



# PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

**MORNING SESSION: 11 a.m. – 12.45 p.m.**

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

## **Contents**

<b>Order of the Day .....</b>	<b>2</b>
Appropriation Bill 2022 – Debate concluded – Second Reading approved.....	2
Appropriation Bill 2022 – Committee Stage and Third Reading to be taken at this sitting .....	3
Legal Services (Amendment) Bill 2022 – First Reading approved .....	3
Legal Services (Amendment) Bill 2022 – Second Reading approved.....	3
Legal Services (Amendment) Bill 2022 – Committee Stage and Third Reading to be taken at this sitting .....	5
Traffic (Amendment) Bill 2022 – First Reading approved .....	5
Traffic (Amendment) Bill 2022 – Second Reading approved.....	6
Traffic (Amendment) Bill 2022 – Committee Stage and Third Reading to be taken at this sitting .....	7
Committee Stage and Third Reading.....	7
Appropriation Bill 2022 – Consideration of clauses .....	7
<i>The House recessed at 12.45 p.m. and resumed at 4.04 p.m.</i> .....	22

# The Gibraltar Parliament

*The Parliament met at 11 a.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 –  
Debate concluded –  
Second Reading approved**

**Clerk:** Meeting of Parliament, Tuesday, 5th July 2022.  
The Hon. the Chief Minister.

5 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I believe you have to put the question on the Second Reading.

**Mr Speaker:** Yes. I now put the question, which is that a Bill for an Act to appropriate sums of money to the service of the year ended on the 31st day of March 2023 be read a second time.  
10 Those in favour?

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

**Mr Speaker:** A division has been called.

*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. S E Linares  
Hon. F R Picardo  
Hon. Miss S J Sacramento

**AGAINST**

Hon. K Azopardi  
Hon. D A Feetham  
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 is as follows. There are 9 votes in favour, 6 against and 2 absences, one through sickness and one through family bereavement. The Bill's Second Reading is carried.

**Appropriation Bill 2022 –  
Committee Stage and Third Reading to be taken at this sitting**

15 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I beg to give notice that the Committee Stage and Third Reading of the Bill be taken later today, if all hon. Members agree.

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

**Legal Services (Amendment) Bill 2022 –  
First Reading approved**

20 **Clerk:** A Bill for an Act to amend the Legal Services Act 2017. The Minister for Digital, Financial Services, Health Authority and Public Utilities.

**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 amend the Legal Services Act be read a first time.

25 **Mr Speaker:** I would like to advise the Parliament that the Hon. the Chief Minister has certified that consideration of this Bill is too urgent to permit the expiry of six weeks after the date on which the Bill was published before proceeding on the same. I have the certificate and we can now continue the process.

30 I now put the question, which is that a Bill for an Act to amend the Legal Services Act 2017 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Legal Services (Amendment) Act 2022.

**Legal Services (Amendment) Bill 2022 –  
Second Reading approved**

35 **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 now be read a second time.

40 The Bill amends the Legal Services Act 2017 (the Act). This had been partly commenced, with some parts coming into force on 1st July 2019. The parts that have already been commenced are mainly those that established the Legal Services Regulatory Authority (LSRA), but not those that enable it to commence its statutory functions of regulating the profession. Currently, the LSRA is carrying out many regulatory functions as agent for the Registrar of the Supreme Court, who remains statutorily responsible.

45 The Bill amends both parts of the Act that have been commenced and parts that have not yet been commenced. The amendments in the Bill had been requested and prepared by the LSRA and approved by its board, which is chaired by Sir Peter Caruana QC and of which David Dumas QC is the CEO. The board includes the Chair and Vice-Chair of the Law Council, previously called the Bar Council. I am assured by the LSRA that insofar as the proposed amendments touch on matters that are currently the responsibility of the Chief Justice, he, too, has been consulted and has approved them.

50 The LSRA has requested these amendments to rectify shortcomings that it has identified in the Act as it is prepared to fully assume its intended functions and responsibilities under it. Once

amended as sought by the Bill, the whole amended Act can be commenced at a date to be agreed with the LSRA, whereupon the LSRA will fully take over the regulation of the legal profession on the terms of the Act.

The amendments are wide-ranging but do not depart from the intended regime created by the Act. Many of the amendments correct unintended consequence of the Act's drafting, introduce necessary structure, clarity and consistency to the regime created by the Act to permit it to be coherent and effective, correct errors in cross-referencing and definitions, and endow the LSRA with the necessary corporate powers and procedures to enable it to discharge its functions.

The Act currently lacks a clear, structured or effective basic regulatory spine in keeping with current regulatory principles, namely prohibition, authorisation and the offence of carrying out without the authorisation. The Act contains contradictions as to who is eligible to apply to be registered in a way that makes registration impossible, since an applicant would need to possess that which he can only obtain after registration. The proposed amendments cure these defects by introducing a clear, coherent regime comprising (1) the prohibition against the carrying out of the prescribed reserved legal activity unless the person is authorised by registration, or exempt; (2) what enables a person to carry out a reserved legal activity, namely registration as an authorised person and the holding of a practising certificate; and (3) the offence of carrying on or holding himself out as providing a reserved legal activity without being entitled to do so, or exempt.

Mr Speaker, I have discussed this Bill with the Hon. Mr Feetham, and, as a result of the shortness of time that has been given for the passing of this Bill, have agreed to enter into discussions with him on any issues that provide him with any difficulty and to meet with the LSRA to ensure that we are able to reach consensus on what is the best way forward. I know there are a number of Members opposite who have an interest, not just political but personal; I would be very happy to meet with them and talk these things through with the LSRA, and the drafters in particular, to ensure we arrive at a Bill that is fit for purpose, as indeed is obviously the intention.

The Bill would render the LSRA a fit-for-purpose regulator of the legal profession, enabling the general public to be adequately protected whilst ensuring the independence of the legal profession.

Mr Speaker, I commend the Bill to the House.

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

**Hon. D A Feetham:** We will be supporting the Bill.

Sir Peter Caruana reached out to me yesterday in order to discuss this Bill. I know that he is one of the individuals who have been involved in the drafting of the Bill. The Bill is essentially a product of the work of the LSRA and should not be controversial, but of course, because of the shortness of time, as the Minister has indicated, we would like an opportunity to meet with the Minister and also to meet with those who have drafted the Bill in order to ask any questions and clarify any issues that we may have some concerns about.

