**Hon. D J Bossino:** Subhead (4)(a), Heritage Building Refurbishments – can more particulars be given for that? There is only a provision for £10,000 given to it. I just wanted to get a bit more sense of detail in relation to that item.

1150 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Can you repeat the question? I was looking for the ...

**Hon. D J Bossino:** Yes, of course. Mr Chairman, it is just more detail on item (4)(a), which is Heritage Building Refurbishments.

1155

**Hon. Prof. J E Cortes:** This is an allocation which will be used for any issue that arises during the course of the year in which a heritage building or monument requires some works.

**Hon. D J Bossino:** And the same question in relation to (4)(g), which is Heritage Projects.

1160

**Hon. Prof. J E Cortes:** This is in relation to specific projects that I mentioned during my speech last week, two of them being repairs to Southport Gates and the Tower of Homage.

1165 **Hon. R M Clinton:** Sorry, Mr Chairman, just jumping down to page 179, subhead (4)(zzj), Digital Transformation, we seem to have an estimate of £450,000 that came in at close to £3½ million, which is a significant difference, and I was wondering if the Minister could advise why that was.

1170 **Hon. A J Isola:** Mr Chairman, I will have to revert to him. It was formerly called E-Services and it is now Digital Transformation across the entire Government, but I have to get that breakdown for him so I can explain it to him more clearly. I do not have that information here.

**Hon. D J Bossino:** Mr Chairman, may I ask why (zzm), which is Beautification of Landport to Casemates, and then (zzx), Landport Gate, are treated separately? Is it not the same project?

1175 **Hon. V Daryanani:** Mr Chairman, subhead (zzm) – is that what the hon. Member is referring to?

**Hon. D J Bossino:** And subhead (zzx).

1180 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Chairman, just to clarify, this is part of the Walk the Wall project which the Government announced a long time ago and which I believe already has planning permission for parts of the project. That entry refers to that project.

1185 **Hon. D J Bossino:** By ‘that entry’ – because I was referring to two – presumably the hon. Member is referring to (zzm).

**Hon. V Daryanani:** No, (zzm), Mr Chairman, is the beautification that we announced recently via Casemates tunnels.

1190 **Hon. D J Bossino:** So what the Hon. the Deputy Chief Minister was referring to then is (zzx) – is that correct? Landport Gate? Okay.

1195 Is the reason why the Duke of Kent House Gibraltar Archives, (zzu), is only allocated £1,000 ...? I think in answer to a question, or during the course of his speech, the Hon. the Chief Minister mentioned a feasibility study that still needs to be carried out. Is that the case and why there is no specificity yet as to the amount that that particular project is going to cost?

1200 **Hon. Deputy Chief Minister:** Mr Chairman, yes, that is right. This refers to that particular project and to what I said at the time, which was that the Government is now working on feasibility studies and costings on the proposal to move the archives to Duke of Kent House, but we do not envisage there being a major refurbishment or construction at this particular time.

1205 **Hon. K Azopardi:** On that same page, at (zzy) and (zzz), e-ID Card System and New Passport Issuing System, are these standalone projects, or are these in any way related to the discussions going on? If they are, the Government may not wish to comment in great detail, but if they are not, if they are standalone projects, can there be an explanation of what exactly these projects are for?

1210 **Hon. Chief Minister:** No, Mr Chairman, these may be relevant to any treaty that may be entered into, but they are not about a treaty to be entered into. This is an additional machine to print more ID cards. I think we have always one. We get one new one every couple of years because of the need to upgrade the way that we do the security, and we have always the ability, therefore, to have one down and being refurbished etc. This is the year when we need to get a new one. The new passport issuing system is the upgrade of the system that we maintain with the United Kingdom in respect of passport issuance.

1215 **Hon. K Azopardi:** So the first one was a machine. That last one – does it include equipment, or is it just software?

1220 **Hon. Chief Minister:** It is a processing system. It is not a printing machine because, as he knows, the United Kingdom withdrew all the printing from all of its passport offices in the Overseas Territories, in the large embassies and even throughout the United Kingdom, and centralised in one place in the United Kingdom. The sending of the information is through a secure system from Her Majesty’s Passport Office and this is the cost, to all of the Overseas Territories and all of the Dependencies, of providing that.

1225 **Hon. E J Phillips:** Mr Chairman, just in relation to the Main Sewer, (zt) on page 178, can the Minister explain the significant increase up to £1 million of the estimate for 2022-23 in relation to the main sewer provision, given the fact that there is, in the context of these pink pages, an additional element for sewers generally?

1230 **Hon. Chief Minister:** Mr Chairman, (zt), as far as we can see, does not suffer an increase at all. It is exactly the same amount as was estimated last year.

1235 **Hon. E J Phillips:** No, I appreciate that it has been estimated the previous year for £1 million and the forecast outturn was £285,000, and the previous year, 2019-21, £1.433 million. Insofar as the amount is concerned, it would just be interesting to explain what that is for insofar as the detail of the main sewer works, maybe.

1240 **Hon. P J Balban:** Mr Chairman, we cannot say that we will spend a million pounds every year, because it depends on the projects that we set out to achieve financially. This is the one I mentioned in my Budget speech, which is, I think, from Bomb House Lane. Actually, it was the largest section of main sewer within the city walls, and that then will complete the whole length of sewer within the city walls. It is, I think, from Bomb House Lane all the way to Ragged Staff Gates. It is that project.

1245 **Hon. E J Phillips:** The reason why I ask, of course, is because there is an element within this as well for drains and sewers, so it is difficult ... If this is specific Bomb House Lane sewer remedial action, then that is fine; it is just that it is not clear and immediately obvious from the Book, that is all.

1250 **Hon. P J Balban:** There are different parts of it. One is the project, which is the relining of the sewer, and then there are also other works like desilting and cleaning and doing smaller sections of the sewer, which we do on a yearly basis. Similar to what we said with the road resurfacing, one is a big project and the other is the maintenance that we have to give our sewers if we are going to ensure they are working properly for us in the immediate future.

1255 **Hon. E J Phillips:** Just in relation to the STTPP at (zu), the actual for 2019-21 was £477,000 and the forecast outturn for 2021-22 was £205,000. Is there a reason for the significant increase to £800,000? Is this in relation to implementation of certain parts of the STTPP? I know that there was an indication given in the hon. Gentleman's Budget speech about certain implementation of items there, but it seems like a lot of money and I just wondered whether he had any further information with him to explain that.

1265 **Hon. P J Balban:** We are involved now with the design stage of our bicycle infrastructure. Once we have drawn out the final plans then obviously it is a question of getting boots on the ground and doing these projects. To develop a cycle lane, it is not just painting, it is not segregating with dots. It is a lot more that we have ... Even things like the sewers, the drains and the storm drains – for a bicycle they have to be set at 90° to the wheels of the bicycle, otherwise you risk the bicycle going into the ... and if we are going to be moving out of road, using part of the road where the pavement is, maybe the sewers are badly lined. We are dealing with every single bit of work from things like the drains to removing pavements and so forth, painting, using segregation, so it is a massive ...

1270  
1275 It does not sound much, but creating a bicycle infrastructure can be pretty expensive, and this is obviously part of a bigger project because we cannot think for one moment that this will be it. This is the beginning of getting some sort of infrastructure in Gibraltar, and it is a plan that will span many years in that respect.

**Hon. E J Phillips:** So that is part of the segregated pop-up scheme that you are going to expand out from many of our roads?

1280 **Hon. P J Balban:** Yes, the first stage is what we call phase zero, which is to mark out using pop-up, which is temporary infrastructure, to see how things go, see what the take-up is. I obviously get the feedback from cyclists. This is like when you build a gravel road and eventually you build up to a motorway. This is like our gravel road for cycling. We need to create the infrastructure so that people feel brave enough to cycle, and once we have the throughput of cyclists using it, then  
1285 we will start upgrading. So the first stage is the pop-up infrastructure, which is removable and you can change its position and see how it goes, and then, once you see that it is working and take-up is good, you start thinking about more permanent infrastructure and it is the people who will be saying they want more of this, and so forth. That is the plan behind it.

1290 **Hon. E J Phillips:** Mr Chairman, in relation to (zzzc) on page 179, Ex-Chronicle Printing Works – Justice Offices, I am just wondering what that item refers to. (*Interjection*) It just appears to be something new insofar as the (zxc) Ex-Chronicle Printing Works – Justice Offices and I am just wondering what the intention is for those premises. Is that to decamp the Ministry for Justice into that particular building, or to expand the provision?

1295 **Hon. Miss S J Sacramento:** Mr Chairman, it will be premises to collocate officers to deliver some Justice projects. For example, it will be a MAPPA hub for police officers, social workers and probation officers to work together. It is that kind of office. It is not anything to do directly with the Ministry for Justice but Departments that come under the auspices of the Ministry for Justice.

1300 **Hon. D J Bossino:** Mr Chairman, just by way of explanation, if the Hon. Deputy Chief Minister could assist, I think he did say that (zxx), which is Landport Gates, related to the Walk the Wall project – which, as he has rightly pointed out, had been announced and I think it was in their manifesto, in fact. Isn't there a separate provision for that under (zxt), where it says City Walls –  
1305 Walk the Wall, for which I think a nominal provision of £1,000 is made?

**Hon. Deputy Chief Minister:** Mr Chairman, if I recall correctly, the project was being done in phases, so it could well be that different parts of the project have been entered separately into the list of projects.

