



PROCEEDINGS OF THE GIBRALTAR PARLIAMENT

AFTERNOON SESSION: 4.01 p.m. – 7.06 p.m.

Gibraltar, Tuesday, 18th July 2023

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The Gibraltar Parliament

The Parliament met at 4.01 p.m.

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

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

COMMITTEE STAGE AND THIRD READING

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

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 Appropriation Bill 2023.

In Committee of the whole House

Appropriation Bill 2023 – Clauses considered and approved

Clerk: A Bill for an Act to appropriate sums of money to the service of the year ending on the 31st day of March 2024.

Clause 1.

Mr Chairman: Clause 1 stands part of the Bill.

Clerk: Clause 2. Head 1, subheads 1 and 2.

Mr Chairman: Head 1, Treasury, subheads 1 and 2 stand part of the Bill.

Clerk: Head 2, No. 6 Convent Place, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, can I just ask: on the grant to the Gibraltar Regiment at 2(14), that reduction is based on discussions with the Regiment?

Chief Minister (Hon. F R Picardo): Yes, Mr Chairman, this relates to a sum of money that was being paid in respect of work being done on terms and conditions which has now come to an end, and the person the Regiment was employing to do that work and who was being funded through that grant is no longer employed by the Regiment. Other support which is given to the Regiment is given through the Other Grants and Donations head.

Hon. K Azopardi: Mr Chairman, can I also ask on 2(22)? I am not sure if this is in order, but the Chief Minister will say if he has the information. Can he give us a bit more information on the outturn for 2022-23 on *ex gratia* payments, the general nature of those payments?

Hon. Chief Minister: Mr Chairman, these total nine *ex gratia* payments of different amounts. They are, all of them, potential claims which have been settled.

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

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

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Mr Chairman: Head 3, Office of the Chief Technical Officer, subheads 1 and 2 stand part of the Bill.

Clerk: Head 4, Customs, subheads 1 and 2.

Mr Chairman: Head 4, Customs, subheads 1 and 2 stand part of the Bill.

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Clerk: Head 5, Income Tax, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, can I just ask, on payroll and overtime emergency, the kind of provision to which those funds are directed? Why is it classified as emergency?

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Hon. Chief Minister: Mr Chairman, the view we have taken is that the manning level should support the ability to discharge the functions of a department in normal run of play. Therefore, there should be very little in terms of manning level maintenance because the manning level is maintained, there should be nothing agreed by way of conditioned overtime in these clerical departments, and therefore, when something needs to be done, it is, in effect, something which needs to be done and therefore should be classified as an emergency and is approved by the head of department and by the Chief Secretary as something that needs to be done in a particular period of time.

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Hon. R M Clinton: Mr Chairman, if I can ask, just slightly below that, in Payroll 1(1)(c), Allowances – estimated as £90,000 and came in at £180,000, estimate next year £90,000 – why the increase to the outturn?

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Hon. Chief Minister: Mr Chairman, I am told that the outturn is higher as a result of substitution paid and changes in allowances which were agreed at the time. For that reason, they came in higher.

Hon. R M Clinton: Mr Chairman, if the Chief Minister could elaborate on what he means by 'substitution'?

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Hon. Chief Minister: Substitution is when one officer is substituting for another, Mr Chairman, and is being paid a temporary allowance. So the person who is not at work continues to get their allowance because it is part of their pay, and the person who substitutes for them also gets the allowance because they are doing the job to which the allowance attaches.

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Mr Chairman: Head 5, Income Tax, subheads 1 and 2 stand part of the Bill.

Clerk: Head 6, Parliament, subheads 1 and 2.

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Hon. E J Reyes: Mr Chairman, does it follow the same logic in 1(1)(c), where it says allowances, I think, of £5,000? Is that allowance when someone is acting for a higher grade from the clerical staff, or is it something completely different? Given it is Parliament, I have a curiosity on that one.

Hon. Chief Minister: Mr Chairman, it can mean various things. The allowance includes a substitution allowance, but is not just a substitution allowance. Different officers may have
85 different allowances and they are booked under the allowances head. Without going through the list of allowances, I would not be able to tell you which are the ones that are relevant here, but it is not just the substitution. The substitution is something that can happen but is not necessarily the allowance that is relevant.

90 **Mr Chairman:** Head 6, Parliament, subheads 1 and 2 stand part of the Bill.

Clerk: Head 7, Human Resources, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, can I just ask, on Establishment, there is an increase in
95 established posts there – first of all, the reason for that. Is that because other functions have moved to HR or because there is an expansion of that department?

Hon. Chief Minister: Mr Chairman, the hon. Gentleman will see that there are a number of changes. For example, the Gibraltar Development Corporation number is up from 10 to nine ...
100 the Industrial Staff is up and there are a few other individuals booked here in respect of the Supernumerary Career Breaks etc., and the supernumerary staff is now all being booked here. He will see there is a section on supernumerary staff, so as people who need to be moved and are supernumerary are provided for, they are provided for here, even though they may not be working in the Human Resources Department. We have wanted to capture everyone who is
105 supernumerary in one place rather than have different individuals booked as supernumerary in departments who, because they are supernumerary in that department, may be seconded somewhere else and then you lose track of them. So by putting them all here, you are keeping an eye on who is supernumerary and you will have a better control, when they are deployed
110 somewhere, of what they are doing, because it is the Human Resources Department directly who are on top of that secondment and that supernumerary officer. You also do not run the risk that a supernumerary officer might be confused as a member of the complement of a department and that when somebody was supernumerary the number might remain as a member of the complement of a department. That is why we are booking it here. The increase that the hon. Gentleman will see – and this will fluctuate year on year – will not be relevant to those who are
115 working in the Human Resources section. Those are really dealt with above, before the bold reference to supernumerary staff.

Hon. K Azopardi: I see. And is it right, then, that because the Deputy Director of Nursing Services is being booked as supernumerary here, the intention would be, beyond the post holder,
120 to abolish that post?

Hon. Chief Minister: To abolish this particular office holder's position. As I understand it, Mr Chairman, the Deputy Director of Nursing was replaced as Deputy Director of Nursing in the GHA, but he moved to supernumerary and kept that title because that was the title it was agreed
125 he would have the remuneration for, and we did not want to create a new grade which attracted the same remuneration as Deputy Director of Nursing, but there is a Deputy Director of Nursing who replaced him in the GHA.

Hon. K Azopardi: I see. The Deputy Director of Nursing who replaced him in the GHA does not
130 carry the title Deputy Director of Nursing – is that right? – and carries a different title. Is that really what we are talking about?

Hon. Chief Minister: Mr Chairman, I do not think they carry the title, they carry the responsibility. The title has moved here and we have those issues, but the work is being done.

135 **Hon. K Azopardi:** And in respect of the GDC increase – the supernumerary the Chief Minister has explained – the increase on the GDC staff would be attributable to what?

Hon. Chief Minister: Mr Chairman, as the hon. Gentleman knows, the GDC is not broken down in the same way as the Civil Service posts, so these are the career breaks in the GDC that are being booked here. We had the same issue. He will see that there are supernumerary career breaks, which are the career breaks in the Civil Service, which are under a bold line on page 33. The GDC career breaks are being booked here again to keep an eye on those career break individuals and ensure that we are on top of the terms of the career break, which are usually a fixed period of time. When it is in the departments, sometimes HR could lose track of those and we do not want that to continue to happen.

Hon. R M Clinton: Mr Chairman, in subhead 2(6), Rents and Service Charges came in at £153,000 last year and the projection is £30,000, which seems to be quite a reduction.

150 **Hon. Chief Minister:** Mr Chairman, this is the Public Sector HR Department that we had established as a separate entity. That has now terminated its contractual commitment for a rental unit at Europort, and that is what reduces the cost.

Hon. K Azopardi: Just one final one on this one. On subhead 2(12) the increase in estimate from the outturn would be attributable to the explanation the Chief Minister has given that they are now booking extra GDC staff in this head – is that right?

Hon. Chief Minister: Yes, Mr Chairman.

160 **Mr Chairman:** Head 7, Human Resources, subheads 1 and 2 stand part of the Bill.

Clerk: Head 8, Immigration and Civil Status, subheads 1 and 2.

Hon. K Azopardi: Here, my question on subhead 1(1)(a) is almost in reverse. Looking at the establishment and the bottom line, or indeed the establishment of the department, it does not look like there is a big difference – there is only a difference of one person, yet the estimate is lower than the forecast outturn. That would be attributable to what?

Hon. Chief Minister: Mr Chairman, the complement is exactly as it should be, because the only person missing from the complement, the only post holder gone, is the supernumerary post holder.

Hon. K Azopardi: I understand that there is one less because that is what the establishment says, but what I am really asking is does that account for the reduction of, in effect, £60,000?

175 **Hon. Chief Minister:** Part of the reason is that, Mr Chairman, and it is also partly because there is a vacancy occasioning during the course of the year.

Mr Chairman: Head 8, Immigration and Civil Status, subheads 1 and 2 stand part of the Bill.

180 **Clerk:** Head 9, Financial Secretary's Office, subheads 1 and 2.

Hon. K Azopardi: In Financial Secretary's Office at 1(1)(a), the estimate, based on the same number of staff, is higher, but based on what – because posts have been filled, or just ...? What is that due to?

Hon. Chief Minister: Mr Chairman, it is just a move of the money. If the hon. Gentleman looks at the forecast outturn for 2022-23, he will see, on Secondment, that the sums paid in respect of the former Financial Secretary are reduced to zero. The current Financial Secretary is paid directly as a civil servant because he is a civil servant. The former Financial Secretary was not a civil servant, so, although there was a Financial Secretary, he was not paid out of the payroll at 1(1)(a), he was paid out of Other Charges at 2.

Hon. K Azopardi: Sorry, I am not sure I am following, because the Chief Minister mentioned Secondment but I cannot find Secondment. *(Interjection)* Oh, I see.

Hon. R M Clinton: Mr Chairman, it is just that if you look at the estimate of 2022-23, it was in at £200,000 for the secondment, but obviously the Financial Secretary's payroll number in the Book is much less than that. Is he saying that included both what he would have been paid as Financial Secretary plus something on top?

Hon. Chief Minister: No, Mr Chairman, that is not what I am saying. What I am saying is that the cost of the secondment is set out there when it was a secondment. For the outturn for 2022-23 it is not the full year. For the full year he needs to look at the actual of 2021-22 and the estimate for 2022-23. The secondee was not a civil servant and he was not paid as a civil servant. He was paid as per the secondment amount, which the hon. Gentleman has seen in the Book for the past four or five years – which I assume he has not missed because it is all information is here, it is not information that is not here – whilst the current Financial Secretary is paid on the terms of the grade that he holds in the Civil Service, which is lower.