I, myself, am not certain about the amendments that are proposed for section 5 and, for example, what the implications are in terms of catching out or excluding consultants who may be employed by a firm. It says 'as a partner, director, consultant to' ... must be a consultant to a local firm. There are a number of firms that employ consultants and I just wonder the extent to which that goes. I know that my learned friend Mr Phillips has some concerns in relation to the use of paralegals. Many firms use paralegals, for example, in order to do research. I suppose the answer in relation to that is they are not holding themselves out to offering legal services from Gibraltar because they are doing research for somebody else and that person is licensed to provide legal services. These are the types of issues that we would appreciate the opportunity to be able to discuss with the Minister and also to discuss with the drafters of the Bill in order to ensure that Gibraltar has the best possible product. Subject to that, Mr Speaker, we will be supporting the Bill.

**Mr Speaker:** Does any other hon. Member wish to make any contribution?  
The Hon. Albert Isola.

105

**Hon. A J Isola:** Mr Speaker, thank you. I am grateful to the hon. Members for their support and, as I mentioned earlier, I would be happy to meet with them to see if there are any issues that require clarification and ultimately, if necessary, amendment by discussing the same with the drafters.

110

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Legal Services Act 2017 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Legal Services (Amendment) Act 2022.

**Legal Services (Amendment) Bill 2022 –  
Committee Stage and Third Reading to be taken at this sitting**

115

**Minister for Digital, Financial Services, Health Authority and Public Utilities (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.

120

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

**Traffic (Amendment) Bill 2022 –  
First Reading approved**

**Clerk:** A Bill for an Act to make changes to amend the Traffic Act 2005. The Hon. the Minister for Transport.

125

**Minister for Transport (Hon. P J Balban):** Mr Speaker, I have the honour to move that a Bill for an Act to amend the Traffic Act 2005 be read a first time.

**Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Traffic Act 2005 be read a first time. Those in favour? (**Members:** Aye.) Those against? Carried.

130

**Clerk:** The Traffic (Amendment) Act 2022.

**Traffic (Amendment) Bill 2022 –  
Second Reading approved**

**Minister for Transport (Hon. P J Balban):** Mr Speaker, I have the honour to move that the Bill for the Traffic (Amendment) Act 2022 be read a second time.

This Bill amends the Traffic Act 2005 and introduces provisions that will allow for an improved service at the DVLD and change the composition of the Traffic Commission, with focus on the addition of a representative from the Gibraltar Cycling Association as part of this Government's continuing commitment to a greener Gibraltar. In addition to this, changes are being made in order to enhance enforcement powers held by the RGP to ensure that our roads continue to be safe to use, with appropriate deterrents being put in place as part of the first phase of a review of traffic offences in Gibraltar.

I will now move on to the clauses of the Bill, which give more detail on these amendments. Clause 3(2) amends section 6 of the Traffic Act 2005 in order to allow temporary examiners to be appointed for the purposes of examining drivers. The DVLD experienced a backlog of appointments due to the pandemic, and should similar issues arise in the future the Licensing Authority would, for example, be able to engage retired examiners on a short-term basis to deal with the workload.

Mr Speaker, I have given notice that I will, at the Committee Stage, move an amendment to the Bill to amend clause 3(3) and to insert new subclauses (4) to (6). The amendment to clause 3(3) will allow for the composition of the Traffic Commission to change, in line with the Government's continued commitment towards a greener Gibraltar. The change will allow for the addition of a transport planner, an additional member to be appointed by the Government and a representative of the Gibraltar Cycling Association.

The new clause 3(4) amends section 65(2) of the Traffic Act 2005 to address the concerns raised by the Royal Gibraltar Police that a police officer has no legal power to require a person to provide a blood sample unless the police officer has first been advised by a medical practitioner that the condition of that person may be due to a drug – section 65(2)(c) of the Traffic Act 2005. As the law currently stands, this requirement adds to the time and expense to process an individual. That is because a medical practitioner would need to conduct his own impairment tests rather than rely on the RGP's preliminary drug tests which the RGP are empowered to conduct under section 63D of Traffic Act 2005. Moreover, the Gibraltar position can be contrasted with the UK, where, pursuant to amendments to the UK Road Traffic Act 1988, the Police are permitted to request a blood sample without a medical practitioner having first conducted his own impairment tests. This difference puts Gibraltar at a relative disadvantage to the UK in eradicating the problem of driving under the influence of drugs. This amendment is intended to bring section 65(2) of the Traffic Act 2005 in line with the amendments made to section 7(3) of the UK Road Traffic Act 1988.

Mr Speaker, the amendments introduced by the new clause 3, 5 and 6 are a first step to a wider exercise of reviewing traffic offence penalties and the level of fixed penalty notices. The Royal Gibraltar Police have raised concerns that the level of some of the fixed penalty notices for traffic offences has been too low to act as a deterrent. A review has been conducted to make appropriate amendments and this is the first stage of the process, designed to ensure that there would not be a discrepancy between the level of FPN and the underlying penalty for the offence. The general penalty for traffic offences, which applies where no specific penalty is provided for, is being increased from level 1 to level 3 and from three months' to six months' imprisonment. Whether a penalty should be higher or lower than that or where it is already expressly provided for within existing legislation, amendments will be made, as necessary, at stage 2 of the process.

Mr Speaker, I commend the Bill to the House.

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

180 **Hon. E J Phillips:** Mr Speaker, we welcome the amendment to the Traffic Act, particularly in relation to the functionality and the operation of examiners in our jurisdiction, but also welcome the enhancement of powers due to the RGP, so this will have the full support of the Opposition.

185 **Mr Speaker:** I now put the question, which is that a Bill for an Act to amend the Traffic Act 2005 be read a second time. Those in favour? (**Members:** Aye.) Those against? Carried.

**Clerk:** The Traffic (Amendment) Act 2022.

**Traffic (Amendment) Bill 2022 –  
Committee Stage and Third Reading to be taken at this sitting**

**Minister for Traffic (Hon. P J Balban):** 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.

190 **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.

195 **Chief Minister (Hon. F R Picardo):** Mr Speaker, I move that the House should resolve itself into Committee to consider the following Bills clause by clause: the Appropriation Bill 2022, the Legal Services (Amendment) Bill 2022 and the Traffic (Amendment) Bill 2022.

*In Committee of the whole House*

**Appropriation Bill 2022 –  
Consideration of clauses**

**Clerk:** A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2023.

Clause 1.

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

**Clerk:** Head 1, Treasury.

205 **Mr Chairman:** Clause 2, head 1, Treasury.

**Hon. R M Clinton:** Can we stop, Mr Chairman? We are on the Treasury detailed expenditure at the moment?

**Mr Chairman:** Let's restart. Let's say clause 2, head 1, Treasury, subheads 1 and 2.

**Hon. R M Clinton:** Thank you, Mr Chairman.

If could ask, on head 1, Treasury, subclause 2, item (16), the item is headed 'Government office rent and service charges' with an outturn of £10,535,000 for 2021-22 and £10,700,000 for 2022-23. I would be grateful for an analysis.