1310 **Hon. R M Clinton:** Mr Chairman, just looking at (zys), The Mount, £400,000, I was wondering if this is in anticipation of the generous donation of £1 million towards the refurbishment of the Mount. And how does the Minister envisage this working? Will the Government incur the expense first, and then expect reimbursement?

1315 **Hon. Deputy Chief Minister:** Mr Chairman, no, this is for the refurbishment – I think I referred to it in my address – of the Porter's Lodge into the Marriage Registry and also of the events hall in its proper restoration and refurbishment into an events hall plus the gardens around that area. This is not the Parasol money. That money is being used separately for a different phase of the project.  
1320

**Hon. R M Clinton:** I am grateful to the Minister for that explanation. How would the Government effectively account for that? How would it work? I would expect to see something in the Book for that element and then covered by a reimbursement. How, in your minds, do you see that working?  
1325

**Hon. Deputy Chief Minister:** Mr Chairman, yes, this would appear in the revenue section of the Improvement and Development Fund. If he looks at page 173, the hon. Member will find the

1330 different sources of revenue which come into the fund, including reimbursements and others, and grants, so it would be shown on that page and would be offset against the project as the money starts being spent.

Thank you.

1335 **Hon. R M Clinton:** Yes – I am grateful to the Minister – that is exactly the way I would expect it to function for the Book. Based on what he has just said, then, it would appear that the second phase is not anticipated in this next financial year.

1340 **Hon. Deputy Chief Minister:** Mr Chairman, the first phase is one we anticipate this year. The second phase may or may not happen at the same time because the source of funding is separate, it is not Government funding. So it may happen at the same time but my best guess would be that at this stage in this financial year we would only do phase 1.

**Mr Chairman:** Head 102, Projects, subheads 1 to 7 stand part of the Bill.  
Clause 6 stands part of the Bill.

1345 **Clerk:** Clauses 7 and 8, Gibraltar Development Corporation.

**Mr Chairman:** Page 184.

1350 **Hon. R M Clinton:** Mr Chairman, the Gibraltar Development Corporation obviously has substantial payments. I just would like more information about recurrent payments, item (19), Contribution to Economic Development & Employment Company Ltd, £11,782,000 last year and this year. I would like to know exactly what this entity does for the Gibraltar Development Corporation.

1355 **Hon. Chief Minister:** Mr Chairman, this is essentially Sir Joe Bossano's head and he is not here now, but this is the Economic Development Ministry. The Future Jobs Strategy was run through here, all of the activity of the Economic Development Ministry is run through here, part of the National Economic Plan is run through here, etc. This amount, he will see, goes back some considerable time and is provided each year.

1360 **Hon. R M Clinton:** Mr Chairman, I know this is something I keep on referring to, but would the Government at least commit to publishing the accounts of this entity on an up-to-date basis, in the very near future rather than later because obviously significant amounts of money are being spent through this entity?

1365 **Hon. Chief Minister:** Mr Chairman, yes, the Government is committed to publishing the accounts of all the Government corporations as soon as possible.

1370 **Hon. E J Reyes:** Mr Chairman, on subhead (25), Training and Development Courses, it says 'Other Projects – Government Financed' with a projected increase twice the amount of the forecast outturn for last year. Can we have some information on what projects it entails and what are the future ones?

1375 **Hon. Chief Minister:** Mr Chairman, it may be an increase in the forecast outturn, but it is exactly the same estimate, which is being run by the Economic Development Company, and it is just a question of whether the courses are taken up and therefore whether the cost is incurred.

1380 **Hon. R M Clinton:** Mr Chairman, a slightly different question. On the Capital Account, on page 187 there is the sale of a share for what looks like £1. I would be grateful if the Government could advise what that is in respect of.

1385 **Hon. Chief Minister:** Yes, Mr Speaker, it is the sale of one share, which is part of a restructuring of the internal way that the government companies are held. We are racking our brains just to remember, because we spent a lot of time working out how we would do this and how we would restructure, but it was x months ago. It is not often that you see in these Estimates £1, you usually see £1,000, but it is £1 because it is precisely £1 for one share.

1390 **Hon. R M Clinton:** Yes, Mr Chairman, I fully appreciate that from the Book. My question is: in respect of the shares of what entity?

**Hon. Chief Minister:** It may be one share in Credit Finance, Mr Chairman.

1395 **Hon. R M Clinton:** Mr Chairman, if my memory serves me correctly, I have seen one share of Credit Finance appear in the recent summary of the investments of the Gibraltar Savings Bank. First of all, I am I correct that that is the same share? And, secondly, what was the reason for it?

1400 **Hon. Chief Minister:** It is to permit a distribution of profit in that company. Otherwise, because of the preference shares, if you do not do the exercise that we are doing now, you are not able to pay the distribution of profits.

1405 **Hon. R M Clinton:** Sorry, Mr Chairman, while I just think this through. If I recall correctly, there was a dividend which was deemed ... it was a dividend up, but it was deemed to be reassigned to the Savings Bank – I think it was about £9.7 million – and by effectively giving the Savings Bank this particular share it would avoid that problem in future. Does this particular share have any particular special class to it that gives it any special dividend rights?

1410 **Hon. Chief Minister:** No, Mr Chairman, it is an ordinary share, but if you do not do it this way you have to do the deemed dividend, which is what the hon. Gentleman has identified. In this way, we can do it direct.

**Mr Chairman:** The Gibraltar Development Corporation stands part of the Bill.

**Clerk:** Borders and Coastguard Agency.

1415 **Mr Chairman:** Page 211. Borders and Coastguard Agency stands part of the Bill.

**Clerk:** Housing Works Agency, on page 214.

1420 **Mr Chairman:** Housing Works Agency stands part of the Bill.

**Clerk:** Gibraltar Sports and Leisure Authority, on page 217.

1425 **Hon. E J Reyes:** Mr Chairman, on subhead (8), in respect of electricity and water, if we look at the figures in previous years the estimate for this coming year tends to be of the same spending per year. I agree that the electricity supply to the main football pitch, which has been leased out to Gibraltar Football Association ... those floodlights are used. The electricity bill – is that still being paid by the Sports and Leisure Authority, or is it now on a separate meter, the running costs of which will be met by the Gibraltar Football Association?

1430 **Hon. Chief Minister:** No, Mr Chairman, the GFA pays for its own utilities. This is not GFA related. I wonder whether the hon. Gentleman needs to look back and then calculate the increase in the in the utilities and the other sites that have come on stream, and that probably balances out.

**Mr Chairman:** Gibraltar Sports and Leisure Authority stands part of the Bill.

1435

**Clerk:** Gibraltar Health Authority, on page 220.

**Hon. E J Phillips:** Mr Chairman, just in relation to page 225, Recurrent Payments, could the Minister give an explanation as to the rationale for the relief cover at £1 million?

1440

**Hon. Chief Minister:** Mr Chairman, I refer the hon. Gentleman to the statements I made in my reply speech, where I addressed this specifically.

**Hon. K Azopardi:** Just on a related item, under the forecast outturn of £11 million, is there a breakdown of how that sum has been spent?

1445

**Hon. Chief Minister:** Mr Chairman, I think I actually gave him the breakdown yesterday in the course of my speech. I know he might have not wanted to hear much of what I had to say, but £4.3 million came from the COVID Response Fund, which he can see on page 228 at the top, and the balance is having to provide the relief cover necessary as a result of the continued pandemic, which had rolled on in a way that we had not expected when we had prepared the Estimates in January, February and March of 2021, because in the financial year 2021-22 the pandemic continued and therefore we had more cover that we had to provide etc. It is what we say is the demand-led cost of ensuring that the GHA had the individuals available doing the jobs that were needed when others were not able to do them, and what he says is my terrible mismanagement and the reason why I could not be trusted.

1450

1455

**Hon. K Azopardi:** I am asking for a more specific breakdown, and we are getting into that because we are past the Second Reading – otherwise we will be here all day. How does this break down in terms of staff numbers, who they are, what kind of jobs? What is this? They projected £2.5 million as the estimate, it then came in at £11 million, so what is the specific breakdown?

1460

**Hon. Chief Minister:** Mr Chairman, I do not have the management accounts here, but we do have the name of every individual who was paid as a result of this. If the hon. Gentleman is asking do we have that breakdown, we do. I do not think we have it here because we have it in the ... He is asking us about not the estimate for this financial year, which is what we are debating today; he is asking us for the forecast outturn for last year, which informs our work in making the estimate for this year. I am not saying he should not ask, what I am saying is I do not have the information here. This relates to individuals who have been paid to do the work that the GHA has determined was required and was not in complement for reasons that I have explained to him both yesterday and before, because I explained it in my main speech. The £2.5 million was the view that we were taking for a year when we expected COVID to end, and the £11 million is the actual cost for a year through which COVID rolled and continued to require us to incur costs. In the context of the argument that COVID is being used as an excuse, unfortunately, as I told hon. Members a moment ago, I have another death certificate, which shows that this ain't no excuse, this is real and the number of Gibraltarians lost to it now is 105.

1465

1470

1475

**Hon. E J Phillips:** I think it feeds into another question we asked about how realistic is the £1 million figure, because the Chief Minister has referred to what has happened in the United Kingdom and the sad loss of another life and the reason why the forecast outturn is £11 million.

1480

We put this in our Budget speech and in our contribution we talked to the principles of the Bill. We asked the question how realistic was the £1 million in that context.