Hon. K Azopardi: Sorry, but I am not understanding the point. The former Financial Secretary having left, and he left sometime during 2022-23 ... What I am asking about is 2023-24. There is an increase in salaries from the forecast outturn of £585,000 to £690,000, and I get that the secondment is zero because the former Financial Secretary is no longer there, but what accounts for the difference between £585,000 and £690,000?

Hon. Chief Minister: Mr Chairman, if that is the exercise he wants to do, he should not look at the £585,000. If he wants to look at the salaries of the Financial Secretary's Office without a Financial Secretary being paid as a civil servant, he needs to look at the estimate for 2022-23. The cost of running that office without paying for the Financial Secretary as a civil servant was £512,000, so the difference between £690,000 and £512,000 is what tells him the cost of the current Financial Secretary.

Mr Chairman: Head 9, Financial Secretary's Office, subheads 1 and 2 stand part of the Bill.

Clerk: Head 10, Government Law Offices, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, can I just ask, under subhead 2(23) Professional Fees, the forecast outturn – that corresponds to the sums of money for which there is information on the government website? That accounts for the breakdown? Is that correct?

Hon. Chief Minister: Yes, Mr Chairman, as I understand it. Of course, the bills come in, sometimes, at different times in the year, so reconciling the bills against the financial year is not always going to be exact, but they should be able to reconcile them across financial years.

Mr Chairman: Head 10, Government Law Offices, subheads 1 and 2 stand part of the Bill.

Clerk: Head 11, Office of the Deputy Chief Minister, subheads 1 and 2.

240 **Hon. R M Clinton:** Mr Chairman, in subhead 1(1)(e), Salaries in the Archives, there seems to be a £46,000 decrease from last year to the estimate for next year, but the establishment seems to be the same. I was wondering what would account for that.

245 **Deputy Chief Minister (Hon. Dr J J Garcia):** Mr Chairman, that is related to the salary of the Archivist. The post is vacant at the moment. If an Archivist is appointed – and the process has already started – then that money will be allocated from somewhere else, from the supplementary funding at the back.

250 **Hon. R M Clinton:** So, Mr Chairman, if somebody is acting in their position, do they not get paid additional amounts to cover?

255 **Hon. Chief Minister:** No, Mr Chairman, the policy position that the Government has taken for some time is that you are only paid an acting if you actually do the job and the job that you do entails you doing something different to what you do on a daily basis. It is not automatic that if the person above you in the scale is absent for whatever reason, you automatically get their pay. We do not think that is a useful use of government money, so it is not automatic and the amount of any vacant post is therefore not provided for. We provide during the course of the year when the post is filled. He will see that throughout the Book.

260 **Hon. K Azopardi:** Mr Chairman, can I just ask on subhead 2(12), Land and Property Management – the sums which are booked here would be would be arising from what? Can we have an idea of that?

265 **Hon. Deputy Chief Minister:** Mr Chairman, that relates to decisions taken in the Land Management Committee. It involves things like taking emergency works, replacing fences, giving compensation to people who might be moved. It is that kind of thing. It is related to land issues.

270 **Hon. K Azopardi:** Can I ask on 2(19), the Hong Kong Office, which we had understood was closed but there is still a notional amount there – the reason for that being what, that there is an intention, perhaps, to consider opening it again? Why is it booked at all?

Hon. Deputy Chief Minister: Mr Chairman, that relates to invoices which have spilled over in the process of closing it down.

275 **Hon. E J Reyes:** Mr Chairman, on subhead 2(17) under the title Commonwealth Enterprise and Investment Council, can we have a bit of clarification? That is obviously going up slightly in expenditure, from £22,000 to the predicted ... it is over £10,000 difference. What exactly is charged under that head?

280 **Hon. Deputy Chief Minister:** Mr Chairman, that refers to the arrangements for the Commonwealth Enterprise and Investment Council office in Gibraltar and it is a contribution that the Government makes to that.

285 **Hon. R M Clinton:** Mr Chairman, I would be grateful if the Deputy Chief Minister could elaborate a little bit in terms of why it would need a contribution from the Government. What costs does it incur?

Hon. Deputy Chief Minister: Mr Chairman, the hon. Members will see that there are several Commonwealth entities and institutions which the Government has contributed to over the years.

290 This is not the only one. In this particular case – I think it was explained at the time in the context of Brexit, our departure from the European Union and the need to identify new markets and new business – this was taken on board as one of those for that reason.

Hon. R M Clinton: Yes, but what is the money actually spent on?

295 **Hon. Deputy Chief Minister:** The money is spent on the office in Gibraltar.

Mr Chairman: Head 11, Office of the Deputy Chief Minister, subheads 1 and 2 stand part of the Bill.

300 **Clerk:** Head 12, Civil Aviation, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, on subhead 2(3), Contribution towards Aerodrome Running Expenses, that is a contribution that is made by the Government to whom?

305 **Hon. Chief Minister:** Mr Chairman, this is a contribution paid – under an agreement done, I think, at the time he was in government – directly to the MoD. It is, in principle, a payment which goes towards the upkeep of the surface of the runway itself over a period of 20 years or so that the runway is resurfaced.

310 **Mr Chairman:** Head 12, Civil Aviation, subheads 1 and 2 stand part of the Bill.

Clerk: Head 13, Environment, subheads 1 and 2.

315 **Hon. K Azopardi:** Mr Chairman, on subhead 1, I am just looking at the bottom line. The estimate is £250,000 less than last year's forecast outturn. That would be due to what? The number of posts looks pretty much the same in terms of the establishment. Is it attributable to vacant posts? Can we have an explanation for that?

320 **Minister for the Environment, Sustainability, Climate Change and Education (Hon. Prof. J E Cortes):** Which line in particular, Mr Chairman? He said the bottom line of head 1. Yes, the difference between the two is a difference between the provision, for example, in emergency overtime, which is a token at £1,000 because it cannot be predicted, and the actual amounts that were paid as a result of the overtime having to be called in.

325 **Hon. K Azopardi:** I can see, Mr Chairman, that that accounts for £94,000, but the difference is – (*Interjection*)

330 **Hon. Chief Minister:** Because that is the total of the whole of head 1, so it is all of the overtime when you take it together. There is £80,000 there – £80,000, £80,000 and £8,000 and then go over the page and there is £94,000.

Hon. K Azopardi: Mr Chairman, in subhead 2(8), the contribution to the GDC staff services would be significantly reduced from the outturn. Again, that would be why?

335 **Hon. Prof. J E Cortes:** Subhead 2 in which line? Number eight. This will be as a result of posts no longer being there. Gibraltar Development Corporation posts are not part of the complement, and therefore, in the same way that vacancies are not funded directly at this stage, this will be posts that are no longer there.

340 **Hon. K Azopardi:** Mr Chairman, if that is the case, then I am not sure I am understanding, if we go to page 51, how GDC staff is ... there is only a difference of one there.

Hon. Prof. J E Cortes: Mr Chairman, there are two explanations. In fact, the overtime also is, as I said earlier, not provided for, and there was a considerable amount of overtime. If the hon. Member looks at page 51, there is also a reduction in one post there, which will make a contribution towards that difference.

345 If I may also offer some more information, on page 187, which covers the GDC payment, he will be able to see that that is explained under the environment head as a difference between the forecast outturn of £200,000 to £77,000 estimate in relation to the difference in overtime, which is the point I made earlier. Thank you.

Hon. K Azopardi: Can I just ask, Mr Chairman, on subhead 2, line 30, Upkeep of Cemeteries – ‘cemeteries’ in the plural – that contractual sum would cover all the cemeteries in Gibraltar, meaning, obviously, the ones that are used, but also the historic cemeteries?

355 **Hon. Prof. J E Cortes:** This is for North Front Cemetery. There is a small contribution towards Trafalgar Cemetery and occasionally the Jewish Cemetery, but this is essentially North Front Cemetery.

360 **Hon. R M Clinton:** Mr Chairman, in respect of subhead 2(18), Environmental Health, is there a fixed-term contract for provision of services with the Environmental Agency Ltd?

Hon. Prof. J E Cortes: Yes, there is.

365 **Hon. R M Clinton:** Mr Chairman, would the Minister happen to know for how long that contract is?

Hon. Prof. J E Cortes: I do not have that information here. I can advise the hon. Member if he reminds me outside the meeting, but I do not have that information.

370 **Mr Chairman:** Head 13, Environment, subheads 1 and 2 stand part of the Bill.

Clerk: Head 14, Collection and Disposal of Refuse, subheads 1 and 2.

375 **Hon. K Azopardi:** Mr Chairman, can I, on subhead 2(2), ask why there is such a big figure there of over a million pounds? Is it booked as overtime where it says ‘emergency’? Is that a million pounds – £1,000,038.

Hon. Prof. J E Cortes: Yes, that is overtime.

380 **Hon. K Azopardi:** I see the figure, for example in 2021-22, booked, as a different amount, as manning-level maintenance. I am not sure if that is the same work booked in a different way. Is it normal, that level of overtime, of over a million pounds?

385 **Hon. Prof. J E Cortes:** It is essentially the same; it is the same work. The subtle difference will be – and I would need to check the actual detail – that it will have been overtime as a result of absences due to vacancies, which is why it was down initially as manning-level maintenance, but that is essentially the same money, it is not going somewhere else.

390 **Hon. K Azopardi:** And so the other question I was asking the Minister was is that normal going back? I am not sure if he has that information, but is it normal that you have over a million pounds spent in that kind of work, whether it is booked as manning level or overtime?

Hon. Prof. J E Cortes: Yes, it is.

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Hon. R M Clinton: Mr Chairman, on subhead 2(8), Disposal of Refuse, there seems to be a big jump of over a million from last year's outturn to the estimated. Is there some change in conditions that has warranted effectively more than a 50% increase?

400 **Hon. Prof. J E Cortes:** Yes, that is due to two factors. One is the increase in volume – we do produce more rubbish than we used to – but largely it is because of the increase in the fees that are charged by the receiving facility. They have increased and therefore we have had to increase the provision.

405 **Mr Chairman:** Head 14, Collection and Disposal of Refuse, subheads 1 and 2 stand part of the Bill.

Clerk: Head 15, Upper Rock Tourist Sites and Beaches, subheads 1 and 2.