Mr Chairman, I would just point out that the schedule I was given in answer to Question 270 last week adds up to a total of £2.3 million. I would be grateful if the Government could advise what the bulk of the £10 million is.

**Chief Minister (Hon. F R Picardo):** Mr Chairman, yes, if the hon. Gentleman looks at the Book, he will see that this is a reduction from £19 million of the actual in 2019-21 – in fact, that is the double year – going down to £10.3 million per year, and this year £10.7 million. The exact figure is £10,692,579 and it is made up as follows: World Trade Centre, £217,486; 323 Main Street, £109,584; Blake House, £69,752; New Harbours, £11,683; Leanse Place £282,994; Suite 6, 57-63 Line Wall Road, £142,862; Suite E, Regal House, £94,114; Euro Towers, £30,887; John Mackintosh Hall, £125,000; Units, ICC 9.3, £91,435; and then all buildings, £9,516,178.

**Hon. K Hon. K Azopardi:** Mr Chairman, can the Chief Minister just repeat ...? We did not hear it. Did he say 'all' buildings or 'old' buildings?

**Hon. Chief Minister:** No, in the breakdown I have it is 'all' buildings. I am just trying to find out what 'all' buildings is. Mr Chairman, I can endeavour to provide a breakdown, if hon. Members want. We are just finding it very difficult to see the list that we have, because it is in very small print. It would appear that those are the buildings that hon. Members, when they were in government, put into a company subjected to a loan and we pay rent in respect of that, which is the Gibraltar car parks loan which they obtained, but I will give him, if he wishes, the breakdown building by building – which I think is what he wants – of the £10,700,000.

**Hon. R M Clinton:** Mr Chairman, it might speed things up if he could just give us a schedule, and then that would be acceptable to us.

**Mr Chairman:** Anything further on head 1, Treasury?  
Mr Clerk, you may proceed to close this.

**Clerk:** Head 2 –

**Mr Chairman:** No, hold on. We need to say that head 1, Treasury, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 2 ... *[Inaudible]*

**Mr Chairman:** Mr Clerk, as soon as the Members of the Opposition have stopped asking questions, then we must proceed and read out the head and subheads, so we can give this a bit of a push.

**Clerk:** Head 3, Office of the Chief –

**Mr Chairman:** No, head 2, subheads 1 and 2 stand part of the Bill.  
You can proceed to head 3.

**Clerk:** Head 3, Office of the Chief Technical Officer, subheads 1 and 2.



**Hon. Chief Minister:** Mr Chairman, I am sorry to be very technical about this, but it is important. No. 6 Convent Place is three subheads because it has the COVID subhead in, exceptionally. For the *Hansard* we need to, just technically, have that subhead 3 in as well. Although it is going to zero this year, it is still in the Bill.

**Clerk:** Head 2, No. 6 Convent Place, subheads 1 to 3.

**Mr Chairman:** Head 2, No. 6 Convent Place, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 3, Office of the Chief Technical Officer, subheads 1 to 3.

**Mr Chairman:** Head 3, Office of the Chief Technical Officer, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 4, Customs, subheads 1 to 3.

**Hon. K Azopardi:** Can I just ask on that one ...? Can there just be an explanation on subhead 2, item (15), 'ASYCUDA expenses'? That is in relation to what in particular? What new expenses would be necessary?

**Hon. Chief Minister:** Mr Chairman, this is actually not a new expense. It is a transfer of the expense which hon. Members used to see at subhead 1(1)(d), which was the temporary assistance head. This is an individual who provides a service. He is not an employee of Customs, he provides a service. The view we took when we were looking at this in detail this year is that it is not correct to book somebody who is contracted to provide a service under the temporary assistance head; he should be provided for as an expense of the thing at least that he is providing the contracted service for, which is the ASYCUDA system. This is the person who maintains the ASYCUDA system.

**Hon. K Azopardi:** On the same head, on item (19), can I ask also about the further clarification on the rise from the forecast outturn of £180,000 to £425,000 in respect of leasing arrangements and what that could be?

**Hon. Chief Minister:** Mr Chairman, this is the full-year effect of the leasing arrangements for the *Scimitar*. Hon. Members will have seen, the year before, £180,000, which is a part-of-the-year effect, and the full-year effect is the £425,000 – *HMS Scimitar*.

**Hon. K Azopardi:** So we are leasing the *Scimitar*? On what terms? I do not understand.

**Hon. Chief Minister:** I think we have announced before that we are leasing the *Scimitar*. It is leased from Damen Shipyards, which means that we are able to replace it should something go wrong with it. We do not suffer the capital cost of having to acquire it and put up the capital, and there are different terms as to maintenance etc., all of which is included in the cost of the lease and is, in the long term, cheaper to the taxpayer than an outright purchase and suffering the cost of the maintenance.

**Hon. K Azopardi:** Can I just ask, Mr Chairman, on that – unless they have announced it; and, if so, I have certainly missed it – what is the length of the lease?

**Hon. Chief Minister:** The length of the initial leasing arrangement is three years, Mr Chairman, and I think we announced that when we did the event at the launch of the *Scimitar*.

**Mr Chairman:** Head 4, Customs, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 5, Income Tax, subheads 1 to 3.

315 **Hon. Chief Minister:** Before we carry on, I have just been told it is 42 months, not three years – just to be clear in respect of the earlier answer.

**Hon. K Azopardi:** Can I ask, on Head 5 subhead 2(9), Contribution to GDC Staff Services, £144,000 compared to £106,000 on the outturn – what is the reason for that?

320 **Hon. Chief Minister:** It is the increase, Mr Chairman, which hon. Members will see reflected on the cover page for head 5, of an additional GDC officer for this financial year.

**Mr Chairman:** Head 5, Income Tax, subheads 1 to 3 stand part of the Bill.

325 **Clerk:** Head 6, Parliament, subheads 1 to 3.

**Hon. K Azopardi:** On subhead 1(1)(a), less on salaries expected this year – what is that represented by?

330 **Hon. Chief Minister:** Mr Chairman, there is one member less in the complement of the Parliament and the senior grade in Parliament has changed from senior officer to senior executive officer and that explains the saving.

335 **Hon. K Azopardi:** And then, on subhead 2(8), CPA Expenses, the rise to £100,000 – is that to cover the possible conference that the Minister was talking about last week, or is it something else?

340 **Hon. Chief Minister:** Yes, Mr Chairman, and the hon. Gentleman will see that there is a footnote to that effect at the bottom of the text. I do appreciate, Mr Chairman, that at our age footnotes become harder. If only Sir Joe were here – he spots them immediately.

**Mr Chairman:** Head 6, Parliament, subheads 1 to 3 stand part of the Bill.

345 **Clerk:** Head 7, Human Resources, subheads 1 to 3.