1485 **Hon. Chief Minister:** Mr Chairman, the £2.5 million was realistic when it was estimated in February/March. The £1 million is realistic when it has been estimated this March. If we have to come to this House to seek £21 million at the end of the year, and if they behave like they have behaved this year, they will say it is a terrible mismanagement on my part and I will say that is what we needed during the course of 2022-23. I do hope that we will need less than a million and that we will not have to have people wearing masks in the Hospital again going forward throughout the year and that we do not have another spike.

1490 The hon. Gentleman is asking me how accurate the estimate is in the face of the, hopefully, last roll of the pandemic dice – and it is literally a roll of the pandemic dice. We could have put a thousand pounds in here, so that it was obvious that it was literally just a token, but this is not just relief cover for COVID, this is relief cover generally in the GHA and we have to make our best estimate, with all our vacancies filled, how much relief cover we will require and how much of COVID will still be there and how it will affect relief cover. It is an impossible estimate to make beyond being a guesstimate, and there is no way that anybody can find a better way of estimating against this number in the public health circumstances in which we find ourselves.

1495 Mr Chairman, I emphasise the point: it has not stopped them – despite agreeing with us now more convivially when looking at the detail – from accusing me of mismanagement and that trust in me should be lost because of the increase in the forecast outturn, the actual, in effect, against the estimate, but I am telling them now it is a guesstimate. It was a guesstimate last year – it could not be anything more than that – and it is a guesstimate this year, and I look forward to being accused of mismanagement next year.

1500  
1505 **Hon. K Azopardi:** Well, it is not about clutching at straws, Mr Chairman. It was not presented as a guesstimate, it is presented as an estimate. Presumably the Health Authority and the officials are providing advice on these matters, and what we are trying to probe is the accuracy of these figures. Do you want to carry on?

1510 **Hon. Chief Minister:** Yes. Mr Chairman, of course this is based on advice. You are not probing the accuracy of this estimate unless you have not heard everything that I have said from the first speech, because I said from my first speech, before the hon. Gentleman got up to accuse me of mismanagement because we had not kept to the estimate, that it was impossible to estimate and that we were doing our best in the face of a public health pandemic. If we had stuck to the figure religiously out of a desire to demonstrate our management and our ability to estimate, we would have butchered frontline services because we would not have had people on the frontline.

1515 And so what I am saying – again, because I said it in my main speech about the estimate for this year and I said it in my reply about the estimate for this year, and last year I said it about the estimate that we were making as well – this cannot be anything other than a guesstimate. We have filled vacancies or are in the process of filling vacancies. There should, therefore, be less need for relief cover if it is the ordinary course of business, if it is business as usual, but we do not know that it is – and I shared with hon. Members this morning an article I read in *The Times* about the effect on the NHS. I am making the point with vehemence so that I can, if necessary, point hon. Gentlemen to it next year when they make the accusations that they have made in the terms that they have made them for the reasons that they say they made them in respect, in particular, of this increase and this failure to keep to estimate, or indeed the Government's decision to ensure that the provision necessary for the GHA was there, even though it exceeded the estimate.

1520  
1525  
1530 **Hon. K Azopardi:** And I hear the explanation, but the point is that on this side of the House we do not necessarily accept the explanation, or in the terms that it has been put. That is the point we make.



**Hon. Chief Minister:** Sorry, what did you say?

1535 **Hon. K Azopardi:** I said I hear the explanation but on this side of the House we do not necessarily accept that explanation.

**Hon. Chief Minister:** I understand that you do not accept it, because hon. Members do not accept reality. They might like to see that there is a footnote on the next page that says that funding will be provided to the level required in the event that the level required is in excess of the amount. Mr Chairman, if they do not accept the explanation, can I invite them not to bother seeking it? What is the point? They are going to vote against this estimate. They do not accept our explanations and yet they seek them. Why? Simply to make a note in order to then try and compare it to our explanations next year? Well, they will find that we are consistent in saying that we will provide the amount that the GHA requires, even if it exceeds the estimate where it is in a demand-led area, because that is not a failure of management. That is to provide, as the footnote on page 227 sets out, such funding as may be required to continue to be able to deal with the ravages of the public health pandemic that we are suffering. That is what happened last year and that is what would happen this year, although would that it need not happen this year.

1545  
1550 If he does not want to accept that explanation, frankly, Mr Chairman, it is a matter for him, but I will deploy the explanation again because it is the truth and it is reality.

**Hon. K Azopardi:** Mr Chairman, we have been asking a lot of questions on the specifics, and we are interested in the explanations and clarifications on the numbers that we have been asking for. The distinction that I have just made is that he has made a long explanation about how these numbers have been reached and how it was impossible to control. I was making the specific distinction that we may not accept the explanation he has just given about that issue. I am not talking about the more macro level of read-across in his remark, 'Well, if they are not interested in the explanation, why are they even asking these questions?' I am asking him specifically on this issue. I have made that distinction. In respect of the other numbers, of course we are interested in the specific questions we have been asking.

**Hon. Chief Minister:** I understand he does not accept the expression, Mr Chairman. He has called me a thief because of the increase. He has told me that I have become a highwayman to pay for the increase, so that must mean that I have stolen it. If he does not want to accept the natural meaning of his words, so be it.

**Hon. K Azopardi:** I understood that ... [*Inaudible*] Be serious. It was an exchange. He was talking about the renaissance and I made an allusion which was intended to be comic, and everyone understood it like that. He has made an exaggeration of it. Fake outrage, Mr Chairman.

**Hon. Chief Minister:** Mr Chairman, I am extraordinarily grateful to the hon. Gentleman that he has clarified – although he had an opportunity to do so yesterday when I was replying, but he did not seek to have me give way because he wanted to clarify it – that he called me a highwayman in jest, that he did not mean it and that he does not believe I am a thief. (**Hon. K Azopardi:** Of course.) He is saying 'of course'. I genuinely appreciate his belated but hugely important clarification.

**Mr Chairman:** Are we ready to proceed?

1580

**Hon. E J Phillips:** Mr Chairman, just in relation to point (13) in the same column, Visiting Consultants Fees and Expenses and Other Contracted Medical Services, can the Minister for Health or the Chief Minister explain how they are going to achieve that particular saving?

1585 **Hon. A J Isola:** Mr Chairman, on the same basis as the Chief Minister has already outlined, this is the estimate that the professionals provide us with and we are prepared to support.

1590 **Hon. E J Phillips:** In relation to item (14), recruitment expenses, the forecast outturn 2021-22 is £2 million that is provided in terms of the estimate for this year. In relation to recruitment expenses, item (14), the estimate 2022-23 is listed at £750,000. I wonder whether the Minister might be able to explain a bit more about that.

1595 **Hon. A J Isola:** Mr Chairman, it is all related in terms of the extra number of people needed during COVID, which we hoped not to be needing during the course of next year. When you have relief cover to the extent that we did, that obviously had a cost to it, not just in respect of the recruitment but also in respect of the expense of bringing people over and accommodating some of them whilst they are here providing relief cover.

1600 **Hon. E J Phillips:** So in relation to the recruitment expense, that £2 million that was spent in 2021-22 relates to the payment of fees towards agents and also the bringing over of resource, potentially. I think there was one aspect of flying nurses over. Was that in relation to that resource being imported for the benefit of the GHA?

1605 **Hon. A J Isola:** Yes, Mr Chairman, it relates to bringing people here, accommodating them – some of them on short-term arrangements – and then them leaving.

1610 **Hon. E J Phillips:** Just in relation to item 21, GPMS Prescriptions, the forecast outturn for 2021-22 was at £12 million. If we roll back to 2019-21 it was £24 million, pretty consistent from those years. And then we get to the estimate this year being a lot less at £9 million. I just wondered whether the Minister might be able to explain the thinking behind that estimate.

1615 **Hon. A J Isola:** Mr Chairman, we issued a press release some two months ago, I believe, which explained that we were removing certain items from the list of prescriptions. In that press release we said we anticipated a saving of £4.3 million in the course of the year. I think you will find the numbers are quite close to that.

1620 **Hon. E J Phillips:** I think it really fed into the point that I was making. I know the Chief Minister picked up on the 'life-saving' words in the contribution that I made, but also critical medicines that was added on – it was life-saving and other medicines. Is it the case that there has been a general review by the Chief Pharmacist or, indeed, the Health Authority in relation to medications, or a re-designation of certain medications that patients require, and that has been communicated down to pharmacists up and down Main Street in relation to dispensing those? I think he referred to it in the answer to the last question that I asked here ... that it related to specific medicines. Has there been any sort of change in approach by the Chief Pharmacist or, indeed, the GHA in communications to pharmacies in Gibraltar about issuing those medicines to people?

1630 **Hon. A J Isola:** Yes, there is a press release which details the thinking behind it, as well as the use of generic medicines as opposed to branded medicines, which will also obviously have a saving. I think that was all in the same press release, which explained why we were hopeful of a £4.3 million reduction in the cost of pharmaceuticals through GPMS during the course of the year.

1635 **Hon. E J Phillips:** That is very helpful; that is well understood. I think the point I was trying to get at, probably not in an articulate way at this time of the evening, but the point that has been made to me by patients is that there are certain medicines that they are receiving that are significantly expensive – they understand to be, now – and are not being made available, given the expense. That is obviously a comment being made to me by a number of patients and

discussions that I have amongst pharmacists in our community. I would just like to seek clarification on that, because it is a genuine concern of people who have asked me, so I thought it best to ask it here – it is the only place we can do.