410 **Hon. D J Bossino:** Mr Chairman, can the Minister give some more information in relation to subhead 2(16), which is described as Sites Management Systems – what the activity is there? And secondly, why there is a significant increase of almost of a million pounds from the estimated amounts of the forecast and then the estimated amounts for this coming year.

415 **Hon. Prof. J E Cortes:** Yes, that is the combination of the visitor management system and the cave experience. The reason it has gone up is that it is linked to the number of visitors and therefore the government income has increased, but also the payments have increased because of the increase in visitors to the sites, particularly to the cave.

420 **Hon. D J Bossino:** Is that a service which is contracted out, the visitor management system that he refers to?

Hon. Prof. J E Cortes: Yes, it is contracted out. The costs go up linked to revenue. The more visitors we have the more we get, but the more we pay.

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Hon. R M Clinton: Mr Chairman, on subhead 2(27) Beach Services, is that contracted services for lifeguards?

430 **Hon. Prof. J E Cortes:** Yes, that is the lifeguards and beach attendants. The management thereof is contracted out.

Mr Chairman: Head 15, Upper Rock Tourist Sites and Beaches, subheads 1 and 2 stand part of the Bill.

435 **Clerk:** Head 16, Education, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, can I ask on subhead 1(1)(a), Salaries, where the outturn was lower and obviously there is a commensurate estimate of this year similar to that of last year's – the outturn was lower because of vacancies in the teaching posts, is that right?

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Hon. Prof. J E Cortes: Yes, this was due to delays in the recruitment process which meant that some of what was projected and is now once again projected as salaries would have been covered through temporary cover.

445 **Hon. R M Clinton:** Mr Chairman, in head 1(1)(d) Temporary Assistance, consistently from 2021-22 there is an expense of £7.9 million, 2022-23 £6.2 million, and yet £104,000 for the coming year. Is there anything the Minister has done that he envisages he will need specialists or special needs learning assistants or support for maternity cover or other items which would justify such a huge reduction?

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Hon. Chief Minister: It is not a reduction, Mr Chairman, it is the same estimate as we had last year.

455 **Hon. R M Clinton:** Yes, Mr Chairman, but the outturns, both for last year and the year before, were, in a very large order of magnitude, much larger, and it would appear that it would be sensible to make provision of the same magnitude or at least a fraction of the magnitude. But a notional amount – is that realistic?

460 **Hon. Chief Minister:** Mr Chairman, the point is always that as we recruit other teachers etc., as we recruit more permanent staff, temporary staff should be reduced, and therefore we always try to ensure that we are making the best use of money by keeping the pressure on and putting just the £1,000 and ensuring that we have the staff we need, and, if possible, in the full-time complement, not in the temporary cover complement.

465 **Hon. R M Clinton:** Yes, Mr Chairman, I can understand that, but there is only a variation of one person in the Education complement from last year's projected. If there was a need last year, would there not potentially be a need this year?

470 **Hon. Prof. J E Cortes:** But we are talking about last year. These posts were taken on during the course of last year.

Hon. R M Clinton: Mr Chairman, if the Minister looks at the establishment breakdown, there is no actual change from 2022-23 to 2023-24.

475 **Hon. Prof. J E Cortes:** But if the posts were there but were vacant they would have been covered under temporary assistance, and the intention is to minimise the temporary assistance because it is covered, as the Hon. Leader of Opposition pointed out, in salaries which are back to where they were estimated last year but more than the forecast outturn, because of what I have explained. The temporary assistance has been shifted to salaries.

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Hon. R M Clinton: Which is effectively the question I was asking at the beginning, Mr Chairman: has something happened that he would not envisage having to use them? How many people have actually now been taken on board?

485 **Hon. Chief Minister:** The issue is, Mr Chairman, that ... I think this is the nub of it. He is not going to see a change in the complement that is going to explain that. It is that the complement is provided for, but it is not being paid for in some instances. That complement we now expect has been filled. The complement has not changed, but it has not been filled because of recruitment issues etc. We now believe that it has been closer to being filled and therefore there
490 will be less of the 2.4 and more of the 32.9.

495 **Hon. E J Reyes:** If I may, Mr Chairman, on subhead 1(1)(c), when we talk about allowances, if we are correct in assuming that those are the teaching and learning responsibility posts and the allowances given for teachers who have those posts, the expenditure over the two previous financial years is twice as much as what the estimate is. From previous answers to questions, the Minister has led me to believe that those posts are almost all allocated or filled, and, if not, it is because it is an active teaching post, someone is actually paid for it. So am I correct? Are they TLR allowance? Or what allowances are they?

500 **Hon. Prof. J E Cortes:** These are essentially substitution allowances, which ties in with what we were saying earlier. During a time when the vacancies were filled in a substantive manner, you would expect those allowances to be higher and we are expecting them to be lower now that the vacancies are more or less filled. So they are substitution acting allowances.

505 **Hon. E J Reyes:** And in 1(2)(c) is it the same principle that covers for the allowances under the Industrial Wages section? Under industrial I take it they are probably lab technicians and maybe cleaners or whatever, so is there a need to have someone covering for that?

510 **Hon. Prof. J E Cortes:** Yes, there are quite a number of industrials, including all the cleaners, and that is a similar allowance.

515 **Hon. K Azopardi:** Mr Chairman, on subhead 2(35), St Mary's School rents, I assume that the finalisation of the school and the commencement of the rental period will be sometime during the financial year, so that there would be more than that token amount that would be paid out. From answers that have been given in the House before, it seemed to us that the annual costs would hover around £1.2 million, so do they have a more realistic forecast than the £1,000 of how much would be spent during this financial year?

520 **Hon. Chief Minister:** Mr Chairman, at this stage I do not want to say much more in relation to that because there are issues in the negotiation between us and the new landlord which are still live and therefore – they could be watching – I do not want to give anything away.

525 **Hon. K Azopardi:** Without treading on the negotiations, when he says 'the new landlord', has there been a change of position or is that just a sort of terminology?

Hon. Chief Minister: We have not signed the lease yet.

530 **Hon. K Azopardi:** Mr Chairman, the intention would be to use this school from this coming new school term, as from September – is that right?

Mr Chairman: Head 16, Education, subheads 1 and 2 stand part of the Bill.

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

535 **Hon. K Azopardi:** Mr Chairman, can I ask, on the contribution to the Gibraltar University, which is subhead 2(1) ...? There is a reduction there of the estimate and can I ask ...? That, I assume, follows discussions with the University, and, if so, why is it being reduced? Is it being supplemented now by the University earning other funding through other means, through fees?

540 **Hon. Prof. J E Cortes:** Yes, Mr Chairman, the intention was always that the University would eventually become self-financing and they are well on track, as I pointed out in my speech last week. These are figures arrived at in discussion with the University and they are confident that they can meet their budget. They have already shared that one with me, as is their obligation

545 under the Act, and I share the confidence that they are now going to be able to meet it and that there will not be any shortfall.

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

550 **Clerk:** Head 18, Heritage, subheads 1 and 2.

Hon. D J Bossino: Mr Chairman, can I take the Minister to subhead 2(13), which is entitled Heritage? Can he explain what that relates to?

555 **Hon. Prof. J E Cortes:** That is the contractual fee to the Gibraltar National Museum.

Hon. D J Bossino: Is that the one that goes to the service provider, Knightsfield Holdings? Is that part of the fee, or the entirety of it?

560 **Hon. Prof. J E Cortes:** Most of it goes to the service provider. I could not confirm all of it. There may be some flexibility for other peripheral expenses, but yes, that is essentially for the service provider.

Mr Chairman: Head 18, Heritage, subheads 1 and 2 stand part of the Bill.

565 **Clerk:** Head 19, Culture, subheads 1 and 2.

Mr Chairman: Head 19, Culture, subheads 1 and 2 stand part of the Bill.

570 **Clerk:** Head 20, Driver and Vehicle Licensing, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, on subhead 2(20), which is Transport Inspectors, the reduction there is due to some kind of policy initiative or different tasks or redeployment of work?

575 **Minister for Transport (Hon. P J Balban):** Mr Chairman, yes, the reduction there is because there has been a reduction in the complement. That is why the figure is lower.

Hon. K Azopardi: Mr Chairman, I am not following that because I would have thought that the reduction in complement would have been reflected in payroll instead of transport inspection.

580 **Hon. P J Balban:** Mr Chairman, this is GDC staff, so it would not be reflected in personnel in that section. Just to try to be helpful, if you look at green page 189 you will see where that section is.

585 **Mr Chairman:** Head 20, Driver and Vehicle Licensing, subheads 1 and 2 stand part of the Bill.

Clerk: Head 21, Technical Services, subheads 1 and 2.

Mr Chairman: Head 21, Technical Services, subheads 1 and 2 stand part of the Bill.

590 **Clerk:** Head 22, Social Security, subheads 1 and 2.

Mr Chairman: We are now dealing with Social Security, yes? Right. Would you call the head, Mr Clerk? Call the head.

595 **Clerk:** Head 22, Social Security, subheads 1 and 2.

Hon. R M Clinton: Mr Chairman, I think we had this arise last year. Subhead 2(17), Contribution to Statutory Benefits Fund – again, there was an estimate of £7 million and then nothing, and we have another estimate of £7 million. Is there an intention to make this payment of £7 million?

Minister for Social Security, Economic Development, Enterprise, Telecommunications and the GSB (Hon. Sir J J Bossano): The £7 million goes to the Statutory Benefits Fund. The fund actually is not in deficit at the moment, it has a small surplus. The deficit or the surplus of the fund depends on the flow of contributions and benefits, so if during the year or closer to the end of the year we find that the need for the £7 million is not great and there is a problem of underfunding somewhere else, then we will do what we did last year. That is to say we are not going to spend the £7 million there if we have a need for it somewhere else which is not at the expense of the funding of the Social Security Statutory Benefits Fund going into the red.

In the absence of anything else, if we put in the £7 million, as it is at the moment, what we would have would be a greater reserve in the Statutory Benefits Fund. This is only going up by 1% this year, so it could be that this year they may need the £7 million because it could be that the entrants ... Every year there are more people coming into benefit than people dropping off at the other end, as it were. That is why there is an increase every year. So with 1% last year and 1% this year, it is possible that there may not be enough funding from contributions to cover the increase in the number of recipients, and that is what the £7 million basically is there for. But if there was sufficient money coming in and the fund did not really need it, then if there was somewhere else where we would be falling short, which had not been provided for, then we would in fact do what we did last year, which is make use of that money somewhere else where the need was greater, as part of the policy of restoring financial stability and not borrowing for recurrent expenditure.