**Hon. K Azopardi:** At subhead 2(6), Rents and Service Charges, it is £161,000 this year, as opposed to £33,000 for last year, so, again, could we have a clarification of that?

350 **Hon. Chief Minister:** Mr Chairman, the Public Sector Support Unit, which was the human resources resource for everything that was not the Civil Service, was accounted for separately before; it is now accounted for here, also. All of the costs of human resources for the Government are now consolidated in this place, so that it is easier to see the cost of that, and those are the costs for rent and service charges for the PSSU coming from elsewhere in the Book – it used to be  
355 under the GDC.

**Hon. K Azopardi:** And then, just further down, the line at item (10), the Early Exit Schemes, £2 million, as opposed to £1.6 million. That projection is based on, I guess, an assessment, by the Department, of early retirement, is it?

360 **Hon. Chief Minister:** In part; in particular, the Housing Works Agency and the cost to the Housing Works Agency as the age profile shifts there towards the deal that hon. Members did, which we need to fund.

365 **Hon. K Azopardi:** Entirely a Housing Works Agency cost?

**Hon. Chief Minister:** No, it is all the early exit schemes. The one which is the one that we have the greatest visibility over is the Housing Works Agency. Others are demand led, in some instances.

370

**Hon. K Azopardi:** Is there an assessment by the Department of how the possible £2 million would be made up?

**Hon. Chief Minister:** Mr Chairman, down to the names and dates of birth of the individuals – information which I am afraid I cannot share across the floor of the House. But yes, it is a very accurate assessment of the cost, principally based on the Housing Works Agency because that is the one where we see the age profile and allowing a small estimate to be able to fund those that otherwise might also be agreed during the year, not broken down by Department but by individual.

380

**Mr Chairman:** Head 7, Human Resources, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 8, Immigration and Civil Status, subheads 1 to 3.

385 **Hon. K Azopardi:** I can see there is an increase in GDC staff, but the increase in salaries in Immigration, which is about ... There is a £130,000 difference there, more or less, that does not seem to be reflected in an increase in establishment, so perhaps there can be a clarification. Is that just like a ...?

390 **Hon. Chief Minister:** Mr Chairman, there is an additional higher executive officer in the Department, there is additional executive officer in the Department, there is an additional AA in the Department, one less AO and there are two or more GDCs in the Department. I know that he was asking about the top, but I have told him also about the GDC because we will come to that, and the contribution will also have to cover that.

395

**Hon. K Azopardi:** I understand the increase in the GDC posts, but that would be reflected, I assume, at item (12), Staff Services, so taking that out ... If you look at the establishment, as it were, on page 36, I can see it is the same number. I understand what the Chief Minister is saying, that there is one more executive officer – because I can see that – one less AO, one more HEO and booked as two less EOs. It is the same number of staff, 25, but the adjustments of the posts accounts for the difference of around £130,000 – that is what we are talking about?

400

**Hon. Chief Minister:** Yes, I believe that is exactly right, Mr Chairman. The hon. Gentleman needs to see that he is looking at the outturn and the estimate for the year before in the eight hundreds, and the estimate this year. The estimate this year is more precise because I think, from what I understand of this Department, those posts have been filled. The estimates in previous years would have included a half-year provision in some instances, rather than a full-year provision, and therefore, when you do the full amount for the payment of the 25, you will get to the figure that is there now. And, as I told him, the GDCs are reflected in the increase below.

410

**Mr Chairman:** Head 8, Immigration and Civil Status, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 9, Financial Secretary's Office, subheads 1 to 3.

415 **Hon. K Azopardi:** At item (10), where it says 'Supervision of Financial Businesses (Anti-Money Laundering)', I assume that is a notional figure. I just wanted to ask the hon. Members to perhaps

explain the thinking there. Is that a new unit that is being set up under the Financial Secretary for a specific task? What is the thinking behind that?

420 **Hon. Chief Minister:** Mr Chairman, I have not got my earlier Books, but I understand that this has been there for years – it is a provision made in case there is a requirement for supervision of financial businesses, which I think is one of the obligations in statute of the Financial Secretary – but it has never, in the past, been called upon since the financial obligation was there. As most  
425 hon. Members will know, where you have a thousand pounds in, it is usually, but not always, a token, and that is a token in the event that the Financial Secretary were to be required to become engaged in the execution of his statutory obligations.

**Mr Chairman:** Head 9, Financial Secretary's Office, subheads 1 to 3 stand part of the Bill.

430 **Clerk:** Head 10, Government Law Offices, subheads 1 to 3.

**Hon. K Azopardi:** Can I ask. on item (24), which is professional fees – is that where they book briefing-out fees by the Government Law Officers, or is it is booked somewhere else?

435 **Hon. Chief Minister:** Yes, Mr Chairman, and that is a central vote, so all Departments come through there and all of their private sector legal fees are paid for there.

**Hon. K Azopardi:** That is litigation, or is it drafting as well?

440 **Hon. Chief Minister:** It is everything, Mr Chairman – litigation, advice, drafting. Anything which is done externally is booked through there and the breakdown is provided online. All his firm's fees are booked through there when paid.

**Mr Chairman:** Head 10, subheads 1 to 3 stand part of the Bill.

445

**Clerk:** Head 11, Office of the Deputy Chief Minister, subheads 1 to 3.

**Hon. K Azopardi:** On item 2(7), the Brussels Office, I notice that the £260,000, which is the estimate for this year, is the same as last year's estimate but quite different to the outturn, so  
450 perhaps the hon. Members can explain that issue.

**Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Chairman, yes. I explained during my contribution on the general principles of the Bill that there had been less work in the context of involving people going to Brussels and all of that will be taken from the Brussels Office, but we do  
455 expect that work to spike or to increase in the financial year to come, whether there is an agreement or whether there is not one, and that is why the level of the estimate has been kept at £260,000, even though there was a considerable saving down to £150,000 in the last financial year.

460 **Hon. K Azopardi:** This is a follow-up to that. I assume that these are not salaries, or are they? Are they a contracted service as part of the projection of £260,000, or is this just simply a budgetary provision, for the Brussels Office to do whatever it needs to do in the course of its work, that amounts to possibly £260,000; or are there, built into that, fixed costs because they are subject to contracts, for example?

465

**Hon. Deputy Chief Minister:** Mr Chairman, this includes the salaries of the office. It also includes the operating costs. It includes, for example, things like transport and travel, protocol

when they organise receptions, visits, meetings for Ministers who might be visiting. It includes all that.