1640

**Hon. Chief Minister:** Mr Speaker, we would never preside over a Government – and, as I said to him yesterday, neither would they and neither would anyone, I think, who has sought office in this community – which would deny members of our community who need a particular pharmaceutical. There is no question of that. There is a concern – which is a medical concern, not  
1645 a financial concern, although it has financial consequences – of an overmedicated population and the consequence that that can have for public health. In other words, more medication means less good health, not better health; and, secondly, there are some instances of people seeking expensive medications simply for the purposes of trading the prescription for non-medical goods. We have had that before. I have given interviews on GBC about the subject. We have debated it  
1650 across the floor of this House. I cannot remember whether it was in the lifetime of this Parliament – I think it was in an earlier Parliament – and I cannot remember whether it was the first Parliament to which I was elected as Chief Minister or the second, so I cannot remember whether he was here, but there is a very serious concern about that. There is pharmaceutical fraud going on, and I think that at the time I looked at this I was told that they had had the same concerns  
1655 when they were in government and they had taken some of the same measures at different times. They had even deployed undercover officers at one stage, I understand, to try to catch out pharmacists who were involved in this, because this is a two-to-tango issue.

Let me just give the hon. Gentleman a statistic that I was given, which made me really raise my eyebrows. Without casting aspersions on anyone but telling hon. Members today what I think I  
1660 said on television at the time, every time a new pharmacy in Gibraltar opens, for the same number of people in the population we end up with 10% more prescriptions. How can that be? So there is no question of the Government depriving anyone of life-saving medication, as I told him. He has now said to the Minister, ‘Well, I had my answer on that. What is my answer on other prescriptions, just things which happen to be expensive?’ The issue here is also (a) overmedication  
1665 and (b) pharmaceutical fraud. That is what has been the subject of the investigation and the attempt to put in new systems which will prevent that.

I would hope that all of us, as Members of this House, and every Gibraltarian should want the Group Practice Medical Scheme to work and to give the people who need medication the medication they need whether it is expensive medication or not expensive medication, certainly  
1670 if it is life-saving medication. If it is medication they need, then of course. If it is medication they want, it is different. If they want it because it is pain relief, then, in my view, they need it and the doctor should prescribe it, unless the pain relief is causing them a difficulty. Hon. Members will know that there is a huge opioid crisis in the United Kingdom and in the United States, where people become addicted to pain relief and they can die from the pain relief, which causes them  
1675 the problem.

So the issue of overmedication is a very serious medical issue, the issue of pharmaceutical fraud is a very serious financial issue, and all of these things make up the concern that the Government is trying to deal with through the review that is being carried out.

**Hon. E J Phillips:** Mr Chairman, I thank the hon. Gentleman – that was a very helpful answer.

In relation to item (23), Medical Departments, as we can see from the run across the line there from £16.8 million through an estimate of £3.8 million at 2021-22, then to the forecast outturn for 2021-22 at £12.1 million ... Apologies, I have lost my train. It was £18.2 million and then the reduction to £5.7 million, a very significant reduction there, the least on the surface of the items.  
1685 Insofar as ‘Medical Departments’ is quite a generic description, perhaps the Minister might be able to explain the rationale for what on the surface looks like a reduction.

**Hon. A J Isola:** Mr Chairman, the difference between the amount in the outturn and the amount forecast is the cost of LFT tests.

1690

**Hon. E J Phillips:** Mr Chairman, about £13 million in tests that has been run through the Medical Department aspect of this?

Mr Chairman, just one question. I assume the answer is that Dressings, Aids, Medical Gases and Tests at item (27) are other tests, not those tests that relate to COVID. Again, if that is the case, there is a reduction of over a million from the outturn last year. I would have thought that Dressings, Aids, Medical Gases and Tests would be a pretty consistent figure, so why the reduction in procurement of those items?

1695

**Hon. A J Isola:** Sorry, I was about to agree with the first part of the question. I am not sure where is he taking it with the second part of the question.

1700

**Hon. E J Phillips:** Mr Chairman, insofar as the second part of the question, whilst I appreciate the tests do not relate to COVID tests, that these are run-of-the-mill tests that are conducted at the GHA, I just want to know why, for Dressings, Aids, Medical Gases and Tests, the figure now stands at £1.75 million as an estimate, when the forecast outturn last year was £2.83 million.

1705

**Hon. A J Isola:** You are referring me to the reduction from £2.8 million to £1.7 million? Mr Chairman, I do not have that information here and I would rather not guess as to the cause. I am happy to come back to him.

1710

**Hon. E J Phillips:** Mr Chairman, dealing with the fairly large amount of ... I know this is a heated debate in the exchanges and I do not want to encourage that again, but insofar as item (37), Sponsored Patients, we have seen, again, from 2019-21 right the way through the line up until the estimate, fairly consistent figures for sponsored patients, and I just wondered how the Government arrived at that estimate for £10 million and whether it was realistic in the context of the work that we do in sponsoring our patients to receive medical care in other jurisdictions.

1715

**Hon. A J Isola:** Mr Chairman, the Chief Minister also referred to this in his address during the course of the Appropriation Bill. As we repatriate more and more services, we need to send fewer and fewer people out, and the estimation at this stage is that this will serve a reduction of that amount by repatriating services here.

1720

**Hon. Chief Minister:** And, if not, we will overspend. In other words, not through mismanagement but because we will provide the sponsored patient provision that is necessary, but we are trying to reduce it by bringing back the services.

1725

**Hon. E J Phillips:** Just a general question on that. I think the repatriation of services is an interesting point. I know that the Hon. Neil Costa, when he was in this House, explained the rationale for repatriation of services. I think that many Governments have tried to do that over many years, but on occasion it does actually significantly increase the cost of providing that service. So it is a bit of a fine balancing act that I think the Hon. Mr Costa talked about in this House previously. Obviously they have suggested a figure of £10 million because of repatriation. I wonder whether there is a breakdown of that further, insofar as what services are being repatriated in a bit more detail so that we can ascertain that.

1730

**Hon. Chief Minister:** Mr Chairman, yes, and what the Hon. Mr Costa also told the House was that in some instances, if it cost a lot more to repatriate the service it did not make sense to do it, but if it made patients in a difficult situation considerably more comfortable, if there was potentially an increase in the cost but there was a better service provided to the Gibraltar patient,

1735

1740 then it would be something that we would pursue. And then Mr Costa left this House and we had  
a General Election, and no sooner than we had a General Election we had a pandemic. Literally,  
we had works which had been ongoing, we had cleared areas which were going to be used to  
provide certain services, and those areas then had to be used for pandemic purposes. That is why  
the hon. Gentleman is right to point to things that were said during the lifetime of the last  
1745 Parliament and that we are now in the second half of this Parliament and we have not been able  
to do those things, but that is the criterion that is in our minds.

When you look at the cost of the repatriation of services, you have an indication of how many  
people you send away in respect of those services and you can do – again, I emphasise this – a  
guesstimate, which is a finger in the air. If we have no longer got to send people we sent for this  
1750 service away from Gibraltar ... How many people on average do we send away for this service?  
What does that mean in terms of sponsored patients? Maybe we can make that saving. But of  
course, like everything in medicine, those are averages. You might actually find that there is a year  
when you do not send anyone for a particular service. It is very unusual, but say you were to send,  
usually, 70 people, for angiograms, to the United Kingdom – I am not a doctor, and I think we send  
1755 angiograms to the Costa del Sol, but say you were to send 70 people for angiograms in the United  
Kingdom and you sent 70 every year, and so you do an average and it works out to 70 and you  
then say, ‘How much do those 70 cost in terms of sponsored patients?’ Say it costs you £4 million,  
you say, ‘We can reduce it from £4 million because we are going to treat the 70 here.’ And then,  
the following year, you have 10 angiograms, so the amount that you have invested is not going to  
1760 show you as much of a benefit as you expected, because you are not treating 70 in your new  
angiogram facility in Gibraltar. Or you have 170, and you treat 70 and you have to send a hundred  
out because you cannot deal with them, even though you have repatriated the service, because  
you do not know how many angiograms you are going to get in a year, even if you have had a  
pattern of angiograms for a number of years.

1765  
**Hon. E J Phillips:** Just one final question on this list before ... I believe that hon. Members may  
have certain questions on this side of the House, but in relation to item (42), Disposal of Clinical  
Waste, again, this seems like a fairly consistent amount of money, generally speaking, and I just  
wondered why the difference between the forecast outturn last year and this year amounting to  
1770 nearly £1 million difference, and how that is going to be achieved.

**Hon. A J Isola:** Mr Chairman, the forecast outturn is influenced, again, by COVID. Around  
£400,000 of that cost is disposing of COVID-specific waste. The estimate for the forthcoming year  
is more in keeping with what it has been in previous years, although slightly higher, he will see,  
1775 but I think that is the estimate they are providing at this moment in time.

**Hon. E J Phillips:** Just one question in relation to page 226 on the Europort Paediatric Centre. I  
assume that all children’s services are dealt with in respect of the Paediatric Centre? That is the  
first question. I will follow up on that, depending on the answer.

1780  
**Hon. A J Isola:** Mr Chairman, I think the Paediatric Centre has always been intended to cover  
all aspects of the paediatric services the Hospital provides. We are doing some work on that to  
see how we can reinforce that message better across the community.