600

Mr Chairman: Head 22, Social Security, subheads 1 and 2 stand part of the Bill.

Clerk: Head 23, Statistics Office, subheads 1 and 2.

605

Hon. K Azopardi: Mr Chairman, at subhead 2(8), Gibraltar Census, the costs of the census for this year, given that the census was done last year, would be due to what? Is it the publication of the census?

610

Hon. Sir J J Bossano: The end of the exercise. I do not know whether they are outsourcing any of the work of dealing with it electronically to do the calculations, but we spent £176,000 the previous year and this £80,000 should be the closure of that. Most of the work on the census is done by the permanent staff, but they have external expenses as well, which would come from the £80,000.

615

Mr Chairman: Head 23, Statistics Office, subheads 1 and 2 stand part of the Bill.

Clerk: Head 24, Economic Development, subheads 1 and 2.

620

Hon. R M Clinton: Mr Chairman, subhead 2(13) Economic Research, £200,000 outturn and £227,000 estimated. What is the nature of this economic research?

625

Hon. Sir J J Bossano: The economic research is not one thing that is permanent. It is not the same thing every year. We spent it on a number of projects that were related to things that we wanted to assess the potential, or areas where we have been looking to giving some support to some area where we thought there would be beneficial levels by priming a particular activity. We are just providing some more because we expect to be doing more this year. I gave an indication of that in the Budget speech, where I said we were planning to invite people to put in expressions of interest. So if we find that people are coming in with an activity, initially the department will

630 use its money getting involved in investigating it, in assessing it or in getting people to do an
assessment for us, and then, if it is something that we think is reasonable to support, any funding
they need from that would be on the basis of providing support as loans which the private entity
would have to pay interest on – there would have to be assets there and they would have to pay
it back – but this is money that we put in support of new activities which does not have to be
635 refunded. The expenditure is of the department itself. It includes, for example ... I am doing,
currently, research on the eventual employment of university students, so we have an exercise
going on at the moment which has been paid in part from over 2,000 of the current of the last
year and going on into this year, where I have some people who are working on tracking the
returning graduates and there will be a report showing how many have actually finished up
640 working in Gibraltar – the initial figures that I am seeing have shown that, in fact, it is probably
less than half that finish up working in Gibraltar – and of those, identifying whether they actually
finish up working in something that can be said to be the result of what they studied. As you would
expect, there are three areas where this is so – lawyers, accountants and nursing. Nursing
graduates finish up being nurses and people studying law finish up being lawyers, but for the rest,
quite frankly, the degree seems to have had little impact on their eventual employment. I think it
645 is important to do that exercise so that we make sure that when we are giving people advice on
what they should be studying, we can try to encourage them to go into the areas where we may
have labour shortages rather than into areas where, having gone through their university
education, they find that they have no opportunity to make use of what they have learnt. That is
an example of the kind of research we do.

650

Hon. K Azopardi: On subhead 2(15), Additional Contribution, can the Minister perhaps explain what the nature of the work booked as additional contribution is, in excess of £12 million consistently over the last couple of years?

655

Hon. Sir J J Bossano: It is at the back, on green pages 181 and 182.

Mr Chairman: Would the hon. Member switch on his mic? Otherwise, he is not going to be recorded.

660

Hon. K Azopardi: Well, I am not sure it does, and that is why, perhaps, the Minister can help me. If I go to page 181, I can see that the figure of £12.6 million for forecast outturn, this year's additional contribution, is there, and the estimate for next year, £12.8 million, is there. I am not sure there is a breakdown of that sum because the other contributions are in other departments or agencies, booked elsewhere, I assume, so I am not sure I understand that explanation, because
665 then the bottom line would be £24 million.

Hon. Sir J J Bossano: This shows you where the recipient department is that has received people from the GDC.

670

Hon. K Azopardi: If the Minister gives way for a second, I think we understand it now because the breakdown is on page 182, not 181. I think that is it, because those sums at the bottom of page 182 would then account for the breakdown of sub-items (19) to (28). I think that is the explanation, isn't it?

675

Mr Chairman: Head 24, Economic Development, subheads 1 and 2 stand part of the Bill.

Clerk: Head 25, Procurement Office, subheads 1 and 2.

Mr Chairman: Head 25, Procurement Office, subheads 1 and 2 stand part of the Bill.

680

Clerk: Head 26, Justice, subheads 1 and 2.

Mr Chairman: Head 26, Justice, subheads 1 and 2 stand part of the Bill.

685 **Clerk:** Head 27, Gibraltar Law Courts, subheads 1 and 2.

Mr Chairman: Head 27, Gibraltar Law Courts, subheads 1 and 2 stand part of the Bill.

690 **Clerk:** Head 28, Policing, subheads 1 and 2.

Hon. K Azopardi: Mr Chairman, on the establishment of the Police, I see a lower number there, largely because of the school crossing patrol officer. I assume the school crossing patrol officer was a police officer – or was it not a police officer? Was it an administrative grade? And is it somewhere else – in Education, for example?

695 **Minister for Justice, Equality and Public Standards and Regulations (Hon. Miss S J Sacramento):** Mr Chairman, the difference in the number is exactly nine, the number of the school crossing patrol officers. These were not police officers, and they do appear in another head. They now appear as supernumerary officers at Human Resources. The hon. Member may note it is at page 33 and there are six positions.

700 **Hon. R M Clinton:** Mr Chairman, in respect of any external contracted policing services, where would those appear under this head? Or, if not here, where?

705 **Hon. Miss S J Sacramento:** Mr Chairman, if the hon. Member were to look closely at page 95, subhead 2(10) says Investigation Expenses. That is where he will find the costs will be met from.

Mr Chairman: Head 28, Policing, subheads 1 and 2 stand part of the Bill.

710 **Clerk:** Head 29, Prison, subheads 1 and 2.

Mr Chairman: Head 29, Prison, subheads 1 and 2 stand part of the Bill.

715 **Clerk:** Head 30, Equality, subheads 1 and 2.

Hon. E J Reyes: Mr Chairman, in subhead 2(14), under Shop Mobility, I see it is a constant figure every year of £48,000, but can we have a bit of clarification on what exactly is incurred as a charge to Shop Mobility? What services are provided?

720 **Hon. Miss S J Sacramento:** Mr Chairman, this is a contracted service for repairs of mobility scooters.

725 **Hon. E J Reyes:** Mr Chairman, mobility scooters that pertain to the Ministry per se, or are these privately owned and it is a contribution to help them repair those mobility scooters? I am not quite certain what maintenance is required to what scooter.

730 **Hon. Chief Minister:** As I understand it, Mr Chairman, it is the service that is provided. People who have their mobility scooters would otherwise not be able to obtain the service, so the Government, for many years now – I think Shop Mobility started under them, not under us – has maintained this service.

Hon. E J Reyes: Am I right in detecting from there it is a social assistance to those who may have mobility problems and a mobility scooter is loaned to them or maintained for them and so on?

735

Hon. Chief Minister: I do not know exactly the terms on which it is done, but yes, Mr Chairman; otherwise, those people would not have this service available in Gibraltar.

Mr Chairman: Head 30, Equality, subheads 1 and 2 stand part of the Bill.

740

Clerk: Head 31, Civil Contingency, subheads 1 and 2.

Mr Chairman: Head 31, Civil Contingency, subheads 1 and 2 stand part of the Bill.

745

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

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 and 2.

750

Hon. D J Bossino: Mr Chairman, if I may, subhead 2(11) Consultancy Services – what does that relate to?

755

Hon. Miss S J Sacramento: Mr Chairman, this is for contracting services that may need to be outsourced – say, for example, specialist advice that may not be available within the office.

Hon. D J Bossino: Like? The question is a one-word question: like, or such as?

760

Hon. Miss S J Sacramento: Mr Chairman, the hon. Member will see that there is a reduction in this subhead year on year, and this is a balance to show that. The hon. Gentleman will know from questions he has posed in Parliament that there have been vacancies in the professional technical side of the complement, so sometimes technical and professional information may need to be outsourced to others, and he will see that now there is a significant reduction from ... There is a slight reduction from last year and a significant reduction from the year before, but it may be, from time to time, that additional resources ... It is either that additional resources are required – say, for example, to deal with big projects – or it may be that there is a very net point that needs to be looked at and the people who are currently working in the department are unable to do so because of time constraints and the workload that they have.

765

770

Mr Chairman: Head 33, Town Planning and Building Control, subheads 1 and 2 stand part of the Bill.

Clerk: Head 34, Office of Fair Trading, subheads 1 and 2.

775

Mr Chairman: Head 34, Office of Fair Trading, subheads 1 and 2 stand part of the Bill.

Clerk: Head 35, Fire and Rescue Service, subheads 1 and 2.

780

Mr Chairman: Head 35, Fire and Rescue Service, subheads 1 and 2 stand part of the Bill.

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

Hon. K Azopardi: Mr Chairman, on the contribution to the Airport Fire and Rescue Service, which is subhead 2, that equally is a contribution to the MoD – is that right?

785

Hon. Chief Minister: No, Mr Chairman, that is no longer a contribution to the MoD. The Airport Fire and Rescue Service came to the Government *con bombo y bladillo* press releases and photographs, some years ago. The hon. Gentleman, I seem to recall, was already in public life; I am surprised he missed it.

790

Hon. K Azopardi: There is a volume of *bombo y bladillo*, so sometimes I miss them – (**Hon. D J Bossino:** A deluge.) the daily deluge – but grateful for the explanation.

Hon. Chief Minister: It is just that we do so.

795

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

Clerk: Head 37, Housing, subheads 1 and 2.

800

Hon. R M Clinton: Mr Chairman, in subhead 2(19), Incidental Estate Security, £131,000 outturn for this year, £1,000 estimate for next year – if we could just have some information as to how that has arisen, especially as there was no provision for it last year.

805

Hon. Chief Minister: Mr Chairman, it has arisen as a result of a lot of antisocial behaviour in some estates and the need to move quickly to try to stop that antisocial behaviour.

The Hon. the Minister and I visited some of these estates, not just with photographers and cameras, as hon. Members sometimes do themselves, but actually to try to get under the skin of what is happening in terms of the anti-social behaviour. There are a number of things that we are doing and that we hope to roll out. One of them is CCTV, which is able to address some aspects of anti-social behaviour, and another is actually having the ability to deploy, in the short term, some additional security, which helps to hold the ring in some areas. This is what happened in the context of the last financial year and what we are making provision for going forward this financial year.