470

**Hon. K Azopardi:** Yes, Mr Chairman, and then, on (9), Government Communication, Information and Lobbying, is there a similar explanation, so as a result of increased lobbying or communication ...? Can the Deputy Chief Minister perhaps give us an explanation of that? Is that linked to the Brussels Office in any way, or is this a separate provision? Again, the same questions:

475

**Hon. Deputy Chief Minister:** Mr Chairman, this is a general provision. I outlined in my contribution that there had been less lobbying in person, for example, in places like Washington, New York, London and Brussels, and that is the reason why, although we had estimated £350,000,

480

**Hon. K Azopardi:** So this is a head that is used for international lobbying? The Minister has talked about New York and Washington; I think he mentioned Brussels in the context of this answer. That is what it is for, presumably – is that right?

485

**Hon. Deputy Chief Minister:** Mr Chairman, yes, this is for the lobbying done by the Department or by my Office. That is generally international, but it could also be local in the sense that an event can be organised in Gibraltar rather than being organised outside Gibraltar.

490

**Hon. K Azopardi:** Does that, for example, take into account things like the United Nations, or is that separate?

**Hon. Deputy Chief Minister:** My understanding is that the United Nations is separate and comes from a different vote under the Office of Chief Minister if I am travelling with him. If there are things which my Office is doing where I am the senior Minister present, then that will be paid from my Office vote.

495

**Mr Chairman:** Head 11, Office of the Deputy Chief Minister, subheads 1 to 3 stand part of the Bill.

500

**Clerk:** Head 12, Civil Aviation, subheads 1 to 3.

**Mr Chairman:** Head 12, Civil Aviation, subheads 1 to 3 stand part of the Bill.

505

**Clerk:** Head 13, Environment, subheads 1 to 3.

**Hon. K Azopardi:** Can I just ask the Minister – in terms of the posts in Enforcement, they are going down by five, in effect, so is this going to, in any way, affect the enforcement capability of the Department in respect of environmental matters?

510

**Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** No, Mr Chairman. These are, in fact, now being filled by GDC posts. Although they remain the same in number, some of them were not actually filled at the time. So, de facto there has been no decrease over the last year or two, but the complement has been adjusted as a result of vacancies that have now come in through the GDC.

515

**Hon. K Azopardi:** So, if I understand the answer, if we look at the GDC provision, it is exactly the same numbers – 15, and 15 last year – but this year, in Enforcement you have five people

520 fewer. Do I take it from the Minister's explanation that he is saying that even though there were 15 establishment posts under the GDC last year, some of them were not filled; now they have been filled and they have basically taken over the enforcement functions. Is that right?

**Hon. Prof. J E Cortes:** Yes, that is exactly what I meant.

525

**Hon. R M Clinton:** Mr Chairman, if I could take the Minister's attention to subhead 2, item (12), Contract Officers, I notice in 2021-22 it was £31,000 and came in at £124,000, and for 2022-23 it is now £54,000. Can I ask the Minister what that is in relation to? Is he confident the number is actually at the right level?

530

**Hon. Prof. J E Cortes:** That is correct. The work related to that will be assumed by people in the establishment, so that the figures are correct.

**Hon. R M Clinton:** Mr Chairman, I notice, in the list of retitled subheads, that contract officers, according to the reallocation, would relate to the commission of sustainable development. Is that correct?

**Hon. Prof. J E Cortes:** That is correct.

540 **Hon. R M Clinton:** So, if I understand correctly, you are envisaging the cost of the commission of sustainable development being well over half what it was for the outturn of 2021-22.

**Hon. Prof. J E Cortes:** Yes, that is correct.

545 **Hon. K Azopardi:** Can I ask, on (14), Cleaning of Streets, envisaged to be approximately £400,000 higher this year – is that head entirely made up of the main contract, or are there other contracts? Is this the one contract; and, if so, what is the reason why that is going up this year?

**Hon. Prof. J E Cortes:** Yes, the is that street cleaning contract, that one contract.

550

**Hon. K Azopardi:** My follow-up was what is the reason for the increase of £400,000? If it is a contracted service, is there a built-in contractual increase of £400,000?

555 **Hon. Prof. J E Cortes:** There are the annual increases that are given by the contract, but also there is ... In fact, there was a question about this not long ago, about extending *el turno* to some other blocks as well, so this is a readjustment and an increase in the cleaning of some areas.

**Hon. K Azopardi:** I see. To what extent can the Minister provide information as to how much of the £400,000 is a built-in increase under the contract and how much is an expansion of services?

560

**Hon. Prof. J E Cortes:** From what I have in front of me, kindly provided by the Financial Secretary's team, an increase in frequency of cleaning during the summer season will account for £161,760; a new area which we have included is another £22,000; plus another area in the North District, another £14,000; and another area in the South district, another £36,000. We are actually increasing beyond what had been provided in the contracts, so obviously we have to provide additional funds for that.

**Mr Chairman:** Head 13, Environment, subheads 1 to 3 stand part of the Bill.

570 **Clerk:** Head 14, Collection and Disposal of Refuse, subheads 1 to 3.

**Hon. K Azopardi:** On the clearing of refuse there is an increase of around £250,000 on wages. Can we have an explanation on that? Is that new posts, posts that have been filled? Is it other increases?

575

**Hon. Prof. J E Cortes:** Yes, there is full provision for all the wages, whereas last year there was not provision for those posts that had been vacant. Therefore, this rectifies that.

580

**Hon. K Azopardi:** So when the Minister says there is full provision this year for all the posts, for the wages, as he said, and last year there had not been, have those posts been filled, or are some now vacant? If so, how many are vacant?

585

**Hon. Prof. J E Cortes:** They are in the process, but the hon. Member will see, Mr Chairman, that overtime is expected to decrease as a result of the posts being filled, so we are providing more in wages and filling those vacant posts, which means there is less need to cover and overtime, so the net effect is down.

**Hon. K Azopardi:** Sorry, I missed the end – the net effect will be down?

590

**Hon. Prof. J E Cortes:** The net effect is a decrease.

**Mr Chairman:** Head 14, Collection and Disposal of Refuse, subheads 1 to 3 stand part of the Bill.

595

**Clerk:** Head 15, Upper Rock Tourist Sites and Beaches, subheads 1 to 3.

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

600

If I can take the Minister to subhead 2(16), which is Sites Management Systems, the estimated amount, as he will see, was £550,000 and has shot up quite drastically to £940,000, and the estimated amount for this year is maintaining itself. Can he provide an explanation for that and whether that figure is likely to remain the same going into the future?

And also, if I may, in relation to the establishment, there is also a quite – Okay.

605

**Hon. Prof. J E Cortes:** Sorry, I did not hear the second part. On the first part, I can say that this is now a full-year effect, whereas the first entry was introduced about halfway through the year. *(Interjection)* In fact, this is the system for our access to the Upper Rock. The higher it is, the more income we get. There is a sliding scale in relation to that. But I think the initial question is why that difference, and that is it was not a full-year effect the first time round.