1785  
**Hon. E J Phillips:** A follow-up question: does that also include diagnosis of autism at that centre,  
or is that dealt with somewhere else?

**Hon. A J Isola:** I would not know, Mr Chairman. I am certainly happy to find out and come back.

1790  
**Hon. R M Clinton:** Mr Chairman, a minor question. On Recurrent Payments, item (39), Rents  
and Service Charges, I note it seems to have gone up from £35,000 to £150,000. And just by way

of aside, I know you have a section specifically for rentals, which goes from £48,000 to £52,000 and I was wondering, first of all, what is the increase in respect of? What is the rent for? And should it perhaps not be reclassified under the subheading later on?

1795

**Hon. A J Isola:** Mr Chairman, I am afraid we do not have that information available. I agree with the hon. Member's comment that it seems a rather sudden increase, and if it is rent or any part of it, it should be in the other column, so I will have to get that information and revert to him.

1800

**Hon. R M Clinton:** Many thanks, Mr Chairman.

**Hon. A J Isola:** If I may, just by way of assistance, I understand some of that may be in relation to storage off site, as opposed to the actual premises themselves, which are under the other head, but again, I will confirm that.

1805

**Mr Chairman:** Gibraltar Health Authority stands part of the Bill.

**Clerk:** Gibraltar Health Authority – Elderly Residential Services section. That is on page 230.

1810

**Hon. E J Phillips:** Mr Chairman, just in relation to page 231, the summary of the totals of full-time and part-time, it appears that we may have lost 31 people within the Elderly Residential Services Section. I wonder whether the Minister might be able to give an explanation as to the loss of numbers in human resource there.

1815

**Hon. A J Isola:** Mr Chairman, I understand that the reduction in numbers is a result of the Jewish Home and people moving from here on to the books of the Jewish Home.

**Mr Chairman:** There is a section, as part of the GHA, which talks about the Elderly Residential Services Section, which we have just covered, but there is also another section which talks about the COVID-19 Response Fund. Is that something that has been looked at, or shall we ...?

1820

Gibraltar Elderly Residential Services Section stands part of the Bill.

**Clerk:** Care Agency.

1825

**Hon. K Azopardi:** Just a question on that. At item (29), Home Support – Supported Living in the Community, and the projection of a lesser sum there, I assume that having spent £4 million there would have been an assessment of ongoing needs in the community and I just wanted to understand why the Government thinks it would be less.

1830

**Hon. A J Isola:** Mr Chairman, during COVID, over £1 million – £1.18 million – was spent in providing additional support to families who were at home, as opposed to under our care. The day centres were closed as well, and so more support was provided. We believe that by removing that support we will get much closer to the number that we believe we should be spending in this respect.

1835

**Mr Chairman:** Care Agency stands part of the Bill.

**Clerk:** Gibraltar Electricity Authority.

1840

**Mr Chairman:** Gibraltar Electricity Authority stands part of the Bill.

**Clerk:** Gibraltar Port Authority.

1845 **Hon. E J Reyes:** Mr Chairman, referring to a question I asked before on a previous page, where the Chief Minister kindly pointed out to me that perhaps the answer could be found in the green pages, under subhead (14), Maintenance of Port Installations and Equipment, is that the area that would include those small boats moored on the Watergardens side that we were talking about before?

1850 **Hon. V Daryanani:** Mr Chairman, yes, it is, as the hon. Member said, in the green pages. On page 252 under Capital Account he will see Payments and then he will see Works and Equipment.

**Hon. E J Reyes:** I beg your pardon, Mr Chairman, but because I am hard of hearing perhaps the Minister could kindly repeat that, so I can make a note.

1855 **Hon. V Daryanani:** Mr Chairman, it is on page 252 under Capital Account and then Payments, and he will see Works and Equipment. Capital Account, then there is Payments underneath Receipts, and there is Works and Equipment. Has the hon. Member ...?

1860 **Hon. E J Reyes:** Yes, thank you, Mr Chairman, I think I have got that. One clarification: is the whole £522,000 exclusively for that project, or are they amalgamating different subsections, bringing a grand total as per the estimate?

1865 **Hon. V Daryanani:** Mr Chairman, no, the £522,000 is not only for the Watergardens project, there are other things involved there.

**Mr Chairman:** Gibraltar Port Authority stands part of the Bill.  
Clauses 7 and 8 stand part of the Bill.

1870 **Clerk:** The Schedule.

**Mr Chairman:** The Schedule stands part of the Bill.

**Clerk:** The long title.

1875 **Mr Chairman:** The long title stands part of the Bill.

**Legal Services (Amendment) Bill –  
Clauses considered and approved**

**Mr Chairman:** Legal Services.

1880 **Clerk:** A Bill for an Act to amend the Legal Services Act 2017.  
Clauses 1 to 3.

**Mr Chairman:** Clauses 1 to 3 stand part of the Bill.

**Clerk:** Clauses 4 to 12.

1885 **Mr Chairman:** Clauses 4 to 12 stand part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**Traffic (Amendment) Bill 2022 –  
Clauses considered and approved with amendment**

1890 **Clerk:** A Bill for an Act to make changes to amend the Traffic Act 2005.  
Clauses 1 to 3.

**Mr Chairman:** I believe there is an amendment to be moved.

1895 **Minister for Transport (Hon. P J Balban):** Mr Chairman, I beg to give notice that I shall be moving amendments to the Bill for the Traffic (Amendment) Act 2022 during the Committee Stage. The amendments are as follows:

*1. Substitute the following for paragraph (a) in clause 3(3)-*

*"(a) in subsection (1)-*

*(i) after paragraph (c) insert-*

*"(ca) the Transport Planner for the Government;"*;

*(ii) in paragraph (e), delete "and";*

*(iii) for paragraph (f), substitute-*

*"(f) three other members appointed by the Government; and"; and*

*(iv) after paragraph (f), insert-*

*"(g) one person appointed by the Government after consultation with the Gibraltar Cycling Association."; and".*

*2. After clause 3(3) insert -*

*"(4) In section 65(2), insert the following paragraph after paragraph (b)-*

*"(ba) as a result of the administration of a preliminary drug test, the police officer making the requirement has reasonable cause to believe that the person required to provide a specimen of blood or urine has a drug in his body; or".*

*(5) In section 91(3) for "level 1" substitute "level 3".*

*(6) In section 98(1)-*

*(a) after "Act" insert "or subsidiary legislation made under this Act";*

*(b) for "level 1" in both places it appears substitute "level 3";*

*(c) for "three months" substitute "six months".*

**Mr Chairman:** Are Members of the Opposition content with the amendment?

Clauses 1 and 2 stand part of the Bill.

1900 Clause 3, as amended, stands part of the Bill.

The long title stands part of the Bill.

**Appropriation Bill 2022 –  
Third Reading approved: Bill passed**

**Clerk:** The Hon. the Chief Minister.

1905 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the Appropriation Bill 2022, the Traffic (Amendment) Bill 2022 and the Legal Services (Amendment) Bill 2022 have been considered in Committee and agreed to with some amendment. I now move that they be read a third time and pass.

1910 **Mr Speaker:** Those in favour of the Appropriation Bill 2022?



**Hon. Chief Minister:** Mr Speaker, I call a division.

**Mr Speaker:** A division is required.

*Voting resulted as follows:*

**FOR**

Hon. P J Balban  
Hon. Prof. J E Cortes  
Hon. V Daryanani  
Hon. Dr J J Garcia  
Hon. A J Isola  
Hon. G H Licudi  
Hon. F R Picardo  
Hon. S E Linares  
Hon. Miss S J Sacramento

**AGAINST**

Hon. K Azopardi  
Hon. D J Bossino  
Hon. R M Clinton  
Hon. D A Feetham  
Hon. E J Phillips  
Hon. E J Reyes

**ABSENT**

Hon. Sir J J Bossano  
Hon. Ms M D Hassan Nahon

**Mr Speaker:** The result of the division, as requested, is 9 in favour, 6 against, and 2 Members are absent, which means that the Bill is passed. (*Banging on desks*)

1915 **Hon. Chief Minister:** Mr Speaker, before we carry on with the rest of the business the House needs to deal with this afternoon, I am conscious that you have been in the Chair since we started the exercise, and I wonder whether this might be a convenient time to take a short recess until twenty to eight.

1920 **Mr Speaker:** The House will now recess to twenty to eight.

*The House recessed at 7.26 p.m. and resumed at 7.40 p.m.*

**Traffic (Amendment) Bill 2022 –  
Legal Services (Amendment) Bill 2022 –  
Third Readings approved: Bills passed**

**Mr Speaker:** Those in favour of the Legal Services (Amendment) Bill 2022? (**Members:** Aye.) Those against? Carried.

Those in favour of the Traffic (Amendment) Bill 2022? (**Members:** Aye.) Those against? Carried.

## Questions for Oral Answer

**TRANSPORT**

**Q220/2020**

**Taxi fleet –  
Encouragement to go green**

1925 **Mr Speaker:** I think we now revert to Questions, those that remain from the beginning of this session.

**Clerk:** Question 220/2022. The Hon. E J Phillips.

**Hon. E J Phillips:** Further to Written Question 14/2022, can the Government state what it is doing to encourage our taxi fleet to go green?