815

Hon. K Azopardi: I seem to recall having an exchange with the Hon. Minister, the last time we were here, on this subject of estate security, and I had the impression that the intention was to continue, in a couple of estates, the arrangements that had been put in place. So presumably the cost is not going to be £1,000, it is going to be much more than that, because the arrangements, I thought, also from that exchange, had been introduced at some point during the financial year but not at the beginning of the financial year, so that would only account to a partial annual cost if the cost is carried over for 12 months.

820

Hon. Chief Minister: Yes, although we do not expect it will be carried over for 12 months. In other words, we think that these are ad hoc situations that when particular groups of individuals – sometimes a family – are moved, then the issue is not one that continues throughout the rest of the financial year. Indeed, what we are trying to see is whether some aspects of this can be dealt with simply by the provision of CCTV and providing that feed to a central hub where it is monitored, and therefore you do not need to have a security guard there for as long, and that provides a more value-for-money service. So all of that is being assessed. Once we have a clearer assessment of that, we might be able to make a better full-year estimation next year.

830

835 **Hon. E J Reyes:** Mr Chairman, in subhead 2(17) Cleaning Services, is that cleaning in respect of residence estates or cleaning of ministerial offices? I am not quite certain what is covered by that £25,000.

Minister for Industrial Relations, Employment, Housing and Sport (Hon. S E Linares): Ministerial offices.

Hon. E J Reyes: So the Government's provision of cleaning of the estates, where would that be charged to?

840 **Hon. S E Linares:** That goes under the contract with the environment, which Britannia holds, so it is not under the housing.

Mr Chairman: May I proceed to the next ...? Head 37, Housing, subheads 1 and 2 stand part of the Bill.

845 **Clerk:** Head 38, Employment, subheads 1 and 2.

Mr Chairman: Head 38, Employment, subheads 1 and 2 stand part of the Bill.

Clerk: Head 39, Youth, subheads 1 and 2.

850 **Mr Chairman:** Head 39, Youth, subheads 1 and 2 stand part of the Bill.

Clerk: Head 40, Sport and Leisure, subheads 1 and 2.

855 **Hon. K Azopardi:** Mr Chairman, on subhead 2(12) Additional Contribution, a question in two parts: an explanation for the forecast outturn increase, the additional, loosely, £400,000 and the £350,000; and the reason why there is a forecast which would be lower. What is booked generally under additional contributions is difficult to understand.

860 **Hon. S E Linares:** Mr Chairman, I would like to direct the hon. Member to the GSLA green pages, where it is all laid out and why there is an adjustment to do with the services that they give, which is the yellow pages of the Sports and Leisure Authority – sorry, the green.

865 **Hon. K Azopardi:** I am grateful for the Minister sending me there, but it was not footnoted in the Estimates, so I had not originally thought I had to go there, but I can see from the top of page 211 that the figures that I have talked about – £5,214,000 and the £6,091,000 for last year – are at the top of the page. I can see that. What I am asking is what is the general sense of those costs. Is he saying in his reply – have I understood it rightly? – that that breakdown would be in the items that follow in terms of recurrent payments? If so, they are not exactly the same figures because the bottom lines are slightly different, but is that pretty much correct that it is the breakdown of the (1) to (27) items there?
870

Hon. Chief Minister: Mr Chairman, I am surprised he says he did not see the footnote. It is there in subhead 2(10). In Other Charges, subhead 2(10), he will see Contributions from the Consolidated Fund to the Gibraltar Sports and Leisure Agency. There is a (ii), which refers him to Appendix E, which is the page we are looking at, which is page 211.
875

Hon. K Azopardi: That is not the subhead I was asking about. I was asking about subhead (12). That footnote said (10) and I was asking about (12). (**Hon. E J Reyes:** Additional Contribution.) That is the reason why I did not think it was footnoted there, that the footnote arises earlier. I can see why it can be taken to be a heading rather than a just a footnote to (10).

880

Hon. D J Bossino: I am not too sure.

Hon. Chief Minister: Exactly, Mr Chairman. If he looks at after (10), there is a heading and it has the (ii), which is relevant to (11) and (12).

885

Hon. K Azopardi: Yes, that is what I said.

Hon. Chief Minister: Oh, I see, he thought the footnote at (10) was actually by (10), not at the foot of the page. I see. Okay, well, it is there.

890

Mr Chairman: Head 40, Sport and Leisure, subheads 1 and 2 stand part of the Bill.

Clerk: Head 41, Digital Services, subheads 1 and 2.

895

Hon. R M Clinton: Mr Chairman, in subhead 2(7), Consultancy Services, if we could have some information as to the nature of those consultancy services.

Minister for Digital, Financial Services, Health Authority and Public Utilities (Hon. A J Isola): Yes, Mr Chairman, these are five individuals who replaced a significantly larger sum, probably four times that amount, in the firm that worked previously. We took on consultants directly and they are doing the job at a far better-value rate.

900

Hon. R M Clinton: And if the Minister has the information available, Mr Chairman, in terms of the nature of the work they are undertaking, is it design for the new ... or part of the Government's digital strategy? Is there any particular specialism that they have?

Hon. A J Isola: Yes, each of them in different areas relating to the design of different e-services that are being built at this moment.

905

Mr Chairman: Head 41, Digital Services, subheads 1 and 2 stand part of the Bill.

Clerk: Head 42, Information Technology and Logistics Department, subheads 1 and 2.

910

Mr Chairman: That is in relation to head 41, or are we talking about head 42?

Hon. R M Clinton: Thank you, Mr Chairman. The same area, subhead 2(8), Consultancy Services. In this case, I would be interested to know what sort of difference in consultancy services would be offered under this head compared to the previous one.

915

Hon. A J Isola: Mr Chairman, those services are in respect of one individual who has worked with Government for a considerable period of time in software and has supported us in areas like income tax and other significant parts.

920

Hon. K Azopardi: Mr Chairman, on subhead 2(11), Maintenance Agreements and Licences, that figure of £5.2 million would be in respect of what kind of agreement?

925 **Hon. A J Isola:** This covers all of the agreements that ITLD manage, so for example data centres,
licence agreements with Microsoft, with Apple, with cybersecurity firms that also provide us with
their expertise – primarily licence agreements for different software that we use. There is a whole
list of them that the Government uses across the board, including for example with the Police,
with Customs, ASYCUDA. There are licence fees across the whole of the Government that come
930 from this subhead but include stuff like cybersecurity work that we contract directly with different
firms. So it is a very significant chunk and the largest part of the work that ITLD manage in terms
of providers.

Mr Chairman: Head 42, Information Technology and Logistics Department, subheads 1 and 2
stand part of the Bill.

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

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

Clerk: Head 44, Financial Services, subheads 1 and 2.

940

Hon. R M Clinton: Mr Chairman, subhead 2(8) Consultancy Services – if we could have some
information as to the nature of those consultancy services.

945 **Hon. A J Isola:** Yes, Mr Chairman, these are contract officers within the department and also it
includes a separate individual who works with us on Moneyval and the National Risk Assessment
specifically – the NRA that we started some four years ago in preparation for Moneyval.

Hon. R M Clinton: Mr Chairman, just to be clear, I think I got two answers in one. I asked
specifically on 2(8) and I think he has mentioned 2(12) as well. Are they different functions?

950

Hon. A J Isola: Well, there is a contract officer in Contract Officers and there are also other
individuals who are working as senior executives in Gibraltar Finance who come under consultancy
services, as well as the National Risk Assessment individual I referred to as well.

955 **Mr Chairman:** Head 44, Financial Services, subheads 1 and 2 stand part of the Bill.

Clerk: Head 45, Gambling Division, subheads 1 and 2.

960 **Hon. R M Clinton:** Mr Chairman, if we start with subhead 1, Salaries seems to have decreased –
£140,000 total payroll, to £104,000. I was trying to see if it is explained by the GDC, but it does
not seem to be.

Hon. A J Isola: Mr Chairman, that is in relation to one vacant HEO post that has not been
funded.

965

Hon. R M Clinton: Mr Chairman, on subhead 2(12), Application of Funds from Regulatory
Settlements, £77,000 as a charge – I wonder if we could have some clarity as to why it is showing
as a charge. If it is funds from regulatory settlements, I would imagine money coming in – and this
is money going out somewhere, I guess.

970

Hon. A J Isola: Mr Chairman, this is regulatory fines. This is part of a series that were entered
into by the regulator with the benefit of some of those sanctions going to the Centre of Excellence
at Gibraltar University for responsible gambling courses and to fund the Centre of Excellence. So
the moneys have come in either directly to the University and then been booked back to be

975 corrected, or through the Consolidated Fund as a charge to the firm and then paid to the
University, which is what we did with these – a part of the regulatory sanctions. Not all regulatory
sanctions go to the University. The bulk of them actually come into the Consolidated Fund like it
normally would, but there are some ... The initial ones we did, I think, some time ago, related to
980 these, where some firms committed, as part of that regulatory agreement settlement, to send x
number of people to do AML and other courses at the University.

Hon. R M Clinton: Mr Chairman, I am grateful to the Minister. Would the Minister be able to
point me quickly, on the revenue pages, to where the fine would be?

985 **Hon. A J Isola:** No, I would not, Mr Chairman. The regulatory settlements which were made
originally were improperly booked and that was subsequently corrected, and I think this is the end
of that correcting process.

Hon. R M Clinton: Mr Chairman, can he perhaps provide a little bit of flavour to what he means
990 by ‘improperly booked’? Was it booked to the wrong income subhead, or was it offset against
something?

Hon. A J Isola: Mr Chairman, if he looks at page 11, subhead 5, under Other Reimbursements,
I am advised that is where these receipts are paid into.

995 In respect of the comment that I made, which he just raised, what happened was that, in good
faith, payments were made directly from firms to the University and did not come through the
Consolidated Fund, and therefore we corrected that to ensure that it was booked properly.

Mr Chairman: Head 45, Gambling Division, subheads 1 and 2 stand part of the Bill.

1000

Clerk: Head 46, Health and Social Care, subheads 1 and 2.

Hon. K Azopardi: On subhead 2(4), Secondment, can the Minister perhaps explain what that
1005 secondment of £86,000 would be?

Hon. A J Isola: Mr Chairman, yes, that is one individual who is seconded to the GHA and
working in operations at the Hospital operations – not surgical operations, (*Laughter*) nothing to
do with clinical, but the management operations, if I can call it that, at the GHA.