I did not hear the second part. He asked another question.

610

**Hon. D J Bossino:** If I may remain with subhead 2(16) for a moment, can he tell us how long that contract is for?

615

**Hon. Prof. J E Cortes:** I do not have that information here, but obviously I would be very happy to give it to the hon. Member. Probably I will get a message within the next half hour, if I send it.

620

**Hon. K Azopardi:** Can I just ask for a follow-up on this? Did I understand the Minister said this is the full-year effect, but he said something like the higher it goes, basically there is then some kind of revenue stream for the Government? Is that right?

**Hon. Prof. J E Cortes:** Yes, this is in relation to that part of this which is related to St Michael's Cave and the cave experience, and there is a sliding scale that the Government gets money back. The more it costs us the more we get back because it does mean that there is a bigger flow.

**Hon. D J Bossino:** I think this has been the subject of questions and answers from the Minister, so I think he has provided that information previously.

**Hon. Prof. J E Cortes:** Yes, I have indeed.

**Hon. Chief Minister:** If it is helpful to hon. Members, Mr Chairman, there is a counter to this. Head 15, subhead 2(16) has a counter in the blue pages. If they go to page 7, Tourist Site Receipts, they can see that consequent on the increase in the cost is a massive increase in the receipt. So £550,000 arose from £1.7 million of receipts, £940,000 from £2.4 million of receipts, and £950,000 delivers £3.5 million of receipts – so there is a counter to it. The equation the hon. Gentleman is telling them about is there in the blue pages as well.

**Hon. R M Clinton:** Mr Chairman, just a quick question on subhead 2(27), Contracted Beach Services. I was wondering if the Minister could advise us what that is for and for which entity this contract is in place.

**Hon. Prof. J E Cortes:** It is for the lifeguard service and its supervision.

**Hon. R M Clinton:** And who is this contracted with?

**Hon. Prof. J E Cortes:** I am informed it is ALS Telematics.

**Hon. E J Phillips:** Mr Chairman, just in relation to subhead 2(11), Leasing Arrangements I think appears twice, in section 25 as well, £5,000 and £9,000. Can the Minister explain that, given the new entry?

**Hon. Prof. J E Cortes:** Did he say item (11)?

**Hon. E J Phillips:** ... *[Inaudible]*

**Hon. Prof. J E Cortes:** Yes, and in fact it appears in several other heads. This is leasing of vehicles. The old vehicles had reached the end of their life and they are now being leased, and that is the provision for that.

**Hon. E J Phillips:** These are the older vehicles that you are leasing out from ...? *(Interjections)*

**Hon. Prof. J E Cortes:** And leasing new ones. It includes, I think, a couple of electric motor cycles. I could give him the full list, if he wants it, but it is leasing vehicles to replace old ones that have reached their end of life.

**Hon. R M Clinton:** Mr Chairman, may I ask, on that particular point, with which entity are these vehicles leased?

**Hon. Prof. J E Cortes:** I believe it is Bassadone.

**Mr Chairman:** Head 15, Upper Rock Tourist Sites and Beaches, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 16, Education, subheads 1 to 3.

**Hon. E J Reyes:** Mr Chairman, on subhead 1(1)(b)(i) under Payroll, it says 'conditioned' overtime. The estimate is zero, whereas the forecast outturn is £47,000. Knowing that teachers



are not subject to being in receipt of overtime, how did we incur £47,000 last year, for which we do not foresee any expenditure need for the coming year?

680 **Hon. Prof. J E Cortes:** If I may just say, in answer to the previous question, I have been reminded that in relation to the vehicles, an exercise was carried out and the maintenance of the older vehicles was, in fact, more expensive than leasing new ones. I thought I would give that for completeness.

There are a lot of staff in Education, as the hon. Member knows, who are not teachers and who do overtime – technicians, caretakers, a wide variety of staff.

685

**Hon. E J Reyes:** Which leads me to the second part of the question. Other than £1,000 token figure for emergency overtime, we do not foresee in the next academic year the need for any overtime at all from these technicians, caretakers and so on?

690 **Hon. Prof. J E Cortes:** The hon. Members will see that, in general, we have removed conditioned over time and we are trying to reduce levels of spending to more urgent provision, and that is where we will then have to deal with it.

695 **Hon. Chief Minister:** In fact, Mr Chairman, the analysis that we did was to look at what type of overtime was being booked as conditioned overtime, and it was not conditioned overtime. For many years – indeed, before our time and beyond – some overtime has been booked as conditioned when it is not conditioned. To be conditioned overtime, it has to be a condition of employment that that person does that overtime, otherwise the overtime has to be because it is needed on a particular day – in other words, an emergency; otherwise, the working day should provide for the job that needs to be done. And so that is why Members will see throughout the Book we are booking it as emergency, unless we have found that there are contracts which have a condition in them which binds the Government to provide the overtime.

700

**Hon. E J Reyes:** Thank you, Mr Chairman.

705 I can understand the reason behind what he is saying, yet it does not make that much sense when we see that under industrial wages, which I take it is what cleaners and so on will come under ... I can understand the Chief Minister will say that it is wrong to have just conditioned overtime, so we have the £1,000 token figure for emergency, whereas looking at the previous year's expenses there was £135,000 that was incurred by the industrial staff, which could have been cleaners. I am not entirely certain if the caretaker falls under industrial or non-industrial, but it seems too much of a difference.

710

715 **Hon. Chief Minister:** But the hon. Gentleman is not looking at the wages bill. If he looks at the wages bill, Mr Chairman, he will see that in the year where the overtime was £135,000, the wage bill was £2.6 million. This year, there is a full complement, new people employed and added, and there is £3.6 million, and so there should be less need for people to do work that others would do on overtime, because the complement is filled.

720 **Hon. Prof. J E Cortes:** It is a similar point to the one on the refuse. We are trying to, obviously, reduce expenses, and one way we are doing it is by having the complement and reducing the overtime. The hon. Members will see this right across the Book.

725 **Hon. Chief Minister:** With the caveat that you have also opened two new schools here, which are larger than the schools that they were coming from. So it is exactly that and the two larger schools.

**Hon. E J Reyes:** If I can go further down, to Payroll, subhead 1(2)(c), under Allowances there is Temporary Assistance, which I understand will be the cover or whatever, but these allowances refer to exactly what?

730

**Hon. Prof. J E Cortes:** They are for supply cover and there has been a reduction because, as the hon. Member is aware, we are taking on more teachers and learning support assistants. They will be part of the complement and therefore we will require less expenditure and supply.