1930

**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, the Government, in consultation with the Gibraltar Taxi Association, is looking into the possibility of installing EV charging points in taxi ranks at strategic locations in order to encourage our taxi fleet to go green. We are already in the process of installing the first EV charging point at the ground floor of Midtown car park solely for taxis. The hon. Gentleman is reminded that Import Duty for electric vehicles remains at zero and the cashback incentive is £2,500.

1935

**Hon. E J Phillips:** Mr Speaker, when this Written Question was put for the Minister, obviously he was not here at the time and we agreed to convert it into written. I think the answer was that only one taxi in Gibraltar was EV, and therefore the reason why I have asked about how we are going to encourage the taxi fleet is ... My view is they all should be electric or hybrid, as the case may be, and whilst I understand that in putting infrastructure in these particular areas so that they can access that, is it right to say that not the complaint but the concern of the Taxi Association is the lack of infrastructure? Are they waiting for that in order to make that investment in the services they provide, in buying electric vehicles?

1940

1945

**Hon. P J Balban:** Mr Speaker, the Taxi Association is in the process of testing. They tested some vehicles out with one of the local businesses. I think their biggest fear is range and size. I think that is what they were most fearful about, that they would not be able to do their full day's work on a charge.

1950

Now, as you rightly say and in my Written Question reply I said, there was only one electric vehicle. I think that will probably spread like wildfire, because obviously the cost of fuel nowadays will make the e-vehicle a lot more attractive. I think they have satisfied their doubts as to range and size range and they know they can use it for the whole day, so I think it will push on a lot quicker now, especially because there is one in the fleet already. I think they will see it and they will talk about it, and very soon I think there will be more. As I have said in my reply, we will be working with them to see whether we can place some EV charging points at ranks as well, other than the coach park, and that will, I think, help them in that respect, too.

1955

1960

#### Q221/2020

#### Electric motorcycles and bicycles – Eligibility criteria for grants towards purchase

**Clerk:** Question 221/2022. The Hon. E J Phillips.

**Hon. E J Phillips:** Mr Speaker, further to Written Question 17/2022, can the Government state in detail the eligibility criteria for the provision of grants towards the purchase of electric motorcycles and electric bicycles?

1965

**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, the eligibility criteria are as follows. The electric motorcycle must be fully electric and the bicycle must be an electrically assisted bicycle

1970

without a throttle where the electric engine does not exceed a speed of 25 km per hour. In addition to the above, the electric motorcycle or electric bicycle must be purchased in Gibraltar through an authorised dealer.

**Q222/2020**

**Parking permit fees –  
Rationale for higher fees within same household**

**Clerk:** Question 222/2022. The Hon. the Leader of the Opposition.

1975

**Hon. K Azopardi:** Mr Speaker, what is the rationale for applying higher fees to persons from the same household who seek a zone parking permit when someone else in the same household is renting an indoor parking space elsewhere?

1980

**Clerk:** Answer, the Hon. the Minister for Transport.

**Minister for Transport (Hon. P J Balban):** Mr Speaker, when an individual owns or rents a parking space and another member of the same household applies for a zone permit, he or she will enter into tier 2. The rationale for this is to discourage multiple car ownership per household, and use of other, sustainable modes of transport. Further information can be found in the policy booklet that was published in 2017.

1985

**Hon. K Azopardi:** Mr Speaker, is that policy going to be reviewed at any point in the foreseeable future, or is that policy something that the Minister thinks should continue, going forward?

1990

**Hon. P J Balban:** Mr Speaker, the whole point of this policy really is if you own a private parking space or you rent a subsidised parking space from Gibraltar Car Parks or the bank that Gibraltar Car Parks manages ... We want to encourage people to use their parking space and not park their car on the highway, so by increasing the fee, what you are saying is you want the car to use the parking space they have acquired at a lower rate than market value.

1995

I think the policy is a good one, because if you have your own private parking space and you rent at the cheaper rate, it encourages you to say, 'Well, I will just use the parking there,' because it is much easier to find or it is much more advantageous for the individual to park outside their front door, if they were to find a parking space, than to go 200m to the car park itself. So that discourages, hopefully, that behaviour. At the end of the day, what we want to see is fewer cars on our roads and less usage.

2000

**Q223-25/2020**

**Parking fees paid by residents of parking zones –  
Revenue re first, second and third vehicles**

**Clerk:** Question 223/2022. The Hon. the Leader of the Opposition.

2005

**Hon. K Azopardi:** Mr Speaker, can the Government state the revenue by way of parking fees paid by residents/householders resident in the various parking zones for a first vehicle, broken down by parking zone and by numbers of permits per zone?

**Clerk:** Answer, the Hon. the Minister for Transport.

2010 **Minister for Transport (Hon. P J Balban):** Mr Speaker, I will answer this question together with Questions 224 and 225.

**Clerk:** Question 224/2022. The Hon. the Leader of the Opposition.

2015 **Hon. K Azopardi:** Can the Government confirm the revenue by way of parking fees paid by residents/householders resident in the various parking zones for a second vehicle, broken down by parking zone by numbers of permits per zone?

**Clerk:** Question 225/2022. The Hon. the Leader of the Opposition.

2020 **Hon. K Azopardi:** Can the Government confirm the revenue by way of parking fees paid by residents/householders resident in the various parking zones for a third vehicle, broken down by parking zone and by numbers of permits per zone?

**Clerk:** Answer, the Hon. the Minister for Transport.

2025 **Hon. P J Balban:** Mr Speaker, I have prepared the reply but I think it might be better if I offer the hon. Gentleman a schedule, so he can see for himself and I will not need to read it out, which will be helpful in that respect. Thank you.

2030 **Hon. K Azopardi:** He is going to hand it to me?

**Hon. P J Balban:** Yes. *(Interjection)*

**Hon. K Azopardi:** Oh, I see.

#### Answer to Q223/2022

First Vehicle (Tier 1)

\*\* Please note that Tier 1 is a combination of Pensioners and Tier 1 permits\*\*

Zone	Number of permits issued	Revenue
Zone 1	407	£24,420
Zone 2	324	£16,500
Zone 3	435	£26,040
Zone 4	21	£1,110

#### Answer to Q224/2022

2035 Second Vehicle (Tier 2)

Zone	Number of permits issued	Revenue
Zone 1	110	£13,200
Zone 2	111	£13,320
Zone 3	426	£51,120
Zone 4	328	£39,360

**Answer to Q225/2022**

Third Vehicle (Tier 3)

Zone	Number of permits issued	Revenue
Zone 1	19	£4,560
Zone 2	13	£3,120
Zone 3	57	£13,680
Zone 4	25	£6,000

2040 **Hon. K Azopardi:** Mr Speaker, can I just ask ...? First of all, I am grateful for the breakdown, which is very helpful, and there may be further questions that I ask in future meetings in respect of that, but can I understand the note on tier 1? First vehicle, second vehicle, third vehicle, so it is tier 1, 2 and 3. Where it says that tier 1 is a combination of pensioners and tier 1 permits, what does that mean?

2045 **Hon. P J Balban:** Mr Speaker, the pensioner gets a 50% discount on the permit, so tier 1 could be at the full rate for a non-pensioner or it could be at half rate for a pensioner.

2050 **Hon. K Azopardi:** That would not affect, obviously, the number of permits, so within the number of permits – say, for example, zone 1, 407 – some of those will be pensioners, some of them will not be, but would you hold a specific number? Does the Department hold a specific number of how many of these are pensioner permits?

2055 **Hon. P J Balban:** Mr Speaker, the point that was trying to be made there will not tally. If we multiply the 407 by £60 or whatever, you will not get a figure ... It will be less, because of the pensioners. I am sure, yes, of course, the car parks GPMSL Minister will have a log of how many of those would be pensioners.

2060 **Hon. K Azopardi:** Slightly off, but related to the questions I have been asking – I have not done the maths on this but the Minister will know that when you add the numbers of permits in zone 1 or in 2, 3 and 4, how does that correlate with the available spaces in the zones? Is that a good supply of permits per parking space available?

2065 **Hon. P J Balban:** Mr Speaker, we do not provide permits for parking spaces, so you will find that in some zones there will be a lot more parking availability than in other zones. For example, in zone 1 there is plenty of parking, in zone 4 there is plenty of parking and in zone 3 there is plenty of parking. The one that has always been, traditionally, a bit more of a problem is zone 2 because there are a lot of houses there that do not enjoy parking spaces other than the parking spaces that the Government has built in Engineers Lane, the Theatre Royal etc. Generally, it does provide much better parking availability for people within their zone, but it is just zone 2 where the numbers are not as great as in the other zones.

**BUSINESS, TOURISM AND THE PORT**

**Q251/2020**

**Post Office private letter boxes –  
Number available to rent**

2070 **Clerk:** Question 251/2022. The Hon. R M Clinton.

**Hon. R M Clinton:** Mr Speaker, can the Government advise the total number of private letter boxes the Post Office has made available to rent?

2075 **Clerk:** Answer, the Hon. the Minister for Business and Tourism.

**Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Speaker, the total number of post boxes is 1,719.

**Q252/2020**

**Minister's visit to Bangladesh –  
Details**

2080 **Clerk:** Question 252/2022. The Hon. D J Bossino.

**Hon. D J Bossino:** Please provide the following details relating to the Minister for Tourism's trip to Bangladesh: (i) who comprised the Government's delegation; (ii) the total cost of the trip, broken down into air travel costs, lodgings and entertainment; (iii) who the Minister met; (iv) what new business has been secured as a result of the trip; and (v) the duration of the trip.