1010 **Hon. K Azopardi:** But seconded with a view to temporary assistance to the administrative
management, or because there is going to be a job created in the operational management of the
GHA?

1015 **Hon. A J Isola:** There was an individual in post who was going through an administrative
process, and so this individual was seconded in to provide that level of support during that time
and that will hopefully then be corrected at the earliest opportunity.

Hon. R M Clinton: Mr Chairman, just to follow up on that, seconded ... Is this from a
1020 professional firm? Is it legal services, accountancy services, or is it something else?

Hon. A J Isola: No, seconded internally from within Government. To be accurate, from an
agency – (**A Member:** A government agency.) a government agency. Not a lawyer, not an
accountant.

1025 **Mr Chairman:** Head 46, Health and Social Care, subheads 1 and 2 stand part of the Bill.

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

1030 **Mr Chairman:** Head 47, Gibraltar Health Authority Elderly Residential Services Section, subheads 1 and 2 stand part of the Bill.

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

1035 **Mr Chairman:** Head 48, Care Agency, subheads 1 and 2 stand part of the Bill.

Clerk: Head 49, Drug and Alcohol Awareness and Rehabilitation Services, subheads 1 and 2.

1040 **Mr Chairman:** Head 49, Drug and Alcohol Awareness and Rehabilitation Services, subheads 1 and 2 stand part of the Bill.

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

1045 **Hon. K Azopardi:** Mr Chairman, just to confirm, on head 50, subhead 2(3), Additional Contribution, the lower figure – is that reflected by the fuel costs issue?

Hon. A J Isola: Mr Chairman, all the variations are detailed on page 240, which give rise to that number that the hon. Member has asked me about – within the green pages of the GEA at page 240.

1050 **Hon. K Azopardi:** Yes, I see that under (18) they are expecting lower fuel costs of about £3.7 million on current estimates. Do you want me to repeat it because you did not hear it? I can see, at page 240 on item (18), that they are reflecting possible lower fuel costs of about £3.7 million on current estimates.

1055 **Hon. A J Isola:** Mr Chairman, under Other Recurrent Expenditure there are a series of costs which are significantly reduced from the forecast to the estimate, which is what the hon. Member is asking me about on page 144. That is not the singular difference. There are others which have a difference which are reductions, not just in fuel, which is one of them, but then in Additional Generating Capacity Fuel Costs, and Additional Generating Capacity Other Costs in subheads (24) 1060 and (25) there are further reductions. If you add those up, that will give you the difference that he is referring to on page 144.

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

1065 **Clerk:** Head 51, Business, subheads 1 and 2.

Mr Chairman: Head 51, Business, subheads 1 and 2 stand part of the Bill.

Clerk: Head 52, Tourism, subheads 1 and 2.

1070

Hon. D J Bossino: Mr Chairman, can I take the Minister to subhead 2(11), Hotel Grading? Is that a service which is outsourced, firstly? And secondly, can he explain why the forecast outturn is £2,000, but then he is estimating it to go back to the 2022-23 estimate of £8,000?

1075 **Minister for Business, Tourism and the Port (Hon. V Daryanani):** Yes, Mr Chairman, this service is outsourced. We get experts from the UK who do this.

1080 The reason why the forecast outturn was lower and the estimate is higher this time around is because, due to COVID, we have not had a proper regrading and we are going back. So if he goes back to the actual of 2021-22, he will see that approximately £14,000 was spent over two years. That is £7,000 a year, so we are going back to more or less those levels.

Mr Chairman: Head 52, Tourism, subheads 1 and 2 stand part of the Bill.

1085 **Clerk:** Head 53, Postal Services, subheads 1 and 2.

Mr Chairman: Head 53, Postal Services, subheads 1 and 2 stand part of the Bill.

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

1090 **Hon. K Azopardi:** Only to ask, Mr Chairman, on subhead 2, Contribution from Revenues Received – the reduction there would be attributable to what?

1095 **Hon. V Daryanani:** Mr Chairman, I think there have been some changes, and as I described in my Budget speech, one of the most important issues was the OS35. That affected a lot of the Port's operations for a crucial five to six months and I think it is primarily due to that.

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

1100 **Clerk:** Head 55, Maritime Services, subheads 1 and 2.

Mr Chairman: Head 55, Maritime Services, subheads 1 and 2 stand part of the Bill.

Clerk: Subhead 56, Gibraltar Audit Office, subheads 1 and 2.

1105 **Mr Chairman:** Head 56, Gibraltar Audit Office, subheads 1 and 2 stand part of the Bill.

Clerk: Clause 3 –

1110 **Mr Chairman:** Can I just interject to say clause 2 stands part of the Bill?

Clerk: Clause 3. Head 58, Contribution to Government-Owned Companies, subhead 1.

1115 **Mr Chairman:** Clause 3, head 58, Contribution to Government-Owned Companies, subhead 1 stands part of the Bill.

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

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

1120 **Clerk:** Head 60, Contribution to the Improvement and Development Fund, subhead 1.

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

Clause 3 stands part of the Bill.

1125 **Clerk:** Clause 4. Head 61, Exceptional Expenditure, subhead 1.

Mr Chairman: Clause 4, head 61, Exceptional Expenditure, subhead 1 stands part of the Bill.

Clause 4 stands part of the Bill.

1130

Clerk: Clause 5. Head 57, Supplementary Provision, subhead 1.

Mr Chairman: Clause 5, head 57, Supplementary Provision, subhead 1 stands part of the Bill.
Clause 5 stands part of the Bill.

1135

Clerk: Clause 6, the Improvement and Development Fund. Head 101, Works and Equipment, subhead 1.

1140

Hon. K Azopardi: Mr Chairman, can I ask on Royal Gibraltar Police, the forecast outturn £122,000 this year, £750,000 – that would be related to ...? What type of works and equipment would be required by the Police?

1145

Hon. Chief Minister: Mr Chairman, it is the whole gamut of police equipment, so he is going to find everything from the vehicles, the marine expenses, the Kevlar for the body armour, the bullets and all the rest of it. All of that will be around there.

Do you want more detail? Transport is £60,000, more or less; IT equipment, £25,000; building works, £5,000; furniture and equipment, £2,500; special equipment, £120,000; firearms, £44,000; and marine, about £450,000 – marines are the expensive ones.

1150

Hon. K Azopardi: And the marine one is what, a new launch or something?

Hon. Chief Minister: It is either works, Mr Chairman, or replacement of the *Sir Joshua Hassan*, which is the smaller ... not the fast one.

1155

Hon. D J Bossino: Mr Chairman, why the increase under the head for beaches, which is (r)(i)?

Hon. Prof. J E Cortes: That is the operational budget that the department responsible for it utilises, and you will have seen that there has been an increase because there is an intention to do additional works on some of the beaches for further improvements.

1160

Hon. K Azopardi: On (za), just at the bottom of the page, the new servers for ITLD – is that new servers for the Government itself, or is it something else?

1165

Hon. A J Isola: Yes, Mr Chairman, these are the new servers. We have had to replace the existing ones that have been in situ, I think, for five years. These are the new ones coming to replace them.

1170

Hon. K Azopardi: And at (z), the Government Computerisation Programme, that is part of a rolling programme? I see that in previous years – last year £450,000, the year before that, £2.7 million. Is that part of some overall programme? And what is the overall cost of that programme, if it is a programme?

1175

Hon. A J Isola: Mr Chairman, I would have to get precisely what these amounts relate to because they are part of the overall programme, but it is divided up, so I would not be able to say what capital costs these are in respect of, but I can certainly get that to the hon. Member.

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

Clerk: Head 102, Projects, subhead 1, Roads and Parking Projects.

1180

1185 **Hon. K Azopardi:** Mr Chairman, perhaps an explanation of the forecast outturn in tunnels and roads to North Front, the £6.1 million spent this year – a better understanding of that and the increase over the estimate for last year. It is £1.6 million more than last year. And then why it is envisaged that it will cost £2 million. Is that a balance to complete? What kind of project are we talking about?

1190 **Hon. Chief Minister:** Mr Chairman, this is leftover works in the context of the tunnel. It is all of the remaining areas leading up to the tunnel and the works that will need to be done, some of it in the area of the Airport and the Frontier, on that side of the tunnel.

Hon. K Azopardi: Oh, I see, this is the Kingsway Tunnel, is it, the balance of that? I see. Okay. Did I understand correctly that that also goes for the £2 million for this year? That is a balance for Kingsway?

1195 **Hon. Chief Minister:** Yes, Mr Chairman, there are works to be done still on the Frontier side. The hon. Gentleman will see there is a temporary layout there. That will need to be finalised. I think we have taken the view that we were not going to totally finalise that until we decided whether or not there was going to be work that was treaty related which would change the way that the layout is proposed at the moment, so that is related to that.

1200 **Hon. K Azopardi:** The Minister, by the way, is blinding me with his torch.

Mr Chairman: Carry on to subhead 2, Mr Clerk.

1205 **Clerk:** Subhead 2, Relocation Costs.

Hon. K Azopardi: On Other Relocations, which this year has £1 million booked, is that an amount which they will use for relocations without a specific relocation in mind, or is it planned for specific relocations?

1210 **Hon. Chief Minister:** Mr Chairman, this is a list of potential relocations which, depending on when they might happen, would require much more considerable expenditure than that set out there already. But they are never likely to occur in this financial year and so the amount given is about a fifth of the amount that would be required for all of the relocations that are on the head-up display of the CTO.

Clerk: Subhead 3, Reclamation Projects.

1220 **Hon. K Azopardi:** Again, Mr Chairman, can we have an understanding of that? Is that ongoing reclamations; and, if so, is it only part of the cost?

Hon. Chief Minister: Mr Chairman, this is the cost associated with the manner that we are dealing with Victoria Keys at the moment, which includes rubble processing, the movement of the Eastside rubble processing facility to the Coaling Island area, erosion protection for the Coaling Island reclamation etc.

Hon. K Azopardi: I see, so how much of the forecast outturn for last year was due to the same things – Victoria Keys, movement of the rubble, the Eastside, etc?

1230 **Hon. Chief Minister:** Mr Chairman, I do not actually have a breakdown of the forecast outturn for last year, I have just got a global figure, but I think it is because it is exactly that. I think it is the bulk of the work. He will see that a lot of the area in front of Coaling Island has already been reclaimed. The bulk of the work there has been done for that amount of money, and this is the balance that we expect to spend this year as a Government. There are other options of how that is going to continue at no cost to the Government.