735

**Hon. E J Reyes:** Yes, Mr Chairman, I can understand that, but that, I think, is charged to Temporary Assistance. 'Allowances' is when you give a particular allowance for undertaking some sort of responsibility or whatever. I do not understand what 'allowances' covers.

740

**Hon. Prof. J E Cortes:** You mean (c) Allowances? Okay. Sorry, I thought you were referring to another subhead. In relation to industrial, the industrial complement has a series of allowances which are built into their terms. I am sure the hon. Members are aware.

745

**Hon. E J Reyes:** Allowances to undertake duties which are not part of the contractual obligations and the basic wages – is that what the Minister is trying to explain?

750

**Hon. Chief Minister:** No, Mr Chairman. For example, you could have acting allowances, so if you fill the complement you have fewer acting allowances to be paid because people will be ... And here we are dealing with industrials, not with the professional complements, so there are fewer acting allowances to be paid. There will be other allowances that will have to be paid, but they will be down slightly from the £180,000, to about £160,000 on the calculation that we have made to date as an estimate. As I said yesterday in my reply, these are the estimates that we believe will be the amounts paid.

755

**Hon. Prof. J E Cortes:** But there will be some acting ... A caretaker may be away for a period and somebody has to act, and that is an acting allowance or substitution.

760

**Hon. E J Reyes:** I am going down to subhead 2(10), Special Education Abroad. We know from the past that this is because of specific needs. Is the Minister aware how many pupils this expense relates to? Is it just one, or have we got two or more pupils?

**Hon. Prof. J E Cortes:** Yes, it is two at the moment.

765

**Hon. E J Reyes:** And then on subhead 2(43), the Chief Minister kindly answered that the facilities management was to do with the facilities contract for new schools. I do not think this is the cost of actually building the schools. Is this fees given to manage, or something? Can he expand further? The Minister's explanation was a facilities contract.

770

**Hon. Prof. J E Cortes:** Yes, in fact I can go a little bit further. This is in relation to a maintenance arrangement for the two new secondary schools, Bayside and Westside. The hon. Member mentioned during his Budget speech the cyclical maintenance, which is sub-subhead 2(35), and that is a similar arrangement for the primary schools, but clearly the new comprehensives are much larger and therefore they require, and it is important that they should have, a maintenance programme, and that is what that is for.

775

**Hon. E J Reyes:** Thank you, Mr Chairman, that is useful, but just for my own clarification, does the £450,000 estimated cover both labour costs and materials?

**Hon. Prof. J E Cortes:** Though there will be somebody resident there to deal with reactive maintenance, it is pre-emptive maintenance, making sure that the systems are checked and remain in good condition.

780

**Hon. Chief Minister:** And, Mr Chairman, for a period the facilities management contract manages items – lifts, air-conditioners – that are in guarantee and are supplied by the same entity that has the facilities management contract, so there should ... In answering the hon. Gentleman's materials point, as long as those materials are items that enjoy a guarantee, there is no cost to the spare parts or other items that may be necessary.

785

**Hon. E J Reyes:** And then, Mr Chairman, on subhead 2(44), in respect of security services, there is a forecast outturn of £152,000, yet we estimate only half the amount for next year. And whilst we are explaining that, does that refer to just the secondary schools, which is where, walking down the street, we can actually see the security officers, or does it entail other schools as well?

790

**Hon. Prof. J E Cortes:** This is in relation to the secondary schools. We had provided a certain level of security with a certain number of people there, but in reviewing it after the experience of the first two years we realised that it was actually being overprovided and therefore we were able to reduce it. There is still security, but the level of manpower is lower and we have been able to reduce the expenditure there – but we are satisfied that it is enough.

795

**Hon. Chief Minister:** It is also no longer a site with materials on it, which is one of the reasons why we were providing the extra security. Now that all of that has gone, we are providing, exceptionally, security at the door of the two comprehensives because of the nature of the comprehensives and the size of them, rather than having to provide the additional numbers of people we were providing before when we were providing it for a comprehensive and the place where there was storage of materials etc.

800

**Hon. E J Reyes:** Thank you, Mr Chairman.

805

There is a provision for lunchtime supervision, but is there anything in respect of hot lunches? Is the Government committing itself to that, which has been spoken of previously in this House?

**Hon. Prof. J E Cortes:** Well, yes, item (41) makes a token provision. We are actually currently in discussions with our preferred bidder after the exercise we did some time ago, so we will know exactly what we need to provide, but the head is there.

810

**Hon. E J Reyes:** Yes, and that could or could not have a knock-on effect on item (36), which is the lunch supervision?

815

**Hon. Prof. J E Cortes:** Not really, because we need the lunch attendants anyway, whether they are eating the food that is provided there or the food that is brought in by the children, so I do not see that ... In fact, there was not during the period when we were providing hot lunches before the entity went into administration, so I do not think that is a consequence.

820

**Hon. K Azopardi:** Can I just ask, as a follow-up to that ...? The Government is in discussions with a preferred bidder, so the intention would be to reintroduce a system this year – and the kind of likely cost? Does the Minister have an idea, or does he not want to say because of the discussions?

**Hon. Prof. J E Cortes:** No, because we are in discussions with the preferred bidder, and if those do not go ahead we may have to fall on another. So it is an active discussion going on at the moment.

825

**Mr Chairman:** Head 16, Education, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 17, Gibraltar University, subheads 1 and 2.

**Mr Chairman:** Head 17, Gibraltar University, subheads 1 and 2 stand part of the Bill.

**Clerk:** Head 18, Heritage, subheads 1 to 3.

**Hon. D J Bossino:** Mr Chairman, can I take the Minister to subhead 2(13)? I am sure it is capable of easy explanation, but I just do not know what that ... It has 'Heritage' and then it has that amount of £1.21 million. I just do not know what it is.

**Hon. Prof. J E Cortes:** That is the contract fee for the running of the Gibraltar National Museum.

**Hon. D J Bossino:** Does he also have an explanation – if I can take him back up to subhead 2(7), Garrison Library Trust – as to why there was an increase in terms of the forecast outturn for 2021-22 of about £23,000, and then it goes back to the previous figure?

**Hon. Prof. J E Cortes:** I believe it was related to water ingress. There were some additional works that had to be done as a one-off, which incurred an overspend, but it was an emergency. We are now back to the original figure, now that that has been dealt with.

**Hon. D J Bossino:** And finally, Mr Chairman, in subhead 2(9), 'World Heritage Site Expenses', an explanation as to – which is a good news, I suppose – a decreasing figure.

**Hon. Prof. J E Cortes:** Yes, it is running smoothly. The initial expenses in setting up the whole system were higher, but now, fortunately, we are able to run it at a slightly lower cost and it is working well.