2085 **Clerk:** Answer, the Hon. the Minister for Business and Tourism.

2090 **Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Speaker, the Government's delegation comprised John Reyes from the Ministry of Business, Tourism and the Port, and myself.

The costs of hotel and accommodation for myself were covered by the Commonwealth Enterprise and Investment Council in London. The flight for Mr Reyes cost £3,881.36 and his hotel costs were also covered by the Council.

2095 For the rest of the information the hon. Member requests, he should refer to my press release of 27th January 2022.

2100 **Hon. D J Bossino:** Did he say that the organisation, which I have not taken a full note of ...? I have the press release here with me, but I seem to have misplaced it in preparing for the question. Did he say that, in effect, all the costs were covered save for Mr Reyes's flight costs? Is that correct? Have I understood him?

**Hon. V Daryanani:** Yes, Mr Speaker, that is correct.

2105 **Hon. D J Bossino:** May I ask what class of travel he used – Mr Reyes, because he is the one whose travel resulted in an expense to the public purse?

**Hon. V Daryanani:** Mr Speaker, this was two flights over 15 hours and Mr Reyes flew club class.

**Mr Speaker:** Next question.

**Q253/2020**  
**FITUR fair –**  
**Government attendance**

2110 **Clerk:** Question 253/2022. The Hon. D J Bossino.

**Hon. D J Bossino:** Please state whether the Government intends to attend the next FITUR fair in Madrid and why it did not attend the fair this year.

2115 **Clerk:** Answer, the Hon. the Minister for Business and Tourism.

**Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Speaker, the Government has not yet decided on whether it intends to attend the next FITUR fair in Madrid.

2120 There are various reasons for not attending this year's event, the main reason being that the principal Spanish tourism that comes into Gibraltar is for day trips from Andalucía. I felt that having a stand and spending approximately £60,000 would not make a difference on this and was not really worth it at this stage. The fact that from March onwards we have seen a formidable return of day trippers, a full Easter and an extremely busy few months after that proves our judgement was correct.

2125 Finally, Mr Speaker, the Government does not rule out attending next year.

**Hon. D J Bossino:** Mr Speaker, may I ask what factors he is considering as to which side of the line, whether a yes or a no, he is likely to be deciding as to whether to attend or not? He says he has not decided yet and he talks about the improved numbers – and he is absolutely right – we are seeing from Spain, but what factors will determine whether the Government will be attending the event this coming year?

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I refer the hon. Gentleman to the logic I set out in my reply to him when I dealt with exactly this question.

2135 **Hon. D J Bossino:** Mr Speaker, the logic, from my recollection, would be supportive of a decision in the negative, if I recall the Hon. the Chief Minister, but what we are getting from the Minister now suggests that that is still in the air, that there has not been a final decision made as to whether there will be an attendance on the next occasion. So I think the question is still valid and I do not think that we have had a proper reply from the Government benches on this one.

**Hon. Chief Minister:** They have had a full and proper reply from the Government benches, which told them, Mr Speaker, that we believed, as the Hon. Minister has set out, that in an ordinary year it makes no sense for us to go to FITUR at a cost of £60,000, which we think would be money thrown away because we do not need to advertise Gibraltar in Spain.

2145 As I told him in my reply, Spain is obsessed with Gibraltar and therefore we do not need to sell Gibraltar in Spain, but if we have a new treaty which potentially provides a new way of accessing Gibraltar, we may consider that next year or the year after, or in no year but maybe next year and the year after it makes sense to go to FITUR to explain the new fluidity arrangements, such as they may be if they are agreed.

2150 That is the logic. That, we are discussing. We have not made a determination yet because the circumstances that we have provided for do not yet obtain, and therefore we will have to see what happens if those circumstances obtain. Otherwise, our view is that going to FITUR is throwing £60,000 of taxpayers' money, literally, away, like holding them up in the wind and seeing them fly. It is our opinion. He may not agree, but as I told him yesterday also, he has different opinions on things and it is fine; we just should not debate those issues until we get to a conclusion which

is the best conclusion for the Gibraltarian taxpayer; and in our view, our conclusion is the right one.

2160 **Hon. D J Bossino:** I am grateful for the reply; I think it is a fuller reply than I originally obtained from his colleague and himself initially.

I am not too sure what the position is, but is this the one occasion when the Government did not attend? Hasn't the Government always attended this fair in the 11 years they have been in office? It has always been a popular fair, certainly when we were in Government. I thought they had carried on with the practice when they have been in office.

2165

**Hon. Chief Minister:** Mr Speaker, I know that he dips in and out of politics and that he was here for the first four years we were in office and then he took a four-year sabbatical and is now back. I think we have gone on one or two occasions. I do not know if it was two, I do not know if it was one and I do not know if it was three, but it certainly was not 10.

2170

We have had the debate in this House about us continuing to go to FITUR on a number of occasions. Gibraltar needs to seek tourism because we need to get the numbers of tourists in Gibraltar up. The question is whether going to a Spanish tourism fair is the best use of our money. Maybe he would like to explain to us – not in the context of this moment because he needs to ask his questions, but explain to us privately or by exchange of press releases in the headlines of the newspapers why he believes that going to FITUR is going to increase the number of people who come to Gibraltar. If he can persuade us of that, well then we might agree.

2175

I think the policy that we have had, which is to do it but not do it regularly, to just, if there is something new, maybe put it there ... For example, if there is a new treaty or if we have new tourist attractions, as we have had in the time that we have been in government, to explain those, we think it made sense. Otherwise, we think there are other trade fairs where we reach other professionals, which makes more sense. But he is absolutely right that FITUR is a very big trade fair, aka a shindig, and if people here, on this side of the House, were looking to go to shindigs and not looking to look after the taxpayers' money, we would go simply because it is a shindig, but we are looking after the taxpayers' money and we think it is £60,000 wasted.

2180

2185

**Mr Speaker:** Next question.

#### Q254/2020

#### Entry points to Gibraltar – Efforts to maintain and refurbish

**Clerk:** Question 254/2022. The Hon. D J Bossino.

2190 **Hon. D J Bossino:** What efforts are being made to maintain and refurbish Gibraltar's entry points by land and sea?

**Clerk:** Answer, the Hon. the Minister for Business and Tourism.

2195 **Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Speaker, all efforts are being made to maintain our entry points. As the hon. Member will have heard last week – perhaps two weeks now – we have announced a wonderful refurbishment and embellishment of the Landport area, which is one of the main entry points to our town centre. Other projects will be announced during the lifetime of this Parliament.

2200



**Hon. D J Bossino:** Yes, I think it was two ... perhaps even three weeks ago now. I think we lose track of time, we have been so long here.

2205 I am grateful for the answer, but I was more interested to learn what the Hon. Minister's plans are in relation to the Port, the cruise liner berth and also the Frontier. I understand that the Frontier, as a result of the potential Schengen treaty – or in any event – will be the subject of a refurbishment, but I have received quite a lot of complaints about the state of those particular entry points and I would be grateful for the Minister's ... whether he has any plans in relation to those two particular entry points.

2210 **Hon. V Daryanani:** Mr Speaker, regarding the cruise terminal, the Port area, there are plans. I have a certain vision for that area. We need to look at it and it needs to be improved, but of course we are not in a position to give you any further information because we are still at the early stages of that.

2215 Regarding the Frontier entrance, we have already submitted planning for a project that includes the e-gates etc., and that will incorporate a certain clean-up of the area because, once again, the hon. Member is right that it does not look very good. The reason we have not done so has been because we were waiting for this to happen and we were going to do it at the same time as the e-gate project.

2220 **Mr Speaker:** Next question.

**Q255/2020**  
**Airport departure lounge bar –**  
**Owner/operator**

**Clerk:** Question 255/2022. The Hon. the Leader of the Opposition.

2225 **Hon. K Azopardi:** Mr Speaker, which company owns and/or operates the bar in the departure lounge at the Airport?

**Clerk:** Answer, the Hon. the Minister for Business and Tourism.

2230 **Minister for Business, Tourism and the Port (Hon. V Daryanani):** Mr Speaker, the current owner of the departure lounge cafeteria is Lewis Stagnetto Ltd, trading as Bellport Ltd.

**Hon. K Azopardi:** Does the Minister have information – I assume it is a lease or a licence, a licence I guess – on when it commenced?

2235 **Hon. V Daryanani:** Mr Speaker, no, I do not have that information, but it was not that long ago, so if he wants, I will be able to write to him and give him that information.

2240 **Chief Minister (Hon. F R Picardo):** Mr Speaker, that lease was granted before we were elected into government – or licence, because it is in the duty free area concession – and is being renewed, but it is something that we found when we were elected.

**Clerk:** Answers to Written Questions.

2245 **Hon. K Azopardi:** Mr Speaker, can I just ask, before we pass to Answers to Written Questions ...? I had understood Sir Joe might have had a couple of questions. My learned and hon. colleague Mr Feetham had left me with custody of one of his questions with a request that it be

converted to written on the assumption that Sir Joe might be answering it – but it might not be on this list. It is not on the written list that I can see in front of me. (*Interjection*) But there is another, I see.

2250 **Mr Speaker:** Those questions which remain unanswered because the answerer is not here can be converted into Written Questions and they will be able, at the next meeting of the House, to ask supplementaries in the form of new questions in supplementaries on these questions which have been converted.