1235 **Hon. K Azopardi:** But this provision does not contain provision for any other reclamation, other than that one? There is no provision for reclamations that they had in their political manifesto, for example?

1240 **Hon. Chief Minister:** Other reclamations that we had in our political manifesto because Victoria Keys was in our manifesto. Yes, there is a token in there in respect of that other potential reclamation, which provides enough cover for the technical work that is being done in respect of that.

1245 **Clerk:** Subhead 4, Other Projects.

Hon. D J Bossino: Mr Chairman, I will group these together for the Minister for Heritage. Could I ask for further details on (a), (d) and (g)?

1250 **Hon. Prof. J E Cortes:** (a), (c) and (g), I believe – is that what the hon. Member said, (a), (c) ...? (**Hon. Miss S J Sacramento:** (d)) Okay, thank you.

The Heritage Building Refurbishments is an amount which is available for use at the request, obviously with government agreement, of the Government Archaeologist for any works that may be required that he may identify.

1255 Item (d) is for a number of projects in the Upper Rock, which includes, this year, the provision of additional picnic sites.

The Garrison Library is structural work, including completion of electrical rewiring that was deemed to be necessary, obviously for good reason – we want the electrics to be good and safe. That is going to take the bulk of that, as well as some other improvements to the building.

1260 **Hon. D J Bossino:** That was very interesting, but I asked for (g), which is Heritage Projects, not Garrison Library.

1265 **Hon. Prof. J E Cortes:** Similar to the refurbishment one, this is the budget that the Archaeologist, with whom I meet every week, has available. We cannot predict exactly what may come up, but some of that will go to completing the works at Southport Gates and any other similar restoration works that the Archaeologist may deem are important to be carried out.

1270 **Hon. D J Bossino:** I thought it would be useful to have two further items, which I would like to ask. In this case it will be the Minister for Housing, I assume, which is (p) Infrastructure Provision for Housing Projects. What is envisaged there?

1275 **Hon. S E Linares:** These are works that need to be done in infrastructure for the housing estates – for example, Hassan Centenary Terrace, Bob Peliza and Chatham – and there is a value to each one of them which amounts to the £1.5 million that is there.

1280 **Hon. D J Bossino:** And my final point under this head is (s) because that deals with what would probably fit best the description he has just given in relation to (p), which is infrastructure provision for new developments. Can he explain what that relates to and how it distinguishes from (p)?

Hon. S E Linares: That they are not for the affordable homes. They might be for other projects like the Eastside, or any other places the infrastructure is needed.

1285 **Hon. E J Reyes:** Mr Chairman, if I can ask, in respect of subsection (zzg), the Island Games Facilities, is this in connection with the facilities for the Island Games of four years ago? I thought those projects were now complete. Perhaps we can have some clarification about the £265,000.

1290 **Hon. S E Linares:** These are probably works that need to be completed in Lathbury because if it is CSL, it will be the GSLA. The CEO of the GSLA would be handling this amount, so I would suggest that it is to do with works that might be needed to be done in Lathbury – finished or to complete.

1295 **Hon. E J Reyes:** Mr Chairman, how can I refer to this ...? At the very end, after the subparagraphs, there is a list of projects without actually being sub-numerated, but five from the end there is a section on boat moorings for which the last expenditure was in 2021-22. I am sorry, there has not been expenditure. Does that mean that there is no provision being made for the boat moorings that I alluded to during the Second Reading when I asked where we could find the expenditure earmarked for the Watergardens small boats marina? My understanding is the Minister has met the users there and has promised them continuously, but he said we had to wait for this next financial year for the project to get going, which was imminent – but I still have not found the expenditure allocated for it.

1305 **Hon. Chief Minister:** No, Mr Chairman, that is not the head for that. That is a discontinuing head. The ones that appear later in italics are the discontinuing heads. I think that Boat Moorings comes from something else that was done many years ago and is now just being shown as ending. The Watergardens marina, I think, is not dealt with here in these projects. I think it was dealt with through the Port Authority.

1310 **Hon. E J Reyes:** I think I have understood that the Chief Minister is saying that under the Consolidated Fund estimate there is a section in the Port Authority for upkeep of premises and so on. Is that the area he is referring to?

Hon. Chief Minister: Port Authority expenditure. It is not I&D expenditure.

1315 **Hon. R M Clinton:** Mr Chairman, subhead 4(zh), which is described as UK/European Treaty Joint Facility with a footnote that says ‘Up to 2021/22 titled “Airport Shared Office Facility”’, cost of £387,000 outturn in 2022-23 – I was just interested to know why this project has been renamed. Is the facility no longer at the Airport?

1320 **Hon. Chief Minister:** No, it has been renamed because it is now very likely to be referred to in the treaty, not just in the New Year’s Eve Agreement.

1325 **Hon. R M Clinton:** Mr Chairman, I do not see what that has to do with the Improvement and Development Fund projects. Why would the way something is referred to in a treaty affect how these projects are labelled? Perhaps there is something I am missing.

1330 **Hon. Chief Minister:** You are not missing anything. Mr Chairman, how these projects are labelled is a matter for the Government, and the Government has decided that because it is likely to be referred to in the treaty, although it is still going to be at the Airport in exactly the same way as it was set out in the New Year’s Eve Agreement, a more appropriate description going forward is to refer to the treaty which will engender the existence of it.

Hon. R M Clinton: Mr Chairman, the cost of £387,000 – how far is it to completion, this facility?

1335 **Hon. Chief Minister:** It has not been started yet, Mr Chairman. That is just the works that were needed to be done in respect of the infrastructure below the Airport in the event that we are to build this facility.

1340 **Hon. D J Bossino:** May I also ask what the cost in relation to (zi) relates to? It says Relocations Associated with Affordable Housing Projects. Which relocations are we talking about? There is £1 million which has been associated with it.

Hon. Chief Minister: The relocations in part, Mr Chairman, of areas like AquaGib, which needs to go to another site, which will include intakes etc. to make more space for the second phase of Bob Peliza Mews.

1345 **Hon. D J Bossino:** And, Mr Chairman, (zq), which is described as the refurbishment of the ex-St Martin's School. Given that the Possibility Centre is now opened, why is there a need for £450,000 to be spent this year?

1350 **Hon. Chief Minister:** Because it was opened this year, Mr Chairman. The year started on 1st April.

Hon. K Azopardi: Mr Chairman, on (zs), the Sustainable Traffic and Transport Parking Plan, the £1.2 million projection – is that largely the cycle lanes, or is it other things?

1355 **Hon. P J Balban:** Mr Chairman, that includes the bicycle lanes, but it also includes any other project which falls under the STTPP.

Hon. K Azopardi: So is there some kind of breakdown of how the £1.2 million would be used?

1360 **Hon. P J Balban:** Mr Chairman, it very much depends on the projects that are embarked upon, but the STTPP includes things like the residential parking scheme, of which we have done zones 1 to 4, but the intention was always that all of Gibraltar would be zoned and we would eventually have a zone 5 or a zone 6. A considerable amount of that funding will go towards the bicycle lanes because that is really the most important part of the project, something which has not been completed and is still ongoing and will be ongoing for many years. I expect that that would be, if not the lion's share, quite a substantial amount of that head in the future.

1365 **Hon. K Azopardi:** And on (zza), which is over the page, Eurocodes, can someone explain what that is?

1370 **Hon. Miss S J Sacramento:** Mr Chairman, the hon. Member may recall that in my Budget speech I made reference to the development of some codes that we need in terms of building regulations and codes, and I said that we would be prioritising looking at codes for earthquakes and high structures to ensure that they are safe against high winds. The hon. Member may recall that I said that in my intervention a couple of days ago.

Hon. K Azopardi: And the cost at (zzv) on the Mount, that is just a general refurbishment of the Mount, or is there any other specific intention there?

1380 **Hon. Deputy Chief Minister:** Mr Chairman, that refers to the ongoing refurbishment and restoration works which are going on at the Mount.

Clerk: Subhead 5, Equity Funding/Funding.

1385 **Hon. R M Clinton:** Mr Chairman, under subhead (5)(a) Equity Funding/Funding, Government-owned Companies, I would be grateful for information in respect of the £10 million outturn for 2022-23 in respect of which companies and what amount; and also, in respect of the estimate for 2023-24, what is it that the Government envisages that £10 million would be earmarked for?

1390 **Hon. Chief Minister:** Mr Chairman, this is general funding for the company structure where there is capital cost in the companies. This is how it is provided for. We provide the recurrent cost, as I gave him this morning. We provided a breakdown of the total recurrent cost that we have contributed to in the companies and also a breakdown of the capital costs that the companies have that we have contributed to, and this is a further £10 million that is going to be funded in that way for capital costs of the company structure.

1395 **Hon. R M Clinton:** Mr Chairman, he talks about capital costs but this is equity funding, so he has presumably subscribed for shares in government companies. All I want is identification of the companies and how much equity has been injected into each.

1400 **Hon. Chief Minister:** It has not yet been done, Mr Chairman.

Hon. R M Clinton: Mr Chairman, with respect, I was initially talking about the outturn for 2022-23, which does show £10 million.

1405 **Hon. Chief Minister:** Oh, he meant 2023-24, Mr Chairman? I thought he was asking me about 2023-24. The 2023-24 has not yet been done. It is money that is going to be spent.

1410 **Hon. R M Clinton:** I am sorry, Mr Chairman, we may be talking at cross purposes. Let's start at the beginning. The forecast outturn for 2022-23 shows £10 million as equity funding government-owned companies. Can the Government provide an analysis of what that £10 million has been spent on, in terms of equity? Otherwise, it is not equity.

1415 **Hon. Chief Minister:** Mr Chairman, the heading is not Equity Funding, the heading is Equity Funding/Funding. It is not just equity funding, it is being used as funding for capital projects, as I suggested to him. He has made the assumption that because the heading says Equity Funding/Funding, it has all gone to equity funding – another assumption of the sort that I illustrated could get them into so much trouble.

1420 **Hon. R M Clinton:** Mr Chairman, I am just trying to understand where this £10 million has gone. So this £10 million, presumably the Chief Minister can confirm that it is not equity funding but it is for capital costs, in which case, can he advise, at least, to which entity this £10 million went, or entities?

1425 **Hon. Chief Minister:** Mr Chairman, as he knows, we do not give a breakdown of the moneys in the government cash pool of the companies, and when we do capital projects we do not give a breakdown of which of the companies the capital projects have been carried out by. We have never given it; neither did they.