**Mr Chairman:** Head 18, Heritage, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 19, Culture, subheads 1 to 3.

**Hon. E J Reyes:** Mr Chairman, in subhead 2(6), in respect of repairs and maintenance, it is repairs and maintenance of which cultural facilities?

**Hon. Prof. J E Cortes:** Many and all. Remember, this includes a whole range from the Central Hall, the Ince's Hall and some of the art galleries, so it is a general provision – City Hall as well, which includes art galleries as a general provision across the whole of the cultural estate.

**Hon. E J Reyes:** So, then, accepting that, Mr Chairman, under subhead 2(12), Premises, Clubs and Associations, it was my understanding that a lot of the maintenance was actually charged to that, so what would the £80,000, which is a very substantial increase, be related to?

**Hon. Prof. J E Cortes:** Because in addition to the cultural premises per se, we also look after premises for other clubs and associations – say the retrenchment block, the recreational rooms in South Barracks, there is another set in Town Range for the dance groups and so on, and Jumpers Bastion, so that is what that refers to. These are premises of clubs and associations, as opposed to the cultural premises which are the ones that are run centrally for cultural purposes. They are different buildings.

**Hon. K Azopardi:** And so the increase in the Premises, Clubs and Associations?

**Hon. Prof. J E Cortes:** The increase is that there are more and there are some that are in need of considerable investment due to, again, issues of water ingress that have not been dealt with for a while, and therefore we have had to increase the provision.

885 **Hon. K Azopardi:** Can I, then, ask on subhead 2(13), Music Concert: that provision, I assume, is notional and envisages what?

**Hon. Prof. J E Cortes:** Yes, it is there so that we do not lose the subhead, but at the moment – as we have said before, very recently, here, in parliamentary questions – there is no intention of  
890 us organising a large music concert, although there are others that may be organised by private entities, which we will support but we are not expecting to support financially. But we thought we should keep a token provision there. Hopefully, in the future, things will change and we will be able to do something like that again.

895 **Hon. Chief Minister:** And if there are any costs, Mr Chairman, which are associated with assisting a third party – for example, the provision of GSLA facilities – where expense arose, we would book it here, so it would be visible as the Government's contribution, small as it may be, to any third party organising such a concert. But the Government is not going to organise such a concert.

900

**Mr Chairman:** Head 19, Culture, subheads 1 to 3 stand part of the Bill.

**Clerk:** Head 20, Driver and Vehicle Licensing, subheads 1 to 3.

905 **Hon. E J Phillips:** Mr Chairman, just in relation to establishment, there seems to be a decrease in human resource, and then if you look at ... Obviously, the Bill that we have just passed in this House that will go on to receiving Assent envisages the appointment of temporary examiners. I am just wondering where that is provided for in the context of payroll.

910 **Minister for Traffic (Hon. P J Balban):** Mr Chairman, the actual temporary examiners either come from ... The testers themselves will be able to cover. This was due to issues during COVID, when we found ourselves quite stuck, with a lot of people wanting to pass their exams and tests and we did not have the throughput or the capacity. It will either be the testers themselves who will be able to work as driving examiners or they will bring in temporary, retired officers. That will  
915 come in through Contracted Services.

**Hon. E J Phillips:** Thank you for the answer. Would the Minister also explain the spike in the forecast outturn of £44,000 for 2021-22 on Payroll (1)(ii)?

920 **Hon. P J Balban:** The hon. Gentleman is referring to why the increase. Obviously, there is more demand at the counter for counter services, so the increase in overtime there has been due to people coming to the counter to have the fast-track services that we provide for roadworthiness certificates and, mainly, logbooks. When people purchase new cars the expectation is that they will be able to take these cars quickly, so we have an express counter which has to be manned  
925 and able to provide throughput of newly bought cars.

**Hon. E J Phillips:** Did that also, for a time, include the issuing of international driving licences?

930 **Hon. P J Balban:** It could include it, if there is a need. When we were not sure what was happening in terms of our responsibilities because of Brexit, there would have been a time when there was a lot more demand at the counter, and that would reflect on that sum as well.

**Hon. E J Phillips:** Also, just in relation to subhead 2(17), Incentive Scheme – Importation of Hybrid Vehicles, obviously the Government has a commitment to incentivising the import of hybrid vehicles. Why does the Government anticipate a reduction in that amount?

935

**Hon. P J Balban:** Mr Chairman, we do not envisage a reduction; in fact, it is a token amount. We do not know what people will be purchasing henceforth, so we just provide an estimate based on previous years, and that is the estimate provided in the Book.

940

**Hon. E J Phillips:** The reason I ask that is it is helpful to understand the answer, because obviously recent statements by one commercial entity put the figure for hybrid and EV at 65% of new purchases. That is why I was asking that question.

945

**Hon. Chief Minister:** Mr Chairman, the reality is that last year we saw the figure go up to £115,000. It is impossible to accurately predict how many vehicles that are sold locally will be eligible for this support and, indeed, will claim the support, so the Government considered that we should provide for 60 vehicles and see if there were more that were registered and claims made, but it is very difficult to provide an accurate estimate here. It would be wrong, however, of us to book just £1,000, because we know it is going to be more; but it would be excessive to simply follow last year's amount, because the number of electric vehicles is going up. So there are a lot of factors, but I think the prudent thing is just to put in a figure like 60 – which increases the figure we provided for last year, which was 50 – and see where we get to.

950

955

**Hon. R M Clinton:** Mr Chairman, just one question on the charges: comparing 2(1), General Expenses, with 2(19), General Office, I would be grateful if the Minister could explain the difference between these two heads. Why does this particular Department have two heads for 'general'?

960

**Hon. P J Balban:** Mr Chairman, the General Office is actually the GDC staff, so that reflects their pay as a separate entry.

965

**Hon. R M Clinton:** Mr Chairman, I could be wrong but I would have thought they would come under Payroll somewhere and then be a recharge by the GDC, rather than have a line as another charge.

970

**Hon. P J Balban:** Mr Chairman, the £649,000 is the total and the difference between (19) and (20) is the salaries of General Office, which is £76,000, and the Transport Inspectors, which is £573,000. If you go to page 193 in the green pages you can actually see the breakdown reflected there, the £573,000 and the £76,000, which is above, for the General Office.

975

**Hon. R M Clinton:** Mr Chairman, I am grateful for that. May I suggest that perhaps in future they adopt the same presentation as other Departments, which show a payment to, for example, the environmental contribution, Gibraltar Development Corporation staff services? That may be an easier way to make sure that we can follow the numbers through the Book.

**Hon. Chief Minister:** We are happy to consider that, Mr Chairman.  
I move that the House should now recess to four o'clock this afternoon.

**Mr Chairman:** The House will now recess to four o'clock this afternoon.

*The House recessed at 12.45 p.m. and resumed at 4.04 p.m.*