2255 **Hon. Chief Minister:** Or they can convert them to oral, Mr Speaker, or they can keep them as oral questions for the next session.

**Hon. K Azopardi:** I understood that under the rules the particular questioner will have a number of days.

2260 **Hon. Chief Minister:** Yes, that is right.

**Hon. K Azopardi:** But to the extent of Mr Feetham's question, I can confirm that he is willing to convert it to written.

2265 **Mr Speaker:** [*Inaudible*] converted to written?

**Hon. R M Clinton:** Yes, Mr Speaker.

2270 **Mr Speaker:** ... [*Inaudible*]

**Hon. R M Clinton:** Thank you, Mr Speaker. I am content for mine to be converted to written.

2275 **Hon. E J Reyes:** Likewise, Mr Speaker, I am happy for mine to be converted on the understanding that if I have a follow-up I can file a supplementary.

## Questions for Written Answer

**Clerk:** Answers to Written Questions.

**Hon. Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to table the answers to Written Questions W18/2022 to W23/2022 inclusive.

2280 **Mr Speaker:** Ordered to lie.

**PRIVATE MEMBER'S BILL**

**FIRST AND SECOND READING**

**SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 –  
First Reading approved**

**Clerk:** Private Member's Bill – First and Second Readings.

A Bill for an Act to make provision for and in connection with the transfer of the undertaking of SG Kleinwort Hambros Bank (Gibraltar) Limited to SG Kleinwort Hambros Bank Limited.

2285 The Hon. A J Isola.

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that a Bill for an Act to make provision for and in connection with the transfer of the undertaking of SG Kleinwort Hambros Bank (Gibraltar) Limited to SG Kleinwort Hambros Bank Limited be read a first time.

2290

**Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for and in connection with the transfer of the undertaking of SG Kleinwort Hambros Bank (Gibraltar) Limited to SG Kleinwort Hambros Bank Limited be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

2295

**Clerk:** The SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Act 2022.

**SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 –  
Second Reading approved**

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):**  
Mr Speaker, I have the honour to move that the Bill be now read a second time.

2300

This Bill makes provision for and in connection with the transfer of SG Kleinwort Hambros Bank (Gibraltar) Limited to SG Kleinwort Hambros Bank Limited, a UK-registered company which has a branch in Gibraltar. In the Bill and in the rest of my comments SG Kleinwort Hambros Bank is called SGKH and SG Kleinwort Hambros Bank Limited is your called SG Kleinwort Hambros Bank Limited. The Gibraltar company is a subsidiary of SGKH Bank Limited.

2305

This transfer will not affect the level of presence of SGKH in Gibraltar as it will initially continued to operate from its current premises at Line Wall Road, Gibraltar, although it intends to move to new premises at Midtown shortly. The public will not see any change in this regard and will continue to be able to deal with their current contacts at the bank in the normal course of business.

2310

The staff working at SGKH Gibraltar will automatically transfer to the branch of SGKH Bank Limited and the banks have confirmed to me that the transfer effected by the Bill will not give rise to any redundancies. The hon. Members opposite will be familiar with the process of transferring undertakings in this manner.

I would be grateful for their support, and I commend the Bill to the House.

2315

**Mr Speaker:** Before I put the question, does any hon. Member wish to speak on the general principles and merits of the Bill?

**Hon. R M Clinton:** Mr Speaker, I rise to declare a tangential interest in that I have, for many years, had an account at the bank and therefore I would wish to abstain on any particular vote –

2320

not on the merits of it, but just so there is no tangential view that I may have a conflict. That is not to say that the Opposition obviously does support the merits of the Bill.

2325 If I can add that as a former President of the Banking Association and having worked in the banking industry for many years, I first of all obviously welcome the fact that the bank is retaining its presence in Gibraltar, although of course in a branch format it has perhaps slightly less kudos than a locally incorporated entity with a board of directors and share capital etc. De facto they are providing banking services in Gibraltar and I think that is obviously good for Gibraltar. I am glad to hear what the Minister has said in terms of employment, that that will not be affected.

2330 And so, Mr Speaker, I do not know if the Leader will make a few comments, but when we come to the final stage of the Bill, if we can have a division so I can record my abstention?

**Mr Speaker:** The Hon. the Leader of the Opposition.

2335 **Hon. K Azopardi:** Mr Speaker, the Opposition, insofar as subject to a clarification of my hon. colleague Mr Clinton, will support this Bill. As the Minister has said, this has become now not regular practice but it is the practice that has been seen in this House before in respect of other entities, and it has been done by Private Member's Bill by successive Ministers responsible for financial services who have introduced legislation in relation to particular banks, so we have no difficulty supporting this to smooth the passage and make it easier administratively for the bank to handle its business in this way and so that it has no particular issues.

2340 We note what the Minister says in terms of its move to new premises. We hope that is because it intends to expand its services and grow and then recruit, and we are also grateful for his indication that there will be no redundancies, but insofar as the detail and so on, we will, of course, support the principles and detail of the Bill.

2345 **Hon. G H Licudi:** Mr Speaker, I also rise to declare an interest in this matter because I have been professionally involved in the matters that give rise to this Bill. Unlike the hon. Member opposite, I do not believe that that affects the way I vote and I do intend to support this Bill, having declared the interest that I have declared.

2350 **Hon. A J Isola:** Mr Speaker, I think that, as the hon. Members have said, as stakeholders in the financial services sector in Gibraltar it is important to support the institutions like SG Kleinwort Hambros. They are obviously responding to the real world in terms of how the banking community is evolving and changing. What gripped me was the investment in new premises, which I thought was encouraging, and their commitment that as a result of this Bill there will be no redundancies to the staff.

2355 I very much hope, as the hon. Member has mentioned, that the bank will continue to grow, will service more and more clients and be more and more profitable in its operations in Gibraltar so they can pay us more taxes and promote and work with us in further developing the financial services community.

I am grateful for their support, Mr Speaker.

2365 **Mr Speaker:** I now put the question, which is that a Bill for an Act to make provision for and in connection with the transfer of the undertaking of SG Kleinwort Hambros Bank (Gibraltar) Limited to SG Kleinwort Hambros Bank Limited be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Hon. R M Clinton:** Mr Speaker, can we record an abstention by me?

2370 **Mr Speaker:** Mr Clerk would wish to record the abstention of the Hon. Roy Clinton.

**Clerk:** Recorded.

The SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Act 2022.

2375

**SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 –  
Committee Stage and Third Reading to be taken at this sitting**

**Hon. A J Isola:** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken today, if all hon. Members agree.

2380

**Mr Speaker:** Do all hon. Members agree that the Committee Stage and Third Reading of the Bill be taken today? (**Members:** Aye.)

**COMMITTEE STAGE AND THIRD READING**

**Clerk:** Committee Stage and Third Reading. The Hon. the Chief Minister.

2385

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to move that the House should resolve itself into Committee to consider the following Bill clause by clause, namely the SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022.

*In Committee of the whole House*

**SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 –  
Clauses considered and approved with amendment**

**Clerk:** A Bill for an Act to make provision for and in connection with the transfer of the undertaking of SG Kleinwort Hambros Bank (Gibraltar) Limited to SG Kleinwort Hambros Bank Limited.

2390

Clause 1.

**Mr Chairman:** Clause 1 stands part of the Bill.

**Clerk:** Clauses 2 to 12.

2395

**Mr Chairman:** There is an amendment to clause 5, so it is clauses 2 to 4. Clauses 2 to 4 stand part of the Bill.

**Clerk:** Clause 5.

2400

**Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola):** Mr Chairman, I would be grateful if it could be amended in accordance with the letter provided to you, the Clerk and Members opposite.

2405

**Mr Chairman:** Is the Opposition content with that? Clause 5, as amended, stands part of the Bill.

**Clerk:** Clauses 6 to 12.

2410 **Mr Chairman:** Clauses 6 to 12 stand part of the Bill.

**Clerk:** The long title.

**Mr Chairman:** The long title stands part of the Bill.

**SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 –  
Third Reading approved: Bill passed**

2415 **Clerk:** The Hon. the Chief Minister.

**Chief Minister (Hon. F R Picardo):** Mr Speaker, I have the honour to report that the SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 has been considered in Committee and agreed to with an amendment. I now move that it be read a third time and pass.

2420 **Mr Speaker:** I now put the question, which is that the SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022 be read a third time and passed. Those in favour of the SG Kleinwort Hambros Bank (Gibraltar) Limited (Transfer of Undertaking) Bill 2022? **(Members: Aye.)** We note that the Hon. Roy Clinton is abstaining. Those against? Carried.

**Adjournment**

2425 **Chief Minister (Hon. F R Picardo):** Mr Speaker, having kept my head when so many around me were the losing theirs and blaming it on me, it is my pleasure to rise to move that the House, after having approved the Appropriation Act 2022-23 on the basis of GSLP Liberal Government votes only, and having done all its other business for this month, should now adjourn *sine die*.

2430 I will be in contact with the Leader of the Opposition to see whether we will have another meeting before the summer. It may be possible to have one, it may be necessary to have one, but for now I move that the House should adjourn *sine die*.

**Mr Speaker:** I now propose the question, which is that this House do now adjourn *sine die*.

2435 I now put the question, which is that this House do now adjourn *sine die*. Those in favour? **(Members: Aye.)** Those against? Passed. This House will now adjourn *sine die*.

*The House adjourned at 8.29 p.m.*