1430 **Hon. R M Clinton:** Mr Chairman, I am obviously not going to get any joy on that. Can we move to the estimate for 2023-24? Is any of that equity? Or is it, as the Chief Minister describes, again, for funding of capital projects in government-owned companies?

1435 **Hon. Chief Minister:** At the moment, Mr Chairman, it may be one, both or either, so I think it is likely that it will be capital projects rather than equity funding, but it could be some equity funding as well.

Hon. R M Clinton: And finally, Mr Chairman, in terms of AquaGib, is any of the cost of the acquisition of AquaGib envisaged in that item for 2023-24? Or is there some other mechanism that is envisaged by the Government to acquire AquaGib by way of financing?

1440 **Hon. Chief Minister:** There is another mechanism envisaged, Mr Chairman, which may not involve financing.

1445 **Hon. D A Feetham:** Just one question from me, Mr Chairman. Returning to the £10 million, at least can he confirm that that initially goes to Gibraltar Investment Holdings Ltd and then, from there, it is dispersed through the rest of the Government, the corporate structure? Or is that £10 million, without identifying the companies, going to separate companies?

Hon. Chief Minister: It usually does, Mr Chairman, but it does not have to.

1450 **Clerk:** Subhead 6, Brexit Measures.

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

1455 **Clerk:** Clauses 7 and 8.
Appendix B, the Gibraltar Development Corporation.
Appendix C, Borders and Coastguard Agency.
Appendix D, Housing Works Agency.
Appendix E, Gibraltar Sports and Leisure Authority.

1460 **Hon. E J Reyes:** Mr Chairman, in subhead (23), under Swimming Pool Expenses, given that we now have two swimming pools, is that a combined total for both, or are they accounted for separately?

1465 **Hon. S E Linares:** No, Mr Chairman, it accounts for both at the moment. The hon. Member must understand that the Lathbury pool is very much automated and everything is done by computer, so it does not have a lot of expense, as in running expense, when it is to do with the expenses of the pool.

1470 **Hon. E J Reyes:** Yes, I understand that part of the automated ... but given the substantial figure – the forecast outturn for last year was £350,000 and now we are making a prediction of £360,000 – the expenses will relate to what? Surely, no matter how much automation we may have up at Lathbury, if the day-to-day running and maintenance comes out of the swimming pool expenses – in the plural – I think there is very little provision being made to cater for an extra pool that is twice the size and twice the width.

1475 **Hon. S E Linares:** Mr Chairman, if the hon. Member looks at the actual 2021-22, it was up at £374,000, then it went to £360,000, which is the estimate, and it is expected to spend £350,00, and therefore ... Some works were done during that year because we had problems in the GASA. I remember the hon. Member asking me questions about why it was closed. That was why we had an extra expense that year, but we are hoping that we can keep to budget at £360,000.

Clerk: Appendix F, the Gibraltar Health Authority.

1485 **Hon. R M Clinton:** Mr Chairman, if I may, under Recurrent Payments, item 46, Maintenance Agreements and Licences, we have an amount of about £1.7 million, which seems to appear for

the first time as an estimate for 2023-24, and I would be grateful for some indication as to what that is in relation to.

1490 **Hon. Chief Minister:** Mr Chairman, this is a new subhead which shows what was previously included under head 21 on computer and office equipment expenses, which, if the hon. Gentleman looks at it, had an outturn last year of £1.8 million and now has £220,000. The balance has come here – the £1.689 million is the balance of that – because we took the view that because it is a different sort of expense, it is actually a licence agreement, it should be booked differently.
1495 It was not a computer and office expense of the sort that we book elsewhere. The licences are usually provided for elsewhere.

I do not know whether the shadow Member for Health would have spotted that because he is not here today – he was not here for the reply and he is not here for the Committee Stage – but I think it is something that we have discussed before in questions.

1500 **Hon. R M Clinton:** Mr Chairman, I note, on line 35, that Compensation and Legal Costs was about £1.1 million for 2022-23, but obviously we pay quite hefty insurance, in line 38, of about £4 million. I vaguely remember – and I could be wrong – that there is an Insurance Sub-Fund that was created. I cannot remember whether the GHA is contributing to that or has its own external insurance. If not, why would that not cover any claims?
1505

Hon. Chief Minister: No, the Insurance Sub-Fund is for the Government to be self-insuring in most of what it does, but not the GHA. The GHA is a separate insurance, Mr Chairman.

1510 **Hon. R M Clinton:** In which case, the compensation paid out under line 35 obviously ... I guess the answer must be that it just is not covered by the insurance.

Hon. Chief Minister: Obviously.

1515 **Hon. R M Clinton:** Mr Chairman, in line 41, Rents and Service Charges, that seems to have gone up from £280,000 to £405,000 in the year forecast – if we can have some idea as to what that relates to?

1520 **Hon. Chief Minister:** Mr Chairman, yes, this is 15 premises that are booked, on which we pay rent – a catering container and portacabins etc., file storage, Brexit storage and some Rock vaults.

Hon. R M Clinton: Sorry, Mr Chairman, I did not hear him very well. The last word he said was Rock something?

1525 **Hon. Chief Minister:** Rock vaults.

Hon. R M Clinton: And the GHA is renting the space to store records or some other equipment?

1530 **Hon. Chief Minister:** I think there was a lot of the material there for COVID which was stored, Mr Chairman, and maybe some of the beds, some other material. I think we took this area during the pandemic because of the additional huge amounts of equipment we had to buy, and it had to be stuff that would not be perishable and stuff that would be able to be maintained in those areas.

1535 **Clerk:** Appendix G, Gibraltar Health Authority, Elderly Residential Services Section. Appendix H, the Care Agency.

Hon. K Azopardi: Mr Chairman, can I ask about item 29, Home Support – Supported Living in the Community, and the reason why the Government is projecting that estimate given the forecast outturn of £4.3 million last year and an estimate of £3 million?

1540

Hon. A J Isola: Mr Chairman, clearly, supported living in the community is a transitional stage, in most cases, and the estimate is based on what the experts in the Care Agency are telling us they are going to be requiring for the forthcoming 12 months.

1545

Clerk: Appendix I, Gibraltar Electricity Authority.

Hon. R M Clinton: Mr Chairman, if I may, on item 27, Contribution to ES Ltd – Operating and Maintenance Contract, I note that 2021-22 is £1½ million, 2022-23 is £2 million, and then 2023-24 seems to be £2½ million. There seems to be a pattern of an increase of £½ million a year. Can the Government shed some light as to for how long ...? Is it a schedule or contract in which there will be annual increases of half a million? And, if so, for how long?

1550

Hon. A J Isola: Mr Chairman, we do not have that information available with us, but I will be happy to get that information and pass it on to the hon. Member. It is clearly a contract. I do not know enough about the schedule to detail the answer, so I would rather err on the side of caution and get the right information.

1555

Hon. R M Clinton: Mr Chairman, I appreciate that.

And the line item above it, item 26, Contribution to ES Ltd – last year it was £11½ million and this year it is projected at £12½ million. I imagine it may be the same, in terms of some sort of contractual arrangement, but a million increase just seems to be a lot.

1560

Hon. A J Isola: Mr Chairman, I would say the same as in respect of the previous one. I am not sure how the funding arrangements are caught within that. ES Ltd is the company that owns the unit and obviously funds it, so I do not know if it is relating to increased interest costs, but again, I will come back and revert.

1565

Hon. R M Clinton: Mr Chairman, on item 17, GHA Related Expenditure, I note that there was an amount of £25,000 estimated last year and again for this coming year, but nothing was expended. Does the Government have an indication of what sort of GHA-related expenditure the Electricity Authority would have incurred?

1570

Hon. A J Isola: Yes, Mr Chairman, this relates to protective clothing and training in respect of the members of the GEA who work within the GHA, within what we call the Techno-Medical Division, which is members of staff of the GEA who are seconded to the GHA and work in the Hospital, maintaining, operating and repairing all the electro-technical equipment they have within the Hospital. It was not used last year and obviously it is being continued for this year.

1575

Clerk: Appendix J, Gibraltar Port Authority.

1580

Hon. E J Reyes: Mr Chairman, if I reference back to what I asked earlier on about the small boats marina at the Watergardens and I was asked to look under this section, would the expenditure earmarked for that one come under subsection (14), Maintenance of Port Installations and Equipment, or is it accounted for somewhere else?

1585

Hon. V Daryanani: Mr Chairman, it comes under Capital Account Payments, Works and Equipment.

1590 **Hon. E J Reyes:** So there is a £399,000 provision made for that. Is that the whole sum exclusively for the marina?

Hon. V Daryanani: We still do not have the exact cost of the marina, so it might be, or it might not be.

1595 **Hon. R M Clinton:** Appendix B to Appendix J stand part of the Bill. Clauses 7 and 8 stand part of the Bill.

Clerk: The Schedule.

1600 **Mr Chairman:** The Schedule stands part of the Bill.

Clerk: The long title.

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

**Appropriation Bill 2023 –
Third Reading approved: Bill passed**

1605 **Clerk:** The Hon. the Chief Minister.

Chief Minister (Hon. F R Picardo): Mr Speaker, I have the honour to report that the Appropriation Bill 2023 has been considered in Committee and agreed to without amendment. I now move that it be read a third time and passed.

1610 **Mr Speaker:** I now put the question, which is that the Appropriation Bill 2023 be read a third time and passed. Those in favour of the Appropriation Bill –

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

1615 **Mr Speaker:** A division is being called.

Voting resulted as follows:

FOR

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

AGAINST

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

ABSENT

Hon. Ms M D Hassan Nahon
Hon. G H Licudi
Hon. E J Phillips

1620 **Mr Speaker:** The result of the division is as follows. There were 9 votes in favour, there were 5 against, and there were 3 non-attendances. The Bill is carried. *(Interjection, laughter and applause)*

Hon. Chief Minister: By almost two to one, Mr Speaker.

1625 I move that the House should now adjourn to tomorrow at three in the afternoon, when the Government intends to continue to deal with Bills. I will give the hon. Member an indication of which are the Bills that we intend to take tomorrow, as soon as I am able to, hopefully in a few hours.

Mr Speaker: I now propose the question, which is that this House do now adjourn to Wednesday, 19th July at 3 p.m.

1630 I now put the question, which is that this House do now adjourn to Wednesday, 19th July at 3 p.m. Those in favour? (**Members:** Aye.) Those against? Passed.

This House will now adjourn to Wednesday, 19th July at 3 p.m.

The House adjourned at 7.06 p.